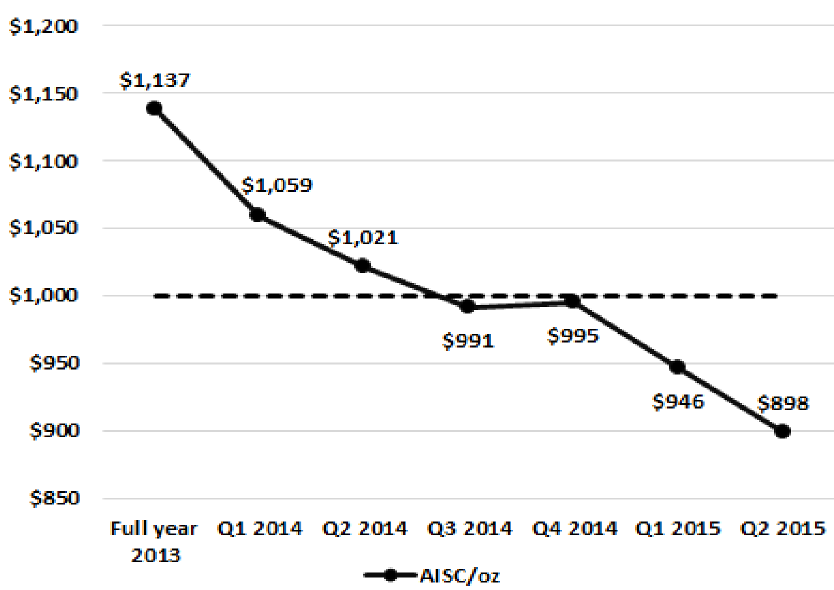
ENDEAVOUR MINING CORPORATION
Management's Discussion and Analysis of
Results of Operations and Financial Condition
For the three and six months ended June 30, 2015

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with Endeavour Mining Corporation's ("Endeavour" or the "Corporation") unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2015 and related notes thereto which have been prepared in accordance with International Financial Reporting Standards ("IFRS").This Management's Discussion and Analysis contains "forward-looking statements" that are subject to risk factors set out in a cautionary note contained herein. The reader is cautioned not to place undue reliance on forward-looking statements. All figures are in United States Dollars, unless otherwise indicated. Tabular amounts are in thousands of United States Dollars, except per share amounts and where otherwise indicated. This Management's Discussion and Analysis is prepared as of July 30, 2015. Additional information relating to the Corporation, including the Corporation's Annual Information Form, is available on SEDAR at www.sedar.com.

OVERVIEW

Endeavour is a Canadian listed intermediate gold producer with four operating mines in West Africa, currently producing at a combined rate of over 500,000 ounces per year. Our assets are comprised of the Agbaou Gold Mine in Côte d'Ivoire, the Nzema Gold Mine in Ghana, the Tabakoto Gold Mine in Mali, the Youga Gold Mine in Burkina Faso and the recently permitted Houndé Gold Project in Burkina Faso. For the three months ended June 30, 2015, we achieved record gold production of 131,165 ounces with an operating EBITDA[1] of $53.0 million. As of December 31, 2014, our mines and projects had Proven and Probable Mineral Reserves totaling approximately 4.5 million ounces.

Endeavour has made substantial progress in optimizing the performance of its mines, as demonstrated by the 21% decline in all in sustaining cost per ounce sold ("AISC") since 2013. AISC of $898 for the current quarter demonstrates continued significant improvements in our operations as well as the benefit of the favourable Euro exchange rate and the decline of crude oil prices. The Corporation is on track to meet its stated 2015 goal of achieving and maintaining AISC in the full year guidance of $930 - $980 per gold ounce sold.



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

For the six months ended June 30, 2015, record gold production of 254,909 ounces at an AISC of $922 generated an AISC margin of $72.2 million at a realized gold price of $1,205. Non-sustaining capital and exploration of $13.1 million leaves free cash flow before tax and financing fees at 59% of full year guidance.

	Actual Six-months to June 30, 2015	Full year 2015 Guidance range Mid-point
Gold production (ounces)	254,909	487,500
Gold sold (ounces)	254,464	487,500
Gold price (US$/oz)	$1,205	$1,200
	US$ M	**US$ M**
Revenue	$307	$585
Less: AISC costs	235	465
AISC Margin	72	120
Less: Non-sustaining capital & exploration	13	20
Free cash flow (before tax & financing costs)	$59	$100

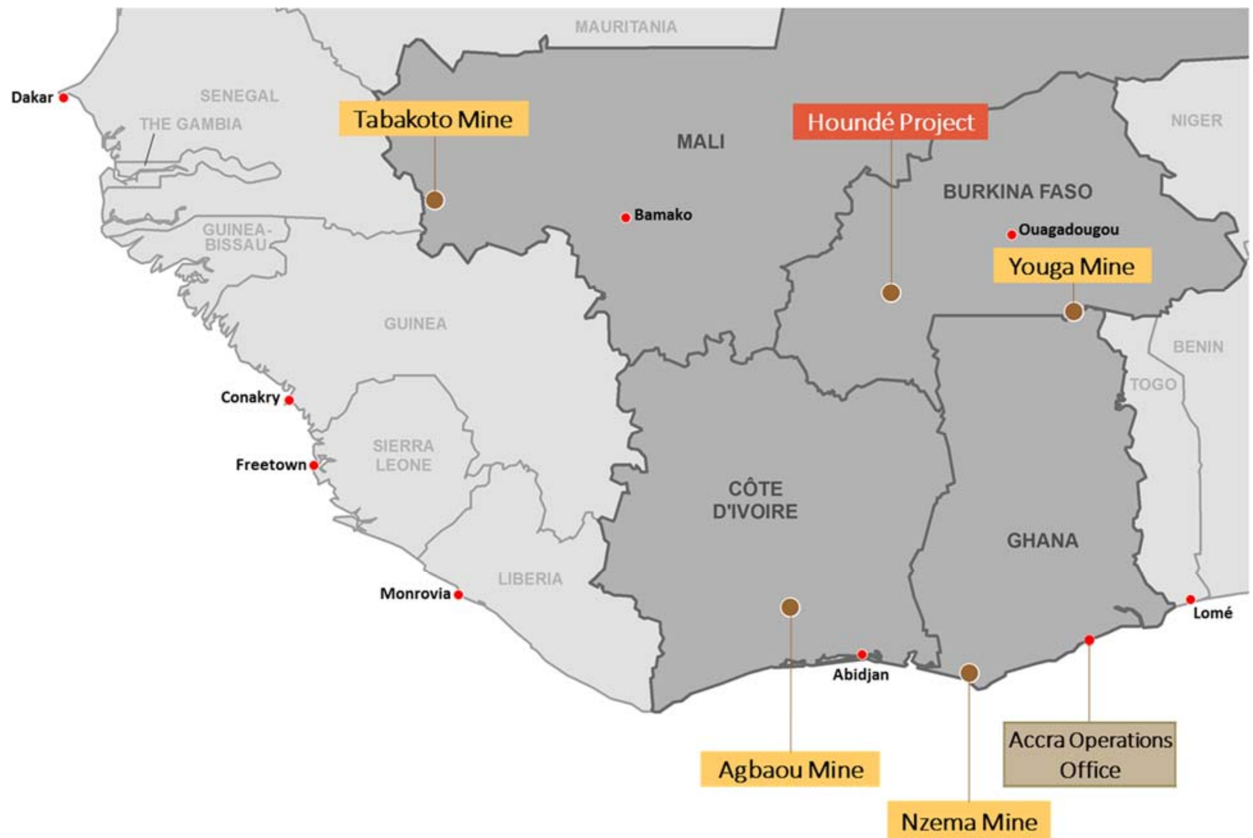
The Corporation continued its debt reduction program with a second $20.0 million voluntary repayment in July 2015 following $20.0 million repaid in April 2015. The Corporation's undrawn portion of the credit facility is $90.0 million, which remains fully available for general corporate purposes.

The fully permitted Houndé Gold Project continues to be the key growth project in our future plans. Currently our Construction Services Team is increasing our in-country presence and further developing and enhancing our government and local community relationships in Ouagadougou, and on-site at Houndé. Our community and social sensitization plans are well underway along with the implementation of human resource, financial and logistical support services that are necessary to be in place prior to project commencement. These early efforts and Endeavour's pre-project planning is being done to facilitate a potential construction decision near year end 2015, which will be taken considering factors including the gold price outlook.

In 2015, we have shifted from two years of executing a capital intensive strategy of optimizing our existing mines and building a new, longer life and higher margin operation, to maximizing cash flow and reducing net debt on our balance sheet. Only a limited amount of non-sustaining capital related to our existing operations is expected going forward as we focus on our loan repayment objectives, and additionally, only critical expenditures will be incurred at Houndé in 2015 before a potential construction decision is reached. Evaluating organic and strategic growth opportunities that benefit from our management and operational expertise is expected to continue.

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

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



HIGHLIGHTS FOR THE THREE MONTHS ENDED JUNE 30, 2015

- Record gold production of 131,165 ounces and sales of 129,614 ounces at an AISC of $898 compared to production of 122,517 ounces and 118,653 ounces sold at an AISC of $1,021 for the three months ended June 30, 2014.

- At Tabakoto, the operations team delivered a strong quarter with AISC of $990 and gold production of 39,574 ounces in comparison to 33,574 ounces in the first quarter of 2015. The new Kofi C open pit continued to deliver the expected higher grade, lower cost ounces to the Tabakoto plant. AISC at Tabakoto decreased significantly from $1,283 per ounce in the second quarter of 2014 to $990 for the second quarter of 2015, while the sustaining margin improved to $7.7 million in the current quarter from $0.2 million over the same period in 2014.

- The Agbaou Mine continued to outperform expectations producing 40,508 ounces of gold at an AISC of $619 per ounce, above guidance range in production and below guidance in AISC.

- Voluntary debt repayments against the existing revolving credit facility continued with a second $20.0 million paid in July following $20.0 million paid in April 2015.

- Operating EBITDA of $53.0 million was achieved in the quarter compared to $40.2 million achieved for the same period in the prior year.

- All-in sustaining margin of $38.2 million was achieved in the current period compared to $32.3 million in the prior period, which compares favourably with the full year mid-point guidance of $120 million. Cash generated from operating activities of $46.2 million compared to $25.3 million in the prior year comparable period.

- Non-sustaining capital investments decreased to $3.8 million from $16.0 million in the comparable prior year period as the Corporation transitions towards the end of its capital expenditure phase. Non-sustaining capital expenditure including exploration during 2015 is estimated at approximately $20 to $25 million and is indicative of the Corporation's commitment to generate free cash flow and reduce debt during 2015.

- Net earnings of $33.0 million resulted in earnings attributable to shareholders of the Corporation of $26.7 million or $0.06 per share, compared to $0.04 million or $0.00 per share for the comparable period in 2014.

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

	Three months ended June 30,		Six months ended June 30,	
Operating Data:	2015	2014	2015	2014
Gold ounces produced[1]:	131,165	122,517	254,909	228,429
Gold ounces sold[1]:	129,614	118,653	254,464	230,451
Realized gold price ($/ounce)	1,193	1,293	1,205	1,296
Cash cost per gold ounce sold ($/ounce)[2]	694	854	713	866
All-in sustaining costs per gold ounce sold ($/ounce)[2]	898	1,021	922	1,039
Sustaining capital (US dollars in thousands)[2]	12,739	6,462	26,692	12,231
Financial Data (US dollars in thousands)				
Revenues	154,629	153,398	306,694	290,609
Royalties	7,419	7,675	14,660	14,833
All-in sustaining margin[2]	38,230	32,274	72,162	57,544
Net earnings and total comprehensive earnings	32,997	952	50,538	9,901

[1] Gold ounces produced and sold in 2014 includes pre-commercial production ounces from the Agbaou Mine which achieved commercial production on January 27, 2014.

[2]Cash cost, AISC, sustaining capital and all-in sustaining margin are non-GAAP financial performance measures with no standard meaning under IFRS. Refer to the section Non-GAAP Measures. Throughout this MD&A, the Corporation excludes royalties in its calculation of cash costs.

OUTLOOK

2015 Corporate Objectives

Guidance remains unchanged from that disclosed as part of the MD&A for the year ended December 31, 2014. Endeavour has focused on optimizing current operations, as well as lowering overall costs to sustainable levels and improving cash flows at its producing gold mines. Endeavour is also advancing its Houndé Project, permitted early in 2015, for which the increased reserves and resources based on the 2014 exploration program highlight the significant value to be unlocked as Endeavour continues to demonstrate Houndé's robust economics. The potential development of Houndé would benefit from Endeavour's operating experience in Burkina Faso and recent construction experience in West Africa at Agbaou and Nzema. It is expected that the Houndé project can be built and self-financed from cash flows from existing and ongoing operations at a gold price of $1,200 or greater, together with lease financing and the use of our existing corporate credit facility. With significant investments completed in 2014 and the optimization of the operations showing benefits, Endeavour is focusing on the next stage of growing shareholder value.

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

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

Production, Cost and Investment Guidance for 2015

Endeavour's 2015 gold production guidance is between 475,000 and 500,000 ounces at an all-in sustaining cost of between $930 and $980 per ounce. The current rate of production is above this guidance for production and with costs below the range, a trend that is expected to continue. At a gold price of $1,200 per ounce and the mid-point of Endeavour's 2015 cost guidance range, this production generates an all-in sustaining cost margin of approximately $120 million. After non-sustaining capital of approximately $20 to $25 million, which includes exploration activities, free cash flow before tax and financing costs is expected at approximately $100 million and is being used to strengthen the balance sheet.

Production Guidance at mine level

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

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

2015 AISC/oz guidance by mine ($/oz)

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

2015 AISC margin and free cashflow (before tax and financing)

2015 Production (guidance range mid-point)		ozs	487,500
2015 AISC/oz (guidance range mid-point)		$/oz	$955
Revenue	$1,200 gold price	$ million	$585
Less: AISC costs		$ million	$465
All-in sustaining margin		$ million	**$120**
Non-sustaining capital and budgeted exploration		$ million	~$20
Free cashflow (before tax & financing costs)		$ million	**$100**

OPERATIONS REVIEW

Agbaou Gold Mine, Côte *d'Ivoire*

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

	Three months ended June 30,		Six months ended June 30,	
Operating Data:	2015	2014	2015	2014
Tonnes of ore mined (000's)	764	527	1,358	1,276
Average gold grade mined (grams/tonne)	1.82	2.35	1.95	1.84
Tonnes of ore milled (000's)	590	520	1,172	1,009
Average gold grade milled (grams/tonne)	2.15	1.78	2.30	1.77
Gold ounces produced:	40,508	31,878	85,831	55,964
Gold ounces sold:	40,078	29,499	85,616	57,519
Realized gold price ($/ounce)	1,195	1,295	1,211	1,302
Cash cost per gold ounce sold ($/ounce)[1]	482	671	441	638
All-in sustaining costs per gold ounce sold ($/ounce)[1]	619	728	597	693
Sustaining capital (US dollars in thousands)[1]	3,763	312	9,614	364
Financial Data (US dollars in thousands)				
Revenues	47,902	38,258	103,707	66,906
Royalties	1,732	1,377	3,683	2,483
All-in sustaining margin[1]	23,089	16,783	52,620	31,295

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

Agbaou continued its excellent performance during the second quarter. The soft nature of the oxide ore currently being processed continued in the second quarter and allowed above plan ore tons processed and higher recoveries to continue. AISC for the quarter of $619 ended well below the range of guidance of $690 to $740 per ounce as a result of the above planned grades continuing in the soft ores, high mill throughput and strong recoveries. This is expected to continue during the second half of 2015. Agbaou generated $30.7 million of operating cash flow and $20.9 million of earnings from mine operations.

Sustaining capital of $3.8 million for the quarter was primarily invested in the Tailings Storage Facility ("TSF") lift ($2.7m) and waste capitalization ($0.7m).

Building upon the success of the 2014 exploration program, Agbaou continued with its 2015 exploration program in the second quarter with the Corporation investing $2.5 million year to date into the conversion of Inferred resources to Indicated, as well as the generation of new targets in highly prospective areas in the vicinity of the mine. During the quarter approximately 4,000 meters were drilled at Agbaou, primarily in reverse circulation holes.

Nzema Gold Mine, Ghana

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

	Three months ended June 30,		Six months ended June 30,	
Operating Data:	2015	2014	2015	2014
Tonnes of ore mined (000's)	408	368	799	681
Average gold grade mined (grams/tonne)	1.72	2.05	1.71	2.05
Tonnes of ore milled (000's)	461	391	867	786
Average gold grade milled (grams/tonne)	2.48	3.13	2.44	2.94
Gold ounces produced[1]:	32,842	35,946	59,821	64,433
Gold ounces sold:	32,728	35,878	59,806	64,411
Realized gold price ($/ounce)	1,193	1,290	1,203	1,293
Cash cost per gold ounce sold ($/ounce)[2]	759	758	862	816
All-in sustaining costs per gold ounce sold ($/ounce)[2]	953	916	1,062	974
Sustaining capital (US dollars in thousands)[2]	4,140	3,098	7,859	5,478
Financial Data (US dollars in thousands)				
Revenues	39,041	46,265	71,953	83,281
Royalties	2,215	2,558	4,122	4,645
All-in sustaining margin[2]	7,837	13,401	8,420	20,545

[1] Includes purchased ore of 5,134 ounces and 15,255 ounces for the three and six months ended June 30, 2015, and 9,234 ounces and 19,257 ounces in the comparable periods in 2014.
[2] Sustaining capital, all-in sustaining costs and all-in sustaining margin are non-GAAP financial performance measures with no standard meaning under IFRS. Refer to the section Non-GAAP Measures.

Nzema had a significantly improved second quarter. AISC for the quarter of $953 ended below the range of guidance of $1,000 to $1,050 per ounce as Nzema showed significant improvement in reducing their AISC from $1,194 in the first quarter of 2015. Nzema generated $4.8 million of operating cash flow and $11.0 million of earnings from mine operations. Mining during the second quarter was primarily from the Adamus and Akango pits with a total of 408,190 tonnes of ore mined and utilizing purchased toll ore of relatively higher grades to optimize plant capacity and production. The current increased toll ore availability is strategically being used to improve the mine's economics including operating margins and preserving own reserves in-situ. It is expected that this strategy be further optimized for the remainder of the year.

Sustaining capital of $4.1 million for the quarter was primarily a result of waste capitalisation ($3.0 m) and the TSF lift project ($1.1 m).

Tabakoto Gold Mine, Mali

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

	Three months ended June 30,		Six months ended June 30,	
Operating Data:	2015	2014	2015	2014
Tonnes of ore mined - Open pit (000's)	145	157	261	263
Average gold grade mined - Open pit (grams/tonne)	3.93	2.80	3.64	2.89
Tonnes of ore mined - Underground (000's)	261	175	539	297
Average gold grade mined - Underground (grams/tonne)	3.16	3.90	3.13	4.20
Tonnes of ore milled (000's)	399	373	788	723
Average gold grade milled (grams/tonne)	3.30	3.21	3.09	3.23
Gold ounces produced:	39,574	36,408	73,148	69,880
Gold ounces sold:	38,487	34,916	72,928	70,323
Realized gold price ($/ounce)	1,191	1,290	1,201	1,292
Cash cost per gold ounce sold ($/ounce)[1]	801	1,133	864	1,145
All-in sustaining costs per gold ounce sold ($/ounce)[1]	990	1,283	1,055	1,302
Sustaining capital (US dollars in thousands)[1]	4,546	2,541	8,645	5,563
Financial Data (US dollars in thousands)				
Revenues	45,855	45,032	87,586	90,838
Royalties	2,743	2,686	5,238	5,432
All-in sustaining margin[1]	7,743	235	10,662	(7,188)

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

The Tabakoto complex, which includes the new Kofi C open pit, the Tabakoto underground mine, the Segala underground mine, and the Tabakoto mill delivered a significantly improved second quarter in comparison with that of the prior year comparable period. In the second quarter of 2015, Tabakoto's AISC of $990 per ounce decreased significantly from $1,127 per ounce in the first quarter of 2015 and $1,283 for the second quarter of 2014. The average guidance range for the year of $950 to $1,000 is comprised of higher AISC expected at the start of 2015, steadily decreasing through the fourth quarter as grades improve from all three sources of ore.

Tabakoto generated a positive sustaining margin of $7.7 million and $4.2 million of earnings from mine operations. Sustaining capital of $4.5 million for the quarter was primarily invested in Kofi C waste capitalization ($1.7 m) and underground development at Segala ($1.3 m) and Tabakoto ($1.1m).

Kofi C Deposit

The newly constructed 38 km road reached the Kofi C deposit in November 2014 and in mid-January 2015 ore from the Kofi C open pit mine was first hauled to the Tabakoto run-of-mine pad for processing. Kofi C contributed just under 16,000 ounces to gold production in the current quarter from approximately 145,000 tonnes of ore mined.

Tabakoto and Segala Underground Mines

A total of 125,000 tonnes of ore was mined from the Tabakoto underground mine in the current quarter, contributing to just under 12,000 ounces in gold production.

The underground operations team achieved improved grades from the new Segala underground mine in the current quarter versus the first quarter of 2015, with higher grade expected later in the year as operational flexibility provides access to deeper higher grade ore blocks. Additionally, overall production tonnage was up from the previous quarter, with just over 136,000 tonnes of ore mined versus 131,000 tonnes in the first quarter of 2015 and a contribution of over 11,000 ounces to gold production.

Tabakoto Exploration

During the second quarter of 2015, $1.0 million was spent on exploration at the Tabakoto complex which comprises the early stages of the 2015 exploration program.

Youga Gold Mine, Burkina Faso

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

	Three months ended June 30,		Six months ended June 30,	
Operating Data:	2015	2014	2015	2014
Tonnes of ore mined (000's)	457	344	750	671
Average gold grade mined (grams/tonne)	2.09	2.10	2.2	2.43
Tonnes of ore milled (000's)	259	242	506	493
Average gold grade milled (grams/tonne)	2.31	2.55	2.35	2.66
Gold ounces produced:	18,241	18,285	36,109	38,152
Gold ounces sold:	18,321	18,360	36,114	38,198
Realized gold price ($/ounce)	1,192	1,299	1,203	1,298
Cash cost per gold ounce sold ($/ounce)[1]	819	803	802	739
All-in sustaining costs per gold ounce sold ($/ounce)[1]	874	888	863	820
Sustaining capital (US dollars in thousands)[1]	290	511	574	826
Financial Data (US dollars in thousands)				
Revenues	21,831	23,843	43,448	49,584
Royalties	729	1,054	1,617	2,273
All-in sustaining margin[1]	5,811	4,294	12,293	11,817

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

Youga delivered another solid quarter with reliable gold production and AISC of $874 per ounce, considerably below guidance of $975 - $1,025 per ounce. With the completion of the higher grade Main pits at Youga, mining from the Zergoré pits have commenced in the second quarter of 2015 ensuring a continuous supply of ore to the processing plant. Youga generated $5.7 million of operating cash flow and $4.8 million of earnings from mine operations.

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

DEVELOPMENT PROJECT REVIEW

Houndé Project, Burkina Faso, Pre-construction stage

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

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

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

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

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

Houndé Gold Project is fully permitted and it is expected that it can be built and self-financed from existing operations at a gold price of $1,200 or greater, together with lease financing and the use of our existing corporate credit facility. Currently our Construction Services Team is increasing our in-country presence and further developing and enhancing our government and local community relationships in Ouagadougou, and on-site at Houndé. Community and social sensitization plans are well underway along with the implementation of human resource, financial and logistical support services that are necessary to be in place prior to project commencement. These early efforts and Endeavour's pre-project planning are being undertaken to facilitate a potential construction decision near year end 2015, which will be taken considering factors including the gold price outlook.

QUARTERLY AND ANNUAL FINANCIAL AND OPERATING RESULTS

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

	For the three months ended:			
(US dollars in thousands except per share amounts)	June 30, 2015	March 31,[1] 2015	December 31, 2014	September 30, 2014
Gold revenues	$ 154,629	$ 152,065	$ 147,744	$ 145,223
Gold ounces sold	129,614	124,850	123,354	114,082
Cash flows from operations	46,186	31,425	58,017	22,587
Earnings from mine operations	40,875	31,129	14,266	15,277
Net earnings (loss) and total comprehensive earnings (loss)	32,997	17,541	(340,157)	2,056
Net earnings (loss) attributable to shareholders of Endeavour Mining Corporation	26,677	12,715	(280,576)	1,859
Basic earnings (loss) per share	0.06	0.03	(0.68)	0.00
Diluted earnings (loss) per share	0.06	0.03	(0.68)	0.00

	For the three months ended:			
(US dollars in thousands except per share amounts)	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013
Gold revenues	$ 153,398	$ 137,211	$ 104,232	$ 121,054
Gold ounces sold	118,653	111,798	82,578	90,997
Cash flows from operations	25,266	21,746	(11,737)	25,116
Earnings (loss) from mine operations	22,913	23,461	(19,766)	7,235
Net earnings (loss) and total comprehensive earnings (loss)	952	8,953	(86,266)	(17,387)
Net earnings (loss) attributable to shareholders of Endeavour Mining Corporation	40	5,027	(74,719)	(15,266)
Basic earnings (loss) per share	0.00	0.01	(0.18)	(0.04)
Diluted earnings (loss) per share	0.00	0.01	(0.18)	(0.04)

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

(US dollars in thousands except ounces)	Year Ended December 31, 2014	Year Ended December 31, 2013	Year Ended December 31, 2012
Gold Revenues	$ 583,576	$ 443,314	$ 365,318
Gold ounces sold	467,887	318,505	218,887
Cash flows from operations	127,438	43,834	93,373
Earnings from mine operations	75,897	11,136	94,850
Net loss and total comprehensive earnings loss	(328,200)	(371,715)	(8,556)
Net loss attributable to shareholders	(273,650)	(332,456)	(15,486)
Basic loss per share	(0.66)	(0.81)	(0.06)
Diluted loss per share	(0.66)	(0.81)	(0.06)
Total assets	963,875	1,273,993	1,726,124
Total long term financial liabilities	343,468	327,411	310,600
Total attributable shareholders' equity	464,352	737,057	1,062,439

Three months ended June 30, 2015 compared to the three months ended June 30, 2014

Net earnings attributable to shareholders were $26.7 million, or $0.06 per share, compared to $0.04 million, or $0.00 per share, in the same period in 2014, attributable to the following components:

- Revenue for the second quarter of 2015 increased by $1.2 million to $154.6 million from $153.4 million in the same period in 2014. Gold ounces sold increased from 118,653 ounces in 2014 to 129,614 ounces for the second quarter of 2015. The realized price of gold per ounce for the second quarter of 2015 was $1,193 compared to $1,293 per ounce in the same period in 2014.

- Operating expenses for the second quarter of 2015 decreased by $11.7 million to $88.1 million due to the depreciation of the Euro against the USD affecting certain CFA input costs, the lower cost of diesel fuel, and the ongoing efforts in cost management in response to the low gold price environment.

- Depreciation and depletion for the second quarter of 2015 was $18.2 million compared to $23.0 million for the same prior year period in 2014 despite higher gold production, partially on account of lower mineral property values at the end of 2014.

- Earnings from mine operations for the second quarter of 2015 were $40.9 million compared to $22.9 million for the same period in 2014.

- Corporate costs for the second quarter of 2015 were $4.5 million compared to $4.7 million for the same period in 2014.

- Gains on financial instruments for the second quarter of 2015 were $0.9 million compared to losses of $5.7 million for the same period in 2014 as the Corporation's legacy hedge programs unwind.

- Finance costs for the second quarter of 2015 were $8.8 million compared to $7.0 million for the same period in 2014 primarily as a result of additional fees associated with the credit facility renewal.

- The current income and other tax expense for the second quarter of 2015 was $1.5 million compared to $2.4 million for the same period in 2014. Deferred income tax recovery for the second quarter of 2015 was $7.6 million compared to $1.2 million deferred income tax expense for the same period in 2014.

Six months ended June 30, 2015 compared to the six months ended June 30, 2014

Net earnings attributable to shareholders were $39.4 million, or $0.10 per share, compared to $5.1 million, or $0.01 per share, in the same period in 2014, attributable to the following components:

- Revenue for the first six months of 2015 increased by $16.1 million to $306.7 million from $290.6 million in the same period in 2014. Gold ounces sold increased from 230,451 ounces in 2014 to 254,464 ounces for the first six months of 2015. The realized price of gold per ounce for the first six months of 2015 was $1,205 compared to $1,296 per ounce in the same period in 2014.

- Operating expenses for the first six months of 2015 decreased by $6.7 million to $182.4 million with 2015 costs up due to the inclusion of the Agbaou mine for the full six months offset by the same beneficial factors that affected the three months ended June 30, 2015.

- Depreciation and depletion for the first six months of 2015 was $37.7 million compared to $40.4 million for the same prior year period in 2014.

- Earnings from mine operations for the first six months of 2015 were $72.0 million compared to $46.4 million for the same period in 2014.

- Corporate costs for the first six months of 2015 were $8.4 million compared to $10.1 million for the same period in 2014.

- Gains on financial instruments for the first six months of 2015 were $3.6 million compared to losses of $15.0 million for the same period in 2014. Gains on foreign currency accounted for the majority of the gain in the current year, whereas $14.1 million in losses on derivative assets and liabilities in the prior comparable period accounted for the majority of the losses.

- Finance costs for the first six months of 2015 were $16.7 million compared to $13.7 million for the same period in 2014 primarily as a result of additional fees associated with the credit facility renewal.

- The current income and other tax expense for the first six months of 2015 was $3.3 million compared to $4.7 million for the same period in 2014. Deferred income tax recovery for the first six months of 2015 was $6.6 million compared to $7.4 million for the same period in 2014.

LIQUIDITY AND CAPITAL RESOURCES

On March 10, 2015, the Corporation renewed its $350 million senior secured revolving corporate loan facility (the "Facility") with UniCredit Bank AG, BNP Paribas, ING Bank NV, Société Générale and Investec Bank Plc. The Facility has a new maturity date of March 2020 and key terms including the following:

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

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

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

At June 30, 2015, Endeavour had cash of $52.7 million (December 31, 2014 – $62.2 million). In addition, at June 30, 2015, Endeavour held $0.7 million of marketable securities (December 31, 2014 – $0.8 million) and $4.8 million in restricted cash (December 31, 2014 – $4.5 million). Total working capital as at June 30, 2015 was $52.4 million (December 31, 2014 - $42.8 million).

Net change in cash position for the three month period ending June 30, 2015, was a reduction of $3.7 million, attributable to the following components of the consolidated cash flow statement:

- Operating activities generated $46.2 million in comparison to $25.3 million generated in the same period of the previous year primarily due to more robust mine operating earnings. Timing induced changes in working capital balances generated an outflow $6.0 million of cash versus $7.7 million in the comparable period in 2014.

- Investing activities used $18.5 million in comparison with $23.8 million used in the same period of the previous year. The current period outflow consisted primarily of $14.5 million of sustaining capital including sustaining exploration, and $3.8 million of non-sustaining investments. The increased sustaining capital of $7.1 million over the prior period is a result in higher rates of capitalized waste and the normal course timing of planned mine capital investments. In the comparable period, non-sustaining investments of $16.0 related primarily to non-sustaining capital at Tabakoto.

- Financing activities used cash of $28.8 million in comparison to $12.7 million in the prior comparable period. The current period outflows consisted primarily of the repayment of long term debt of $20.0 million, refinancing fees of $1.3 million and interest paid on the Facility amounting to $4.4 million.

Net change in cash position for the six month period from December 31, 2014, was a reduction of $9.5 million, attributable to the following components of the consolidated cash flow statement:

- Operating activities generated $77.6 million in comparison to $47.0 million generated in the same period of the previous year primarily due to more robust mine operating earnings. Timing induced changes in working capital balances generated an outflow $16.3 million of cash versus $19.7 million in the comparable period in 2014.

- Investing activities used $43.9 million in comparison with $50.1 million used in the same period of the previous year. The current period outflow consisted primarily of $30.1 million of sustaining capital including sustaining exploration, and $13.1 million of non-sustaining investments. The increased sustaining capital of $16.1 million period over period is a result in higher rates of capitalized waste and the normal course timing of planned mine capital investments. In the comparable period, non-sustaining investments of $35.8 million related primarily to non-sustaining capital at Tabakoto.

- Financing activities used cash of $41.5 million in comparison to $13.6 million in the prior comparable period. The current period outflows consisted primarily of the repayment of long term debt of $20.0 million, refinancing fees of $6.7 million and interest paid on the Facility amounting to $8.6 million.

In the opinion of management, Endeavour's cash position and working capital at June 30, 2015, together with anticipated cash flows from operations, are sufficient to support the Corporation's on-going operational requirements, planned sustaining investments, and commitments.

FINANCIAL INSTRUMENTS

With the acquisition of the Nzema and Tabakoto mines by way of acquisitions of Adamus Resources and Avion Gold, Endeavour inherited several hedge programs which have been reduced, amended and settled in the periods subsequent to the acquisitions. As at June 30, 2015, 48,986 ounces (16,823 in 2015 and 32,163 in 2016) of gold forward contracts remain outstanding with a fair value of the liability at $6.7 million (December 31, 2014 - $9.3 million), arising from contracted net proceeds to be received of $1,032 per ounce. During the three and six months ended June 30, 2015, the Corporation settled 6,949 and 15,177 ounces of gold forward contracts resulting in a realized loss of $1.0 million and $2.3 million, respectively. Additionally, during the three and six months ended June 30, 2015, the Corporation settled the remaining 3,033 and 6,066 ounces of gold call options resulting in a realized loss of $0.9 million and $1.8 million, respectively. The settlements of the calls and forward contracts are in cash as there is no exchange of physical gold between the Corporation and the buyer. The Corporation also entered a 12 month fuel price protection program in June 2015, in line with approximately 50% of the diesel volume scheduled to be consumed at the Tabakoto mine, by way of fuel swap contracts on 1,268 metric tonnes of Gas Oil per month. The program is cash settled and had a fair value liability of $0.4 million as at June 30, 2015 (December 31, 2014 - $nil)

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

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

	Within 1 year	2 to 3 years	4 to 5 years	Over 5 years	Total
Trade and other payables	$ 113,794	$ -	$ -	$ -	$ 113,794
Long-term debt	-	-	230,000	50,000	280,000
Finance lease obligations	4,315	10,693		-	15,008
Minimum operating lease payments	1,593	2,307	1,767	-	5,667
Derivative financial liabilities	5,567	1,535	-	-	7,102
	$ 125,269	$ 14,535	$ 231,767	$ 50,000	$ 421,571

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

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

CONTINGENCIES

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

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

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

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

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

OUTSTANDING SHARE DATA

Endeavour's authorized capital is $20,000,000 divided into 1,000,000,000 ordinary shares with a par value of $0.01 each and 1,000,000,000 undesignated shares; no undesignated shares have been issued. The table below summarizes Endeavour's share structure at June 30, 2015.

Shares issued and outstanding	413,143,668
Stock options	28,665,758

As at July 30, 2015, the date of this MD&A, the Corporation has 413,143,668 shares issued and outstanding, as well as 28,665,758 stock options outstanding.

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

Exercise Prices (C$)	Outstanding	Exercisable	Weighted average exercise price (C$)	Weighted average remaining contractual life
$0.61 - $0.81	7,086,000	466,666	$ 0.81	3.87 years
$0.82 - $1.50	6,518,260	463,260	1.36	2.10 years
$1.51 - $2.00	3,124,400	3,124,400	1.52	2.03 years
$2.01 - $2.50	4,109,503	4,109,503	2.28	2.49 years
$2.51 - $3.00	5,529,312	5,529,312	2.67	1.26 years
$3.51 - $4.00	80,300	80,300	3.70	0.87 years
$4.01 - $44.96	2,217,983	2,217,983	4.99	0.98 years
	28,665,758	15,991,424	$ 2.58	1.79 years

NON-GAAP MEASURES

All-in sustaining margin and operating EBITDA

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

The following tables provide the illustration of the calculation of this margin and operating EBITDA, as adjusted and calculated by the Corporation, for the three and six months ended June 30, 2015 and 2014:

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
(US dollars in thousands)				
Revenues	$ 154,629	$ 153,398	$ 306,694	$ 290,609
Less: royalties	(7,419)	(7,675)	(14,660)	(14,833)
Less: cash costs of ounces sold (see table that follows)	(89,991)	(101,295)	(181,347)	(194,151)
Less: corporate G&A	(4,450)	(4,705)	(8,433)	(10,100)
Subtotal	52,769	39,723	102,254	71,525
Less: sustaining capital (see table that follows)	(12,739)	(6,462)	(26,692)	(12,231)
Less: sustaining exploration	(1,800)	(987)	(3,400)	(1,750)
All-in sustaining margin	$ 38,230	$ 32,274	$ 72,162	$ 57,544

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
(US dollars in thousands)				
Earnings(loss) before tax[1]	$ 26,877	$ 4,553	$ 47,166	$ 7,195
Add back: Depreciation and depletion[1,2]	18,207	22,968	37,658	40,350
Add back: Finance costs[1]	8,846	6,977	16,682	13,704
Add back: (Gains) losses on financial instruments[1]	(925)	5,688	(3,567)	15,027
Operating EBITDA	$ 53,005	$ 40,186	$ 97,939	$ 76,276

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

Cash cost per ounce of gold sold

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

The following table provides a reconciliation of cash costs per ounce of gold sold (including the ounces sold from ore purchased), for the three and six months ended June 30, 2015 and 2014:

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
(US dollars in thousands except ounces sold)				
Operating expenses from mine operations	$ 88,128	$ 99,842	$ 182,372	$ 189,052
Non-cash adjustments included in operating expenses	1,863	1,453	(1,025)	5,099
Cash cost	89,991	101,295	181,347	194,151
Divided by ounces of gold sold	129,614	118,653	254,464	224,319
Total cash cost per ounce of gold sold	$ 694	$ 854	$ 713	$ 866

All-in sustaining costs

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

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
(US dollars in thousands except ounces)				
Cash cost for ounces sold	$ 89,991	$ 101,295	$ 181,347	$ 194,151
Royalties	7,419	7,675	14,660	14,833
Corporate G&A	4,450	4,705	8,433	10,100
Sustaining capital	12,739	6,462	26,692	12,231
Sustaining exploration	1,800	987	3,400	1,750
All-in sustaining costs	116,399	121,124	234,532	233,065
Divided by gold ounces sold	129,614	118,653	254,464	224,319
All-in sustaining cost per ounce sold	$ 898	$ 1,021	$ 922	$ 1,039

	Three months ended June 30,				Six months ended June 30,			
		2015		2014		2015		2014
(US dollars in thousands)								
Expenditures and prepayments on mining interests	$	18,303	$	23,447	$	43,236	$	49,812
Non-sustaining capital at Tabakoto, Nzema and Agbaou		(2,450)		(15,156)		(10,764)		(34,282)
Sustaining exploration		(1,800)		(987)		(3,400)		(1,750)
Project capital spend at Houndé		(1,314)		(842)		(2,380)		(1,549)
Sustaining Capital		**12,739**		**6,462**		**26,692**		**12,231**

The $2.5 million of non-sustaining investments for the current three month period consists primarily of Kofi and other Tabakoto 2014 carry over capital, as well as non-sustaining exploration. Capital of $1.3 million was also spent on the Houndé Project in the second quarter and $1.8 million was incurred in ongoing resource conversion considered sustaining exploration.

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

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

The following table provides additional detail as to how cash costs and all-in sustaining costs at the mine site level are calculated on a mine by mine basis for the current quarter.

		Agbaou	Nzema	Tabakoto	Youga	Total
Mining Physicals						
Total tonnes mined - Open pit	000t	5,075	2,450	2,480	1,900	
Total ore tonnes - Open pit	000t	764	408	145	457	
Total ore tonnes - Underground	000t	-	-	261	-	
Total tonnes milled	000t	590	480	399	259	
Gold sold	ozs	40,078	32,728	38,487	18,321	129,614
Unit cost analysis						
Mining costs - Open pit[1]	$/t mined	2.76	4.60	2.25	4.34	
Mining costs - Underground[1]	$/t ore	-	-	56.06	-	
Processing and maintenance	$/t milled	7.41	12.09	22.14	20.75	
Site G&A	$/t milled	9.23	6.80	16.05	9.20	
Cash cost details						
Mining costs - Open pit	$000s	13,296	8,259	3,862	8,244	33,661
Mining costs - Underground	$000s	-	-	12,202	-	12,202
Processing and maintenance	$000s	4,372	5,801	8,823	5,371	24,367
Site G&A	$000s	5,443	3,265	6,397	2,382	17,487
Purchased ore at Nzema	$000s	-	10,092	-	-	10,092
Inventory adjustments	$000s	(3,784)	(2,567)	(471)	(996)	(7,818)
Cash costs for ounces sold	$000s	**19,327**	**24,850**	**30,813**	**15,001**	**89,991**
Royalties	$000s	1,732	2,215	2,743	729	7,419
Sustaining capital	$000s	3,763	4,140	4,546	290	12,739
Cash cost per ounce sold	$/oz	482	759	801	819	694
Mine-level AISC per ounce sold	$/oz	619	953	990	874	850
Other costs used to derive unit mining cost						
Capitalized O/P mining costs	$000s	729	3,014	1,706		
Capitalized U/G mining costs	$000s			2,439		

[1]Includes capitalized mining costs

Adjusted net earnings and adjusted net earnings per share

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

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

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

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

Adjusted Net Earnings

(US dollars in millions except per share and share amounts)	Three months ended June 30, 2015	Three months ended June 30, 2014	Six months ended June 30, 2015	Six months ended June 30, 2014
Net earnings and total comprehensive earnings	**$ 33.0**	**$ 1.0**	**$ 50.5**	**$ 9.9**
Loss on derivative instruments,marketable securities and interest	0.1	3.7	0.7	14.0
Imputed interest on promissory note	(0.2)	(0.5)	(0.4)	(0.9)
Gain on foreign currency	(0.9)	2.4	(3.9)	1.9
Other income	0.0	0.2	(0.1)	(1.0)
Stock-based payments	1.1	0.3	2.2	0.4
Deferred income tax expense (recovery)	(7.6)	1.2	(6.6)	(7.4)
Adjusted net earnings after tax	**$ 25.5**	**$ 8.3**	**$ 42.4**	**$ 16.9**
Attributable to non-controlling interests	**$ 3.2**	**$ 1.0**	**$ 5.1**	**$ 2.0**
Attributable to shareholders of the Corporation	**$ 22.3**	**$ 7.3**	**$ 37.3**	**$ 14.9**
Weighted average number of outstanding shares	413,143,668	413,141,261	413,143,668	412,361,842
Adjusted net earnings per share (basic)	**0.05**	**0.02**	**0.09**	**0.04**

HEALTH, SAFETY AND CORPORATE SOCIAL RESPONSIBILITY

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

2014 Statistics

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

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

Endeavour sees itself as an integral part of the communities in which it operates, as well as a responsible development partner. Endeavour works in collaboration with and engages government, local communities and outside organizations to ensure it supports economic sustainability and social development, with projects including skills training and educational scholarships, healthcare, water and sanitation, public infrastructure maintenance, institutional capacity building and livelihood programs.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

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

(a) Commencement of commercial production

Prior to a mine being capable of operating at levels intended by management, costs incurred are capitalized as part of the costs of related mining properties and proceeds from mineral sales are offset against costs capitalized. The Corporation defines the commencement of commercial production as the date that a mine has achieved a consistent level of production. Management considers several factors in determining when a mining interest is capable of operating at levels intended by management. Depletion of capitalized costs for mining properties begins when the mine is capable of operating at levels intended by management. Commercial production at the Agbaou Mine was declared on January 27, 2014 (accounting for commercial production commenced on February 1, 2014).

(b) Determination of economic viability

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

(c) Functional currency

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

(d) Business combinations

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

(e) Capitalization of waste stripping

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

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

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

- *IFRS 15, Revenue from Contracts with Customers:* IFRS 15 introduces a new framework for determining the nature, amount, timing and uncertainty of revenues and cash flows arising from a contract with a customer. The standard is effective for annual period beginning on or after January 1, 2018, with early adoption permitted. The Corporation is currently evaluating the potential impact of the new standard on its consolidated financial statements.

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

KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

(a) *Value Added Tax ("VAT")*

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

(b) *Impairment of mining interests and goodwill*

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

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

(c) *Estimated recoverable ounces*

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

(d) *Mineral reserves*

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

(e) *Environmental rehabilitation costs*

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

(f) *Deferred income taxes*

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

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

(g) Share-based payments

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

(h) Contingencies

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

RISK FACTORS

Readers of this Management's Discussion and Analysis should give careful consideration to the information included or incorporated by reference in this document and the Corporation's audited consolidated financial statements and related notes for the year ended December 31, 2014. Significant risk factors for the Corporation are metal prices, government regulations, foreign operations, environmental compliance, dependence on management, title to the Corporation's mineral properties and litigation. For further details of risk factors, please refer to the most recent Annual Information Form filed on SEDAR at http://www.sedar.com/, the 2015 year-end audited consolidated financial statements, and the below discussions.

OPERATIONAL RISKS

a) Political Risks

The majority of Endeavour's assets are located in West Africa. Endeavour believes that the governments of the countries that the Corporation holds assets in support the development of their natural resources by foreign companies. There is no assurance however that future political and economic conditions of these countries will not result in their governments adopting different policies respecting foreign ownership of mineral resources, taxation, rates of exchange, environmental protection, labour relations, repatriation of income or return of capital, restrictions on production, price controls, export controls, local beneficiation of gold production, expropriation of property, foreign investment, maintenance of claims and mine safety. The possibility that a future government in any of these countries may adopt substantially different policies, which might include the expropriation of assets, cannot be ruled out. There is also a risk of limitations being placed on the ability to repatriate funds.

b) Mineral Legislation

Mineral reserve and mineral resource estimates are imprecise and depend partially on statistical inference drawn from drilling and other data, which may prove to be unreliable. Estimates, which were valid when made, may c0eral indicators of mine life. Reserves should not be interpreted as assurances of mine life or of the profitability of current or future production. There can be no assurance that those portions of such mineral resources that are not mineral reserves will ultimately be converted into mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability. Mining reserves depleted by production must be continually replaced to maintain production levels over the long term. There is no assurance that current or future exploration programs will result in any new commercial mining operations or yield new reserves to replace or expand current reserves.

c) *Outside Contractor Risks*

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

FINANCIAL AND RELATED RISKS

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

(i) *Credit risk*

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Corporation by failing to discharge its obligations. There has been no change in the Corporation's objectives and policies for managing this risk in the three and six months ended June 30, 2015.

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

	June 30, 2015	December 31, 2014
Cash	$ 52,708	$ 62,179
Cash - restricted	4,818	4,517
Trade and other receivables	17,061	21,530
Other assets	8,921	8,172
	$ 83,508	$ 96,398

(ii) *Liquidity risk*

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

(iii) *Currency risk*

Currency risk relates to the risk that the fair values or future cash flows of the Corporation's financial instruments will fluctuate because of changes in foreign exchange rates. Exchange rate fluctuations may affect the costs that the Corporation incurs in its operations. There has been no change in the Corporation's objectives and policies for managing this risk during the three and six months ended June 30, 2015.

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

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

	June 30, 2015	December 31, 2014
Canadian dollar	$ (1,353)	$ 1,111
CFA Francs	(8,553)	(6,451)
Other currencies	4,673	4,046
	$ (5,233)	$ (1,294)

(iv) *Interest rate risk*

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

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

(v) *Price risk*

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

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

CONTROLS AND PROCEDURES

Disclosure controls and procedures

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

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

Internal controls over financial reporting

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

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

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

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

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

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A and certain information incorporated herein by reference constitute forward-looking statements. Forward-looking statements include, but are not limited to, statements with respect to the Corporation's plans or future financial or operating performance, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, conclusions of economic assessments of projects, the timing and amount of estimated future production, costs of future production, future capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, requirements for additional capital, sources and timing of additional financing, realization of unused tax benefits and future outcome of legal and tax matters. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "will continue" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". The material factors or assumptions used to develop material forward-looking statements are disclosed throughout this document.

Forward-looking statements, while based on management's best estimates and assumptions, are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Endeavour to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to the successful integration of acquisitions; risks related to international operations; risks related to joint venture operations; risks related to general economic conditions and credit availability, actual results of current exploration activities, unanticipated reclamation expenses; changes in project parameters as plans continue to be refined; fluctuations in prices of metals including gold; fluctuations in foreign currency exchange rates, increases in market prices of mining consumables, possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, changes in national and local government regulation of mining operations, tax rules and regulations, and political and economic developments in countries in which the Corporation operates, actual resolutions of legal and tax matters, as well as those factors discussed in the section entitled "Description of the Business – Risk Factors" in Endeavour's most recent Annual Information Form available on SEDAR at www.sedar.com. Although Endeavour has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Corporation's management reviews periodically information reflected in forward-looking statements. The Corporation has and continues to disclose in its Management's Discussion and Analysis and other publicly filed documents, changes to material factors or assumptions underlying the forward-looking statements and to the validity of the statements themselves, in the period the changes occur.

CAUTIONARY NOTE REGARDING RESERVES AND RESOURCES

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