

Houndé Project Construction Launch

Picture of Houndé Resettlement Site Cleared

Speakers:



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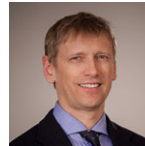
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Cash cost per ounce and all-in sustaining cash cost per ounce are non-GAAP performance measures with no standard meaning under IFRS. This presentation contains “forward-looking statements” including but not limited to, statements with respect to Endeavour’s plans and operating performance, the estimation of mineral reserves and resources, the timing and amount of estimated future production, costs of future production, future capital expenditures, and the success of exploration activities. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “expects”, “expected”, “budgeted”, “forecasts” and “anticipates”. Forward-looking statements, while based on management’s best estimates and assumptions, are subject to risks and uncertainties that may cause actual results 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 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

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Endeavour starts construction of its Houndé Project



Houndé is positioned to be Endeavour's flagship low cost mine

- Improves the overall quality of our portfolio
- In line with objective of increasing Group production to +900koz at AISC of <\$800/oz with +10 year mine life across all mines

Board approves construction of Houndé project

- Detailed review and optimization of Capex and Operating Costs completed in Feb 2016
- \$328m, inclusive of \$47m for owner-mining fleet
- Fully funded from existing sources of capital
- Robust Project after-tax IRR of +30% at US\$1,250/oz¹
- Average production of 190kozpa at AISC of US\$709/oz
- 10-year mine life based on current reserves
- Significant exploration upside
- 18 months construction with first gold pour by Q4-2017
- Early earthworks have already begun



¹Based on 100% equity funding and mine equipment financing

Houndé project optimization and implementation plan completed in February 2016

- Detailed review and optimization of Capex and Operating Costs performed
- No change in mine plan compared to 2015 optimization
- Owner Operator option selected
- Site layout optimized

Robust Project Economics

- IRR above 30% at US\$1,250/oz
- IRR still above 20% at US\$1,150/oz
- Quick payback of 2.0 to 2.7 years

Project Summary

	2015 Updated Mine Plan	2016 Optimized Case	Change
Reserves and Resources			
Reserves , Moz ¹	2.08	2.08	
M+I Resources, Moz ¹	2.55	2.55	
Mining			
Tonnes mined, Mt	29.7	29.7	-
Strip ratio, waste:ore	8.4	8.4	-
Processing			
Mill throughput, mtpa	3.0	3.0	-
Total ore processed, Mt	29.7	29.7	-
Gold grade, g/t	2.15	2.15	-
Contained gold, koz	2,057	2,057	-
Recovery rate, %	93%	93%	-
Production, koz	1,906	1,906	-
Operating Costs			
Mining costs, \$/t moved	2.03	2.17	+7%
Processing costs, \$/t	14.31	13.36	(7%)
Site G&A, \$m/yr	10.6	9.8	(8%)
AISC , US\$/oz	714	709	(1%)
Upfront capital cost	325	328	+1%

Economic Returns¹

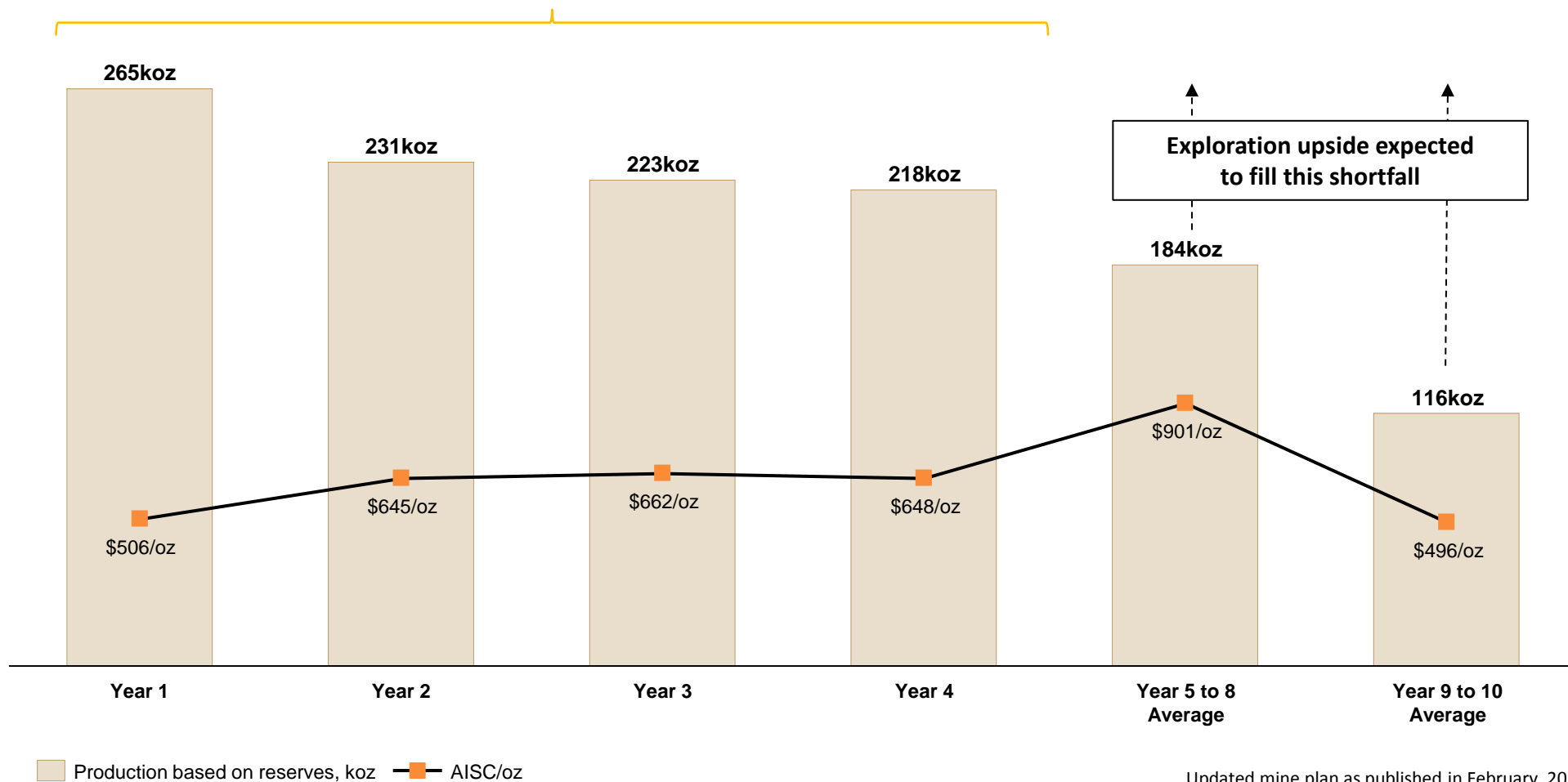
Gold Price (US\$/oz)	\$1,150	\$1,200	\$1,250	\$1,300	1,350
After-tax Project NPV (5%)	\$230	\$286	\$342	\$398	\$437
After-tax Project IRR	24%	28%	32%	36%	39%
Payback, years ²	2.7	2.4	2.2	2.0	1.8

¹Based on 100% equity funding and equipment lease financing

²From production start

Houndé Project: Solid Production and Low AISC

235kozpa at AISC of US\$610/oz on average over the first 4 years



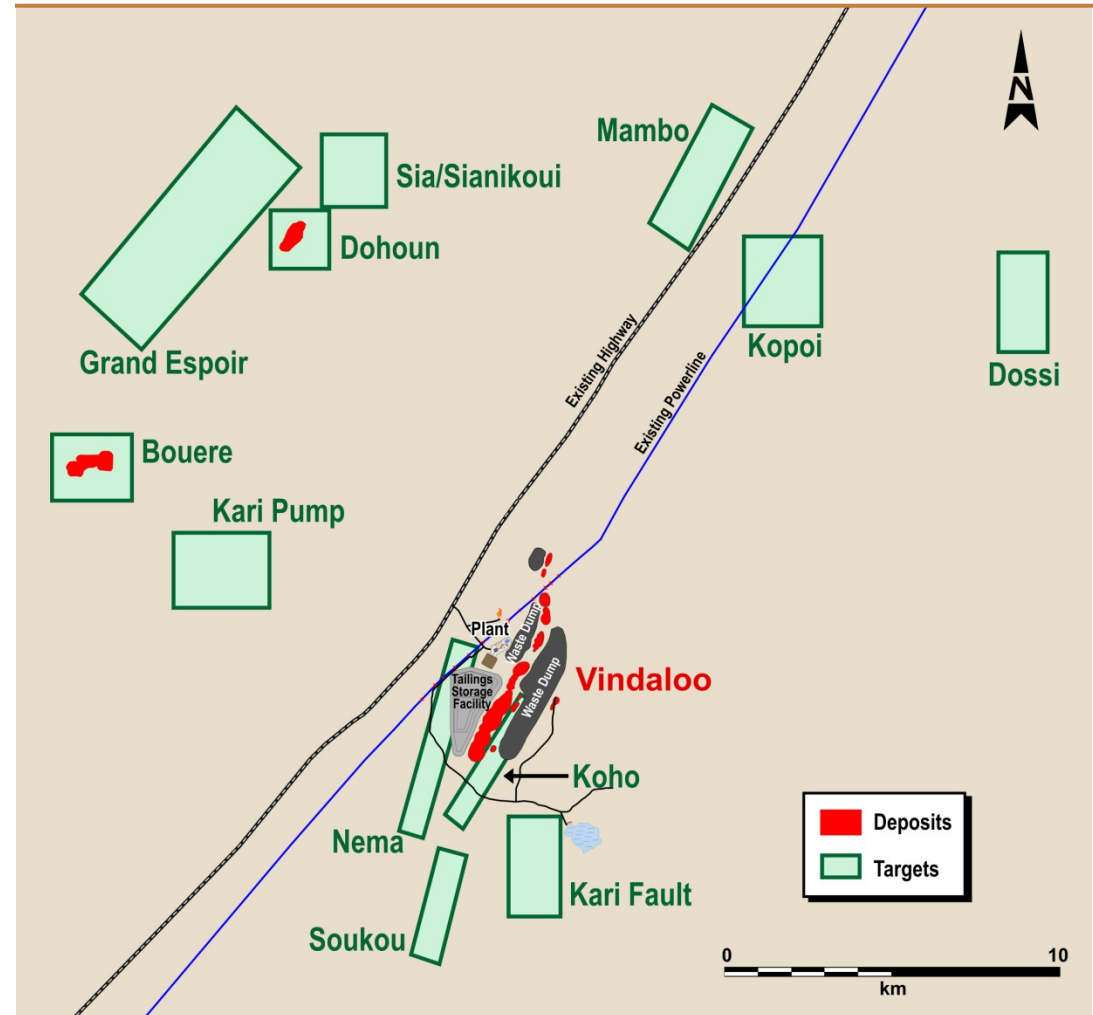
Updated mine plan as published in February 2015

Houndé Exploration Upside

- The Houndé exploration tenement covers +1,075km² within Burkina Faso's highly prospective Birimian belt
- Historically, exploration focus mainly on the Vindaloo trends
- At least 15 other significant targets were identified by previous limited drilling campaigns but remain largely untested
 - All located within 20km from the planned mill
 - High grade targets (+5g/t) will be explored in priority

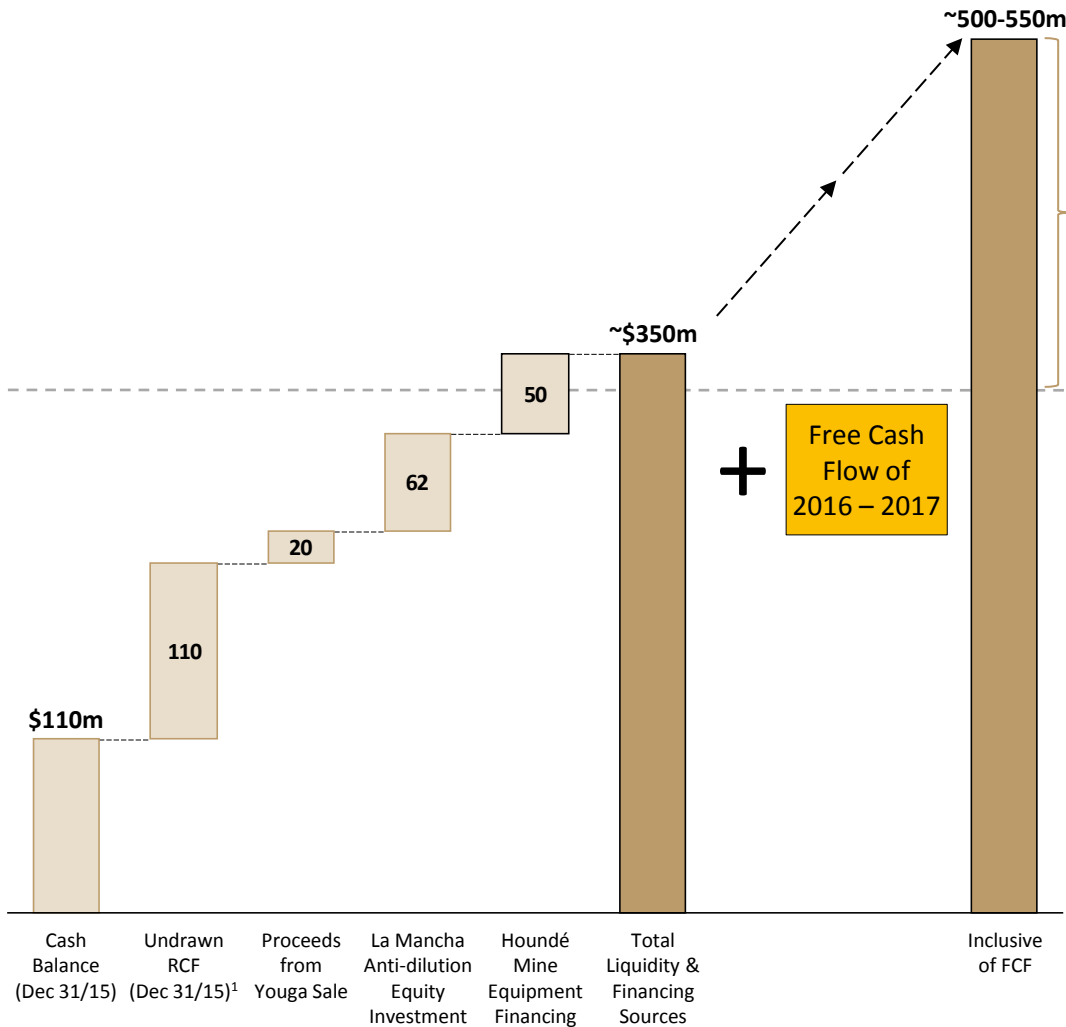
Potential to Significantly Extend Houndé's Mine Life

Exploration Targets in Proximity to the Planned Mill



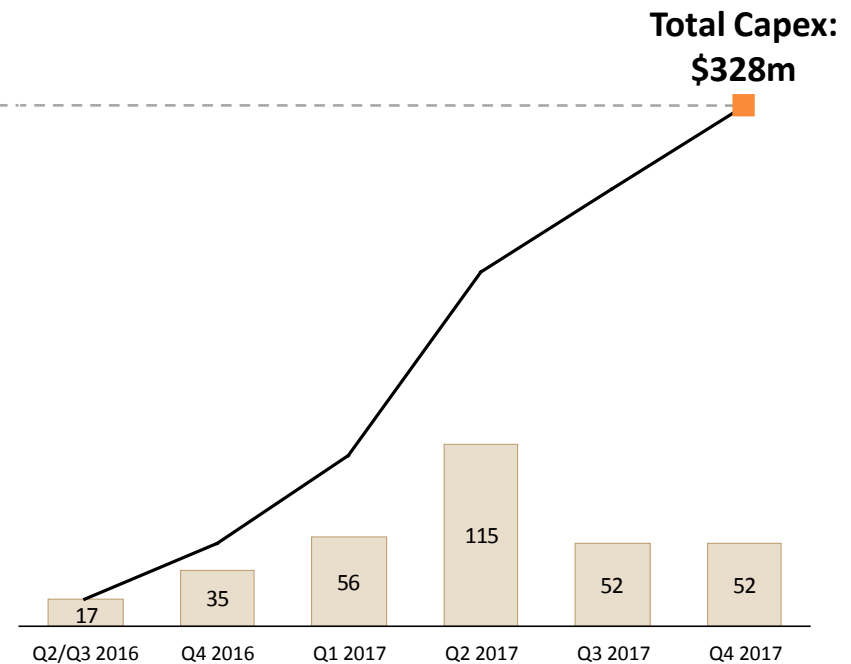
Houndé Project is Fully Financed with Significant Headroom

Sources of Financing (US\$m)



Capex Spend (US\$m)

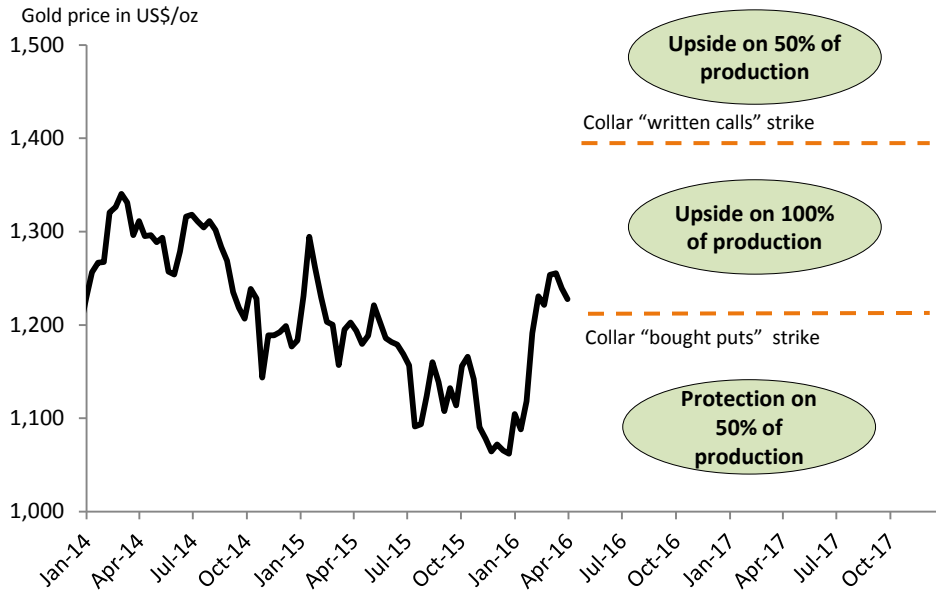
Fully financed with FCF providing +50% funding headroom



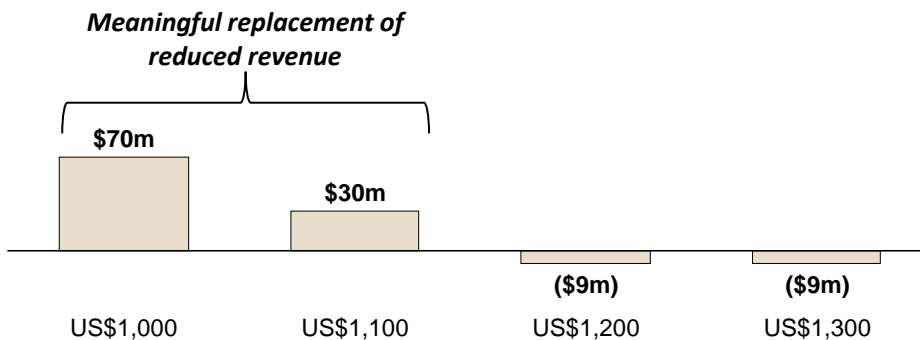
¹ RCF of US\$350 million, maturity date March 2020, semi-annual reductions commencing September 2018, annual interest based on LIBOR + a 3.75% to 5.75% margin

Gold Revenue Protection Program Limit Debt Drawdown

Gold Revenue Protection Program : Gold Option Collar Strategy



Proceeds from Gold Option Contracts (US\$) (net of premium cost)



- **Gold Option Contracts aim to increase the certainty of the free cash flow during the construction period**

- ✓ Objective of using free cash flow rather than Revolving Credit Facility
- ✓ Significantly reduces debt requirements, even if the gold price drops to US\$1,000/oz

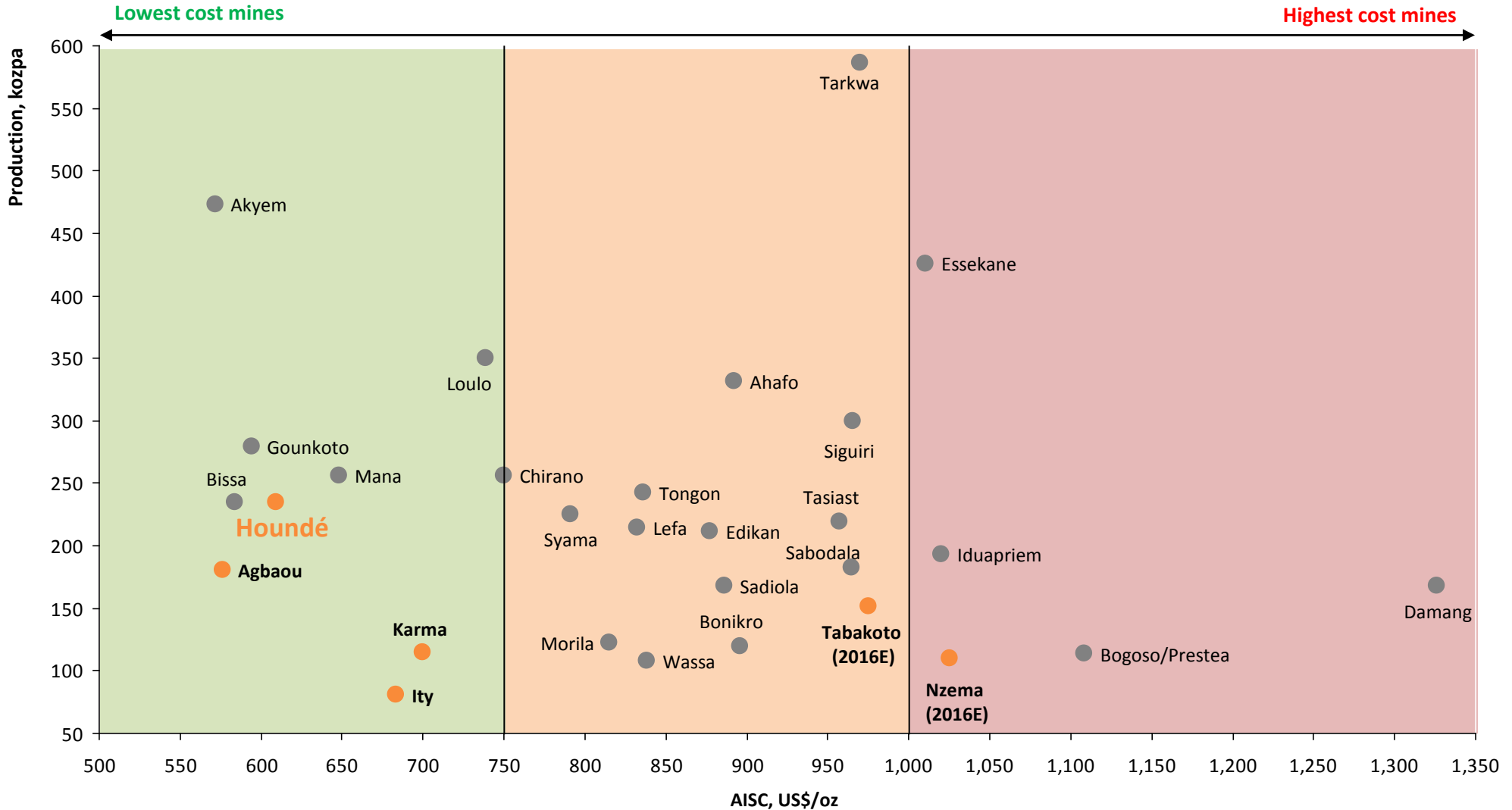
- Gold Option Contracts applied to ~50% of Endeavour’s expected production over 15 months (Apr 2016-Jun 2017)

- ✓ Protect 50% of production below \$1,200/oz
- ✓ Fully exposed between 1,200 and \$1,400/oz
- ✓ Limited upside beyond \$1,400/oz on 50% of production

- Full exposure to the gold price once project is built

Houndé Increases the Quality of our Portfolio

Ranks amongst the highest quality West African mines



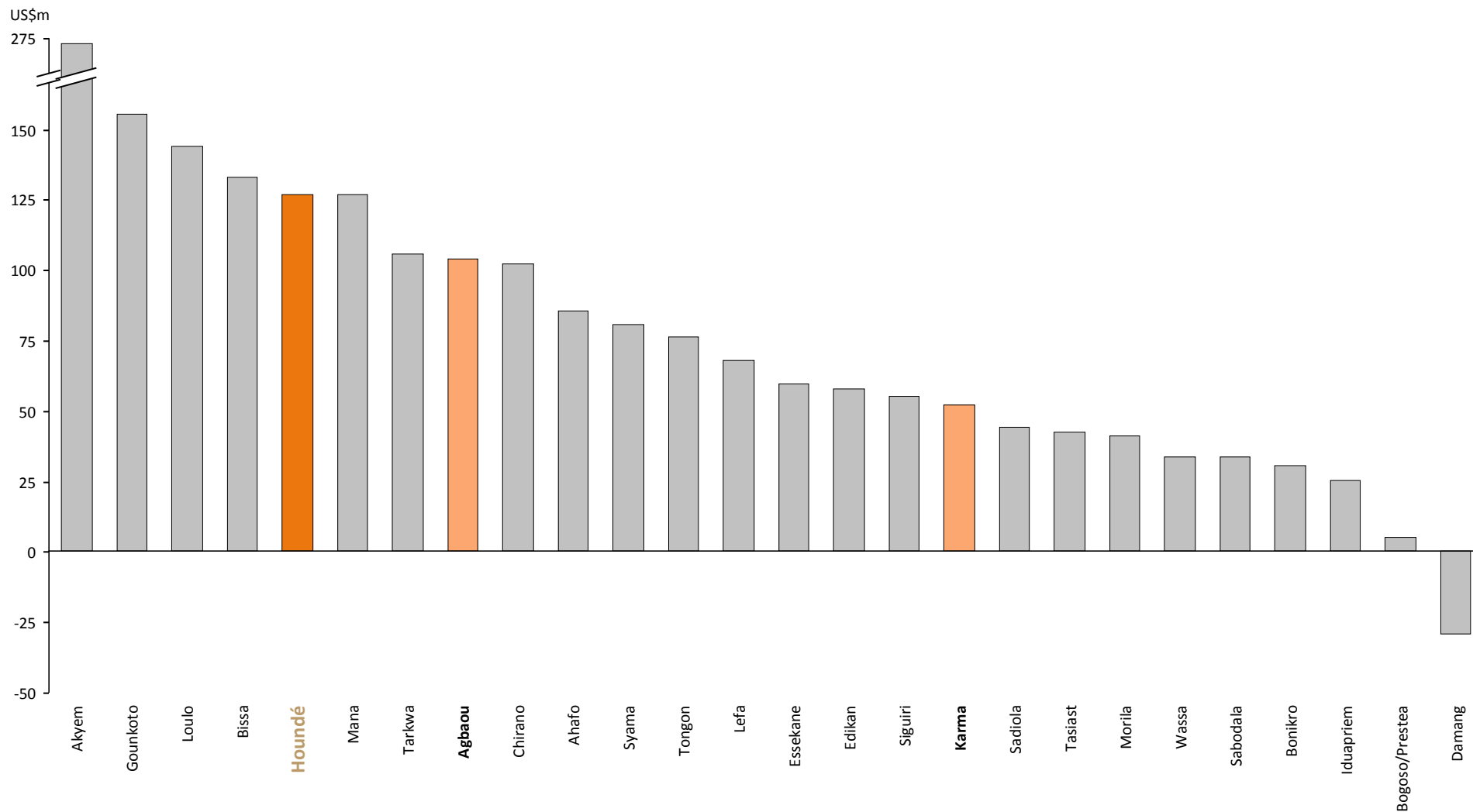
Houndé and Karma are respectively based on first 4 and 5 year averages. Peer group based on 2015A. Source: UBS research

Houndé Increases the Quality of our Portfolio

Houndé ranks amongst West-Africa's top tier cash generating mines



All-in Sustaining Margin at US\$1,150/oz, in US\$m

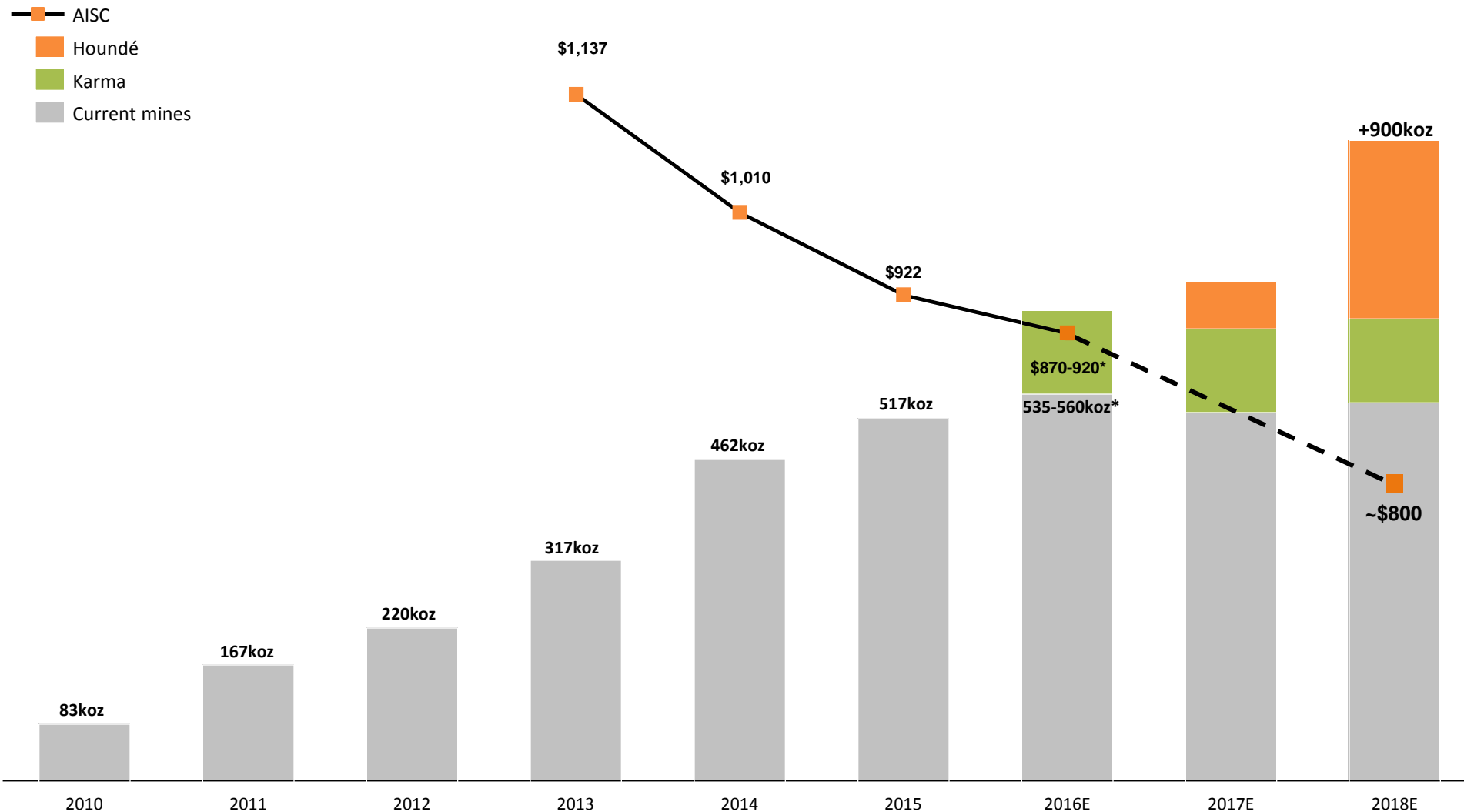


Based on Production and AISC/oz figures as per previous slide

Clear Path to Build a +900koz Producer at <US\$800/oz AISC



Gold Production Profile (100%)



*Excluding Karma

Houndé Project Details



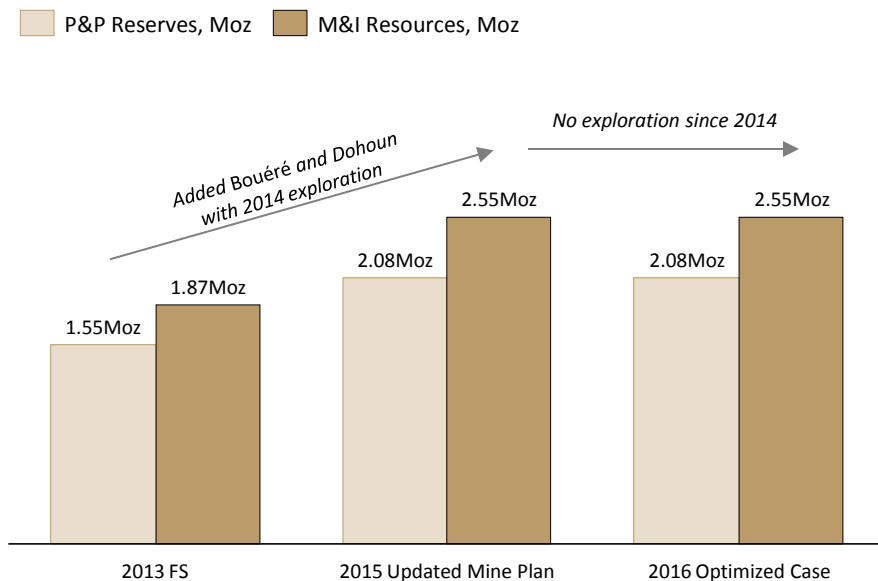
CREATING A PREMIER AFRICAN GOLD PRODUCER



Houndé Reserves and Resources

- No change in Reserves and Resources since Dec 31, 2014, following successful June-Nov 2014 exploration programs
- Vindaloo deposits (88% of reserves oz) benefit from 2003 Mining Code (17.5% tax rate) while Bouéré and Dohoun are under 2015 Mining code (27.5% tax rate)
- Endeavour is currently preparing a long-term exploration strategy for Houndé

Reserve and Resource Evolution



Reserve and Resource Table

Resources inclusive of Reserves, on a 100% basis as at Dec. 31, 2015	Tonnage (kt)	Grade (Au g/t)	Gold Content (Au koz)
Vindaloo Deposits			
P&P Reserves	28,300	2.00	1,822
M&I Resources	35,672	1.98	2,276
Inferred Resources	2,994	2.57	247
Bouéré			
P&P Reserves	1,087	5.20	181
M&I Resources	1,092	5.37	189
Inferred Resources	184	3.43	20
Dohoun			
P&P Reserves	1,214	1.90	72
M&I Resources	1,152	2.35	87
Inferred Resources	68	2.91	6
Total			
P&P Reserves	30,601	2.11	2,075
M&I Resources	37,916	2.09	2,551
Inferred Resources	3,246	2.62	274

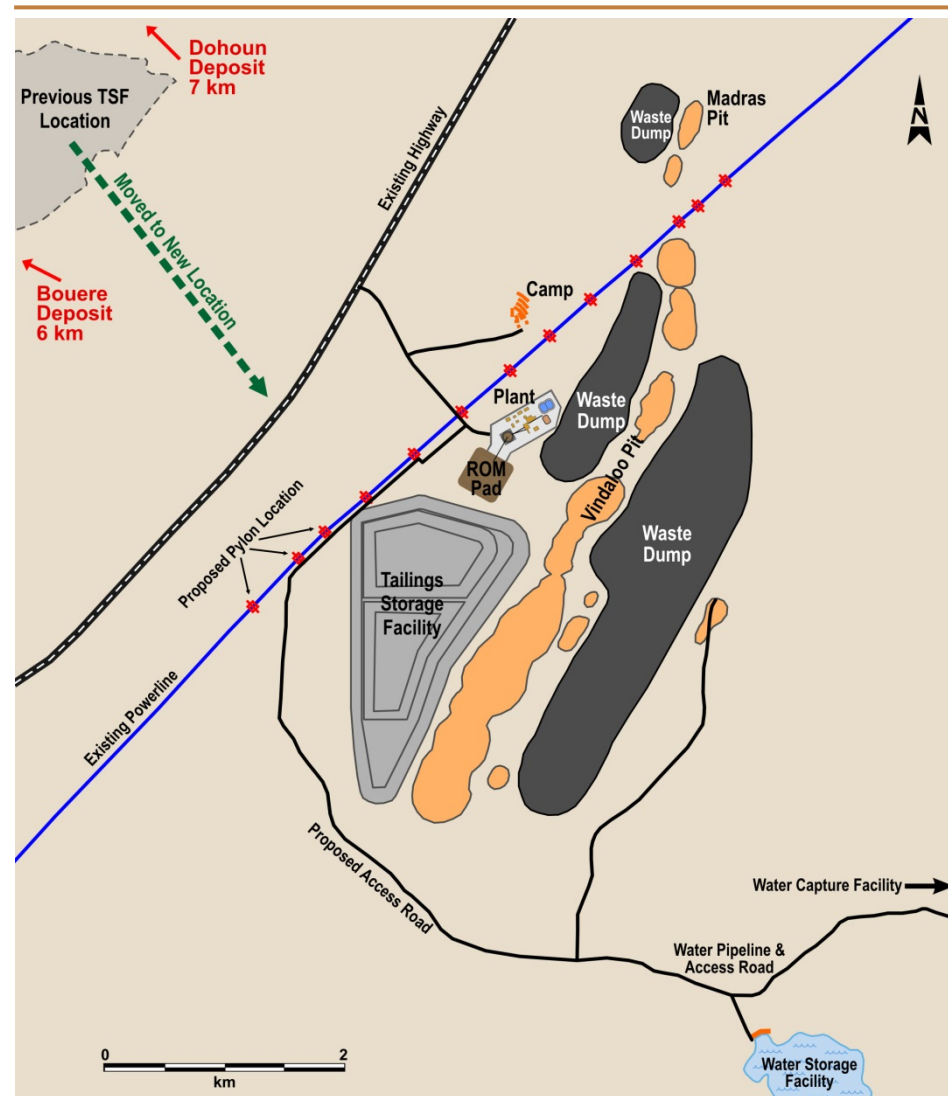
- All deposits are amenable to conventional open pit mining methods adopting drilling, blasting, trucks and shovels
- Pits reach depths of up to 175m
- Owner mining option selected
- Mining fleet is equipped with a moving capacity in excess of 35Mt per year
- Mining costs revised from \$2.03/t to \$2.17/t mainly due to increased cost assumptions for ore re-handling, blasting and fixed costs



Site Layout and Infrastructure Advantages

- Property accessed by 250 km paved highway, 3 hours drive from Ouagadougou
- 25km from rail line that extends to port of Abidjan
- Power supply from Sonabel, national utility
- Water supply is mostly recycled process water; with supplement from water storage dam, and the remainder from pit dewatering
- Tailings Storage Facility (TSF) optimization provides multiple benefits:
 - Relocated to a more favorable position reduced OPEX by approx. \$0.90/t (less pumping distance of tailings)
 - Changed from basin to paddock style optimizes usage of waste and reduces Reclamation and Closure costs by approx. US\$25m
 - Reduced environmental risk

Houndé General Site Layout



Processing Plant

- 3.0Mtpa (9,000 t/d) throughput
- SAG / ball mill grinding circuit
- Conventional gravity and CIL Circuit
- Similar to other plants operated by Endeavour
- Average LOMP recovery rate of 93%
- LOMP throughput blend of 88% primary ore and 12% saprolite + transition ores
- Cost optimization review decreased LOMP processing costs from \$14.31/t in 2015 FS to \$13.36/t:
 - Positive impact of optimized power utilization
 - Positive impact of TSF relocation
 - Negative impact of power costs increasing from \$0.15 to \$0.18 per kWhr



Houndé Project Capex

- Capex was fully scoped and optimized by Endeavour and Lycopodium
- Upfront capital cost of \$328m, inclusive of \$47m for the owner-mining fleet, in line with 2015 estimate of \$325m

Factors that decreased costs	Factors that increased costs
<ul style="list-style-type: none"> • Decision to self-perform concrete works (as per Agbaou construction) • FOREX advantages during re-pricing • Renegotiating EPCM, machinery, equipment and steel prices due to the current low construction demand • Contingency allocation reevaluated for every line item 	<ul style="list-style-type: none"> • Optimization of the mining and mobile fleet • Increased working capital requirements • Increased overhead costs for power line • Addition of mining fleet simulators • Increased site accommodation

- Endeavour to self-perform 72% of the project build, whilst Lycopodium will focus primarily on the processing facility which is 28% of the total Capex amount on an EPCM basis

2016 Optimized Case, in US\$m

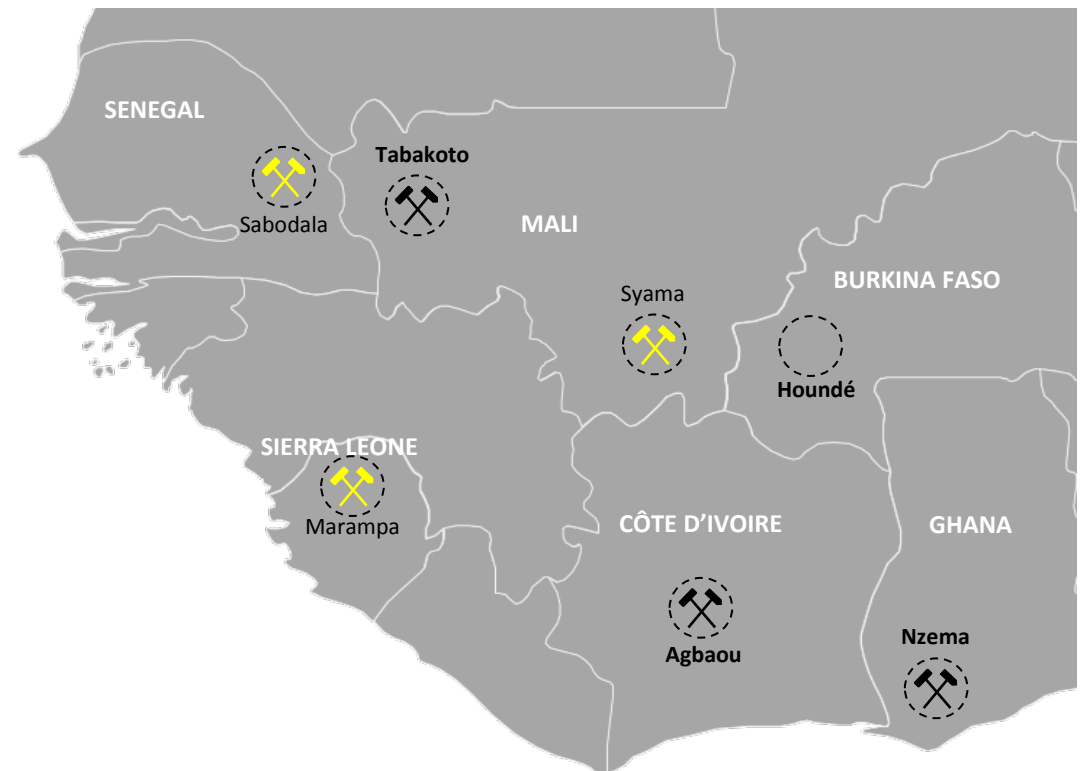
Mining (inclusive of \$47m for the fleet)	75
Owner Project Costs	68
Treatment Plant Costs	57
Infrastructure	47
EPCM Management Costs	17
Owner Operation Costs	15
Construction Indirect Cost	14
Reagents and Services	7
Sub-Total	300
Contingency	28
Total	328

Houndé Construction Led By Experienced Team

Significant Construction track record

- Endeavour's core construction team has been together for +10 years
- 3 projects developed for Endeavour and 4 with other companies
- 6 projects developed in West Africa¹
- \$2.4 billion in total project Capex
- All projects delivered on time and within budget
- Most recently built Endeavour's Agbaou mine in Côte d'Ivoire, ahead of schedule and under-budget

6 West-African projects built by Endeavour's core construction team



¹Built Agbaou, Nzema, Marampa, Syama and Sabodala, and commissioned Tabakoto's Kofi Open Pit, two Underground mines and mill expansion

Benefits for Burkina Faso and the local population

- Local employment:
 - Construction period to employ 1,800 people; 90% of which Burkinabé
 - 470 employed during production phase; 90% of which Burkinabé
- Social, health, and local community development programs
- Construction of roughly 400 buildings/houses and structures with all materials and labor locally sourced
- Tax, Royalty and Dividends for the state

*New houses built for resettlement program
(400 houses to build)*



Endeavour’s CRS activities

Stakeholder Engagement	<ul style="list-style-type: none"> • Bi-Monthly public meetings currently being held • Merging of the urbanization plan with the LOM CSR plan • Development of the Community action plan • Grievance mechanism process established
Community development	<ul style="list-style-type: none"> • Introduction of operator screening and training with simulators prior to operations • Identification of local community members with appropriate skills – Database with 3000 CVs • Community meetings targeting local businesses and potential operators • Establishment of the 2016 Action Plan • Donation of medical equipment to Hounde Medical Centre • Red Cross sanitation initiative as per Youga and Agbaou • Livelihood Restoration Program • Traineeships for all construction disciplines
Resettlement	<ul style="list-style-type: none"> • Government support granted • Establishment of a provincial resettlement and compensation committee • Secure the resettlement site and commence town planning • Close and integrated interaction and programs with all affected persons

Questions and Answers



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