



CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended
September 30, 2017 and 2016
(Unaudited)



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ENDEAVOUR MINING CORPORATION
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Thousands of United States Dollars)
(Unaudited)

In thousands of US\$	Note	As at September 30, 2017	As at December 31, 2016
ASSETS			
Current			
Cash		97,166	124,294
Cash - restricted		1,876	5,270
Trade and other receivables		17,455	12,274
Income taxes receivable		376	373
Inventories	5	109,508	110,404
Current portion of derivative financial assets	15	-	6,623
Prepaid expenses and other		31,369	24,298
Assets held for sale	4	85,757	-
		343,507	283,536
Mining interests	6	1,363,904	1,039,529
Deferred income taxes		26,625	29,978
Other long term assets	7	3,974	4,055
Total assets		\$ 1,738,010	\$ 1,357,098
LIABILITIES			
Current			
Trade and other payables	8	162,689	128,860
Current portion of finance lease obligations	9	4,315	4,315
Income taxes payable		6,146	16,451
Liabilities held for sale	4	28,857	-
		202,007	149,626
Finance lease obligations	9	2,918	5,694
Long-term debt	10	322,458	140,957
Other long term liabilities	11	46,334	47,854
Deferred income taxes		73,347	52,306
Total liabilities		\$ 647,064	\$ 396,437
EQUITY			
Share capital	12	1,704,518	1,484,735
Equity reserve	12	53,469	39,727
Deficit		(704,419)	(615,673)
Equity attributable to shareholders of the Corporation		1,053,568	908,789
Non-controlling interests	13	37,378	51,872
Total equity		1,090,946	960,661
		\$ 1,738,010	\$ 1,357,098

COMMITMENTS AND CONTINGENCIES (NOTE 20)
SUBSEQUENT EVENTS (NOTE 21)

Approved by the Board: November 9, 2017

"Sebastien de Montessus" Director

"Wayne McManus" Director

The accompanying notes are an integral part of these condensed interim consolidated financial statements

ENDEAVOUR MINING CORPORATION
Condensed Interim Consolidated Statements of Comprehensive Earnings/(Loss)
(Expressed in Thousands of United States Dollars)
(Unaudited)

	Note	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
		2017	2016	2017	2016
In thousands of US\$					
Revenues					
Gold revenue		135,110	137,922	445,529	393,657
Cost of sales					
Operating expenses		(89,616)	(63,476)	(266,122)	(193,087)
Depreciation and depletion		(30,782)	(18,802)	(90,176)	(57,605)
Royalties		(7,270)	(6,555)	(22,965)	(17,827)
Earnings from mine operations		7,442	49,089	66,266	125,138
Corporate costs		(3,104)	(5,552)	(15,399)	(14,895)
Acquisition and restructuring costs	3	(7,654)	(6,558)	(10,114)	(24,580)
Share-based expenses	12	(9,132)	(2,886)	(18,575)	(8,603)
Exploration costs		(1,429)	(2,520)	(5,665)	(4,388)
(Loss)/earnings from operations		(13,877)	31,573	16,513	72,672
Gain/(loss) on financial instruments	14	119	3,481	(6,233)	(20,275)
Finance costs	10	(11,325)	(5,930)	(20,067)	(18,759)
Other (expenses) income		(582)	-	1,920	270
(Loss)/earnings from continuing operations before taxes		(25,665)	29,124	(7,867)	33,908
Current income tax expense		(3,264)	(2,435)	(12,489)	(7,695)
Deferred income tax recovery (expense)		3,100	(3,276)	6,119	(4,420)
Net and comprehensive (loss)/earnings from continuing operations		(25,829)	23,413	(14,237)	21,793
Net (loss)/gain from discontinued operations and (loss)/gain on disposal	4	(38,693)	840	(29,007)	(5,100)
Total net and comprehensive (loss)/earnings		(64,522)	24,253	(43,244)	16,693
Net (loss)/earnings from continuing operations attributable to:					
Shareholders of Endeavour Mining Corporation		(25,852)	14,279	(23,373)	(918)
Non-controlling interests	13	23	9,134	9,136	22,711
Net (loss)/earnings from continuing operations		(25,829)	23,413	(14,237)	21,793
Total net (loss)/earnings attributable to:					
Shareholders of Endeavour Mining Corporation		(66,104)	15,035	(54,505)	(5,325)
Non-controlling interests	13	1,582	9,218	11,261	22,018
Total net (loss)/earnings		(64,522)	24,253	(43,244)	16,693
Net (loss)/earnings per share from continuing operations	12				
Basic (loss)/earnings per share		\$ (0.26)	\$ 0.16	\$ (0.24)	\$ (0.01)
Diluted (loss)/earnings per share		\$ (0.26)	\$ 0.15	\$ (0.24)	\$ (0.01)
Net (loss)/earnings per share	12				
Basic (loss)/earnings per share		\$ (0.68)	\$ 0.16	\$ (0.57)	\$ (0.07)
Diluted (loss)/earnings per share		\$ (0.68)	\$ 0.16	\$ (0.57)	\$ (0.07)

The accompanying notes are an integral part of these condensed interim consolidated financial statements

ENDEAVOUR MINING CORPORATION
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Thousands of United States Dollars)
(Unaudited)

In thousands of US\$	Note	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
		2017	2016	2017	2016
Operating Activities					
		(64,765)	31,254	(37,090)	26,962
		(Loss)/earnings before taxes¹			
		Adjustments for:			
	6	38,569	21,607	107,172	70,871
	10	11,325	5,930	20,067	18,759
	12	9,132	2,886	18,575	8,603
	14	(119)	(3,481)	6,233	20,275
		53,599	-	53,599	-
		(2,406)	(534)	(3,507)	(1,818)
		(5,119)	(3,254)	(16,413)	(12,035)
	15	-	(1,829)	(3,658)	(3,712)
		(2,978)	2,311	(4,302)	522
		37,238	54,890	140,676	128,427
		(3,685)	(6,828)	(8,637)	(3,988)
		(12,043)	24	(20,869)	(7,075)
	5	773	-	4,248	-
		5,489	4,926	(7,488)	(2,331)
		27,392	(22,798)	31,364	(35,912)
		17,926	(24,676)	(1,382)	(49,306)
		\$ 55,164	\$ 30,214	\$ 139,294	\$ 79,121
Cash generated from operating activities					
Investing Activities					
		(112,063)	(71,009)	(309,800)	(151,641)
	13	-	-	(53,915)	-
	3	7,982	-	7,982	10,031
		-	14,648	-	34,146
		-	-	-	(15,000)
	4.2	-	(798)	-	22,093
		(104,081)	(57,159)	(355,733)	(100,371)
		\$ (104,081)	\$ (57,159)	\$ (355,733)	\$ (100,371)
Cash used in investing activities					
Financing Activities					
	3,12	30,868	111,031	82,674	183,827
		-	(6,871)	-	(9,645)
	13	(5,177)	(2,325)	(5,177)	(2,325)
	10	(9,082)	(6,660)	(10,359)	(6,341)
		(4,529)	(2,924)	(8,409)	(9,698)
	10	340,000	10,000	420,000	10,000
	10	(260,000)	(70,000)	(260,000)	(110,000)
		-	(5,088)	-	(6,213)
	9	(949)	(863)	(2,779)	(2,528)
		(699)	752	2,390	(684)
		90,432	27,052	218,340	46,393
		\$ 90,432	\$ 27,052	\$ 218,340	\$ 46,393
		(1,032)	3,002	(850)	2,432
		40,483	3,109	1,051	27,575
		84,862	133,985	124,294	109,519
		125,345	137,094	125,345	137,094
		\$ 125,345	\$ 137,094	\$ 125,345	\$ 137,094
		(28,179)	-	(28,179)	-
		97,166	137,094	97,166	137,094
		\$ 97,166	\$ 137,094	\$ 97,166	\$ 137,094
		\$ 97,166	\$ 137,094	\$ 97,166	\$ 137,094

	Note	2017	2016	2017	2016
¹ (Loss)/earnings before taxes from continuing operations		(25,665)	29,124	(7,867)	33,908
(Loss)/gain from discontinued operations	4	(38,693)	840	(29,007)	(5,100)
Deferred and current income taxes on discontinued operations	4	(407)	1,290	(216)	(1,846)
(Loss)/earnings before income taxes		(64,765)	31,254	(37,090)	26,962

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

ENDEAVOUR MINING CORPORATION
Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in Thousands of United States Dollars)
(Unaudited)

														SHARE CAPITAL	
	Note	Number of Common Shares	Par Value	Additional Paid in Capital	Number of Exchangeable Shares	Par Value	Additional Paid in Capital	Total Number of Shares	Total Share Capital	Equity Reserve	Deficit	Total Attributable to Shareholders	Non-Controlling Interests	Total	
<i>In thousands of US\$</i>															
At January 1, 2016		58,969,264	5,892	1,063,876	50,681	5	1,315	59,019,942	1,071,088	41,966	(548,951)	564,103	33,009	597,112	
Consideration on acquisition of the Karma Mine		17,600,982	1,760	214,679	-	-	-	17,600,982	216,439	-	-	216,439	-	216,439	
Shares issued to La Mancha associated with the Karma mine acquisition		7,546,775	755	64,353	-	-	-	7,546,775	65,108	-	-	65,108	-	65,108	
Shares issued in private placements		7,187,500	719	103,295	-	-	-	7,187,500	104,014	-	-	104,014	-	104,014	
Assumed on acquisition of the Karma Mine	3	-	-	-	-	-	-	-	-	8,771	-	8,771	11,530	20,301	
Exchangeable shares exchanged into common shares		24,911	2	249	(24,911)	(2)	(249)	-	-	-	-	-	-	-	
Share options exercised		1,928,759	190	24,906	-	-	-	1,928,759	25,096	(10,392)	-	14,704	-	14,704	
Amortization of option grants	13	-	-	-	-	-	-	-	-	656	-	656	-	656	
Dividends	13	-	-	-	-	-	-	-	-	-	-	-	(2,597)	(2,597)	
Shares issued to non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	22	22	
Disposal of the Youga Mine	4.2	-	-	-	-	-	-	-	-	-	-	-	(4,305)	(4,305)	
Net earnings and total comprehensive earnings		-	-	-	-	-	-	-	-	-	(5,325)	(5,325)	22,018	16,693	
At September 30, 2016		93,258,191	\$ 9,318	\$ 1,471,358	25,770	\$ 3	\$ 1,066	93,283,958	\$ 1,481,745	\$ 41,001	\$ (554,276)	\$ 968,470	\$ 59,677	\$ 1,028,147	
At January 1, 2017		93,521,218	9,348	1,474,723	25,132	2	662	93,546,349	1,484,735	39,727	(615,673)	908,789	51,872	960,661	
Acquisition of non-controlling interest of the Ity mine	13	-	-	-	-	-	-	-	-	-	(34,241)	(34,241)	(22,974)	(57,215)	
Consideration on the acquisition of Avnel	3	7,218,964	722	133,294	-	-	-	7,218,964	134,016	-	-	134,016	3,517	137,533	
Exchangeable shares exchanged into common shares		2,836	-	75	(2,836)	-	(75)	-	-	-	-	-	-	-	
Share options, PSU's and DSU's exercised		811,465	81	7,597	-	-	-	811,465	7,678	(2,041)	-	5,637	-	5,637	
PSU/RSUs reclassified into equity		-	-	-	-	-	-	-	-	15,570	-	15,570	-	15,570	
Amortization of options	12	-	-	-	-	-	-	-	-	213	-	213	-	213	
Dividends to non-controlling interests	13	-	-	-	-	-	-	-	-	-	-	-	(6,298)	(6,298)	
Shares issued in private placements	12	4,240,269	424	78,089	-	-	-	4,240,269	78,089	-	-	78,089	-	78,089	
Net (loss)/earnings and total comprehensive earnings		-	-	-	-	-	-	-	-	-	(54,505)	(54,505)	11,261	(43,244)	
At September 30, 2017		105,794,752	\$ 10,575	\$ 1,693,778	22,296	\$ 2	\$ 587	105,817,047	\$ 1,704,518	\$ 53,469	\$ (704,419)	\$ 1,053,568	\$ 37,378	\$ 1,090,946	

The accompanying notes are an integral part of these condensed interim consolidated financial statements

1 DESCRIPTION OF BUSINESS AND NATURE OF OPERATIONS

Endeavour Mining Corporation (“Endeavour” or the “Corporation”) is a publicly listed gold mining company that operates six mines in West Africa in addition to having project development and exploration assets. Endeavour is focused on effectively managing its existing assets to maximize cash flows as well as pursuing organic and strategic growth opportunities that benefit from its management and operational expertise.

Endeavour’s corporate office is in London, England, and its shares are listed on the Toronto Stock Exchange (“TSX”) (symbol EDV) and quoted in the United States on the OTCQX International under the symbol ‘EDVMF’. The Corporation is incorporated in the Cayman Islands and its registered office is located at 27 Hospital Road, George Town, Grand Cayman KY1-9008, Cayman Islands.

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*, using the accounting policies consistent with International Financial Reporting Standards (‘IFRS’).

These condensed interim consolidated financial statements should be read in conjunction with the most recently issued annual consolidated financial statements of the Corporation, which include information necessary or useful to understanding the Corporation’s business and financial statement presentation. In particular, the Corporation’s significant accounting policies were presented as Note 2 to the consolidated financial statements for the year ended December 31, 2016, and have been consistently applied in the preparation of these condensed interim consolidated financial statements.

BASIS OF PREPARATION

These condensed interim consolidated financial statements have been prepared on the historical cost basis, except certain financial instruments that are measured at fair value at the end of each reporting period. The Corporation’s accounting policies have been applied consistently to all periods in the preparation of these condensed interim consolidated financial statements.

ACCOUNTING STANDARDS RECENTLY ISSUED

The Corporation has not applied the following revised or new IFRS that have been issued but were not yet effective at September 30, 2017. The Corporation is currently evaluating the impact these standards are expected to have on the Corporation's accounting policies and financial statements:

- › *IFRS 7, Financial Instruments Disclosures:* (effective January 1, 2018) the amendments require increased disclosure regarding derecognition of financial assets and the continuing involvement accounting in connection with servicing contracts for annual periods beginning on or after January 1, 2016.
- › *IFRS 9, Financial Instruments:* (effective January 1, 2018) introduces new requirements for the classification and measurements of financial assets and liabilities.
- › *IFRS 15 Revenue:* (Effective January 1, 2018) In May 2014, the International Accounting Standards Board issued IFRS 15 Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 Construction Contracts, IAS 18 Revenue, IFRS Interpretations Committee ("IFRIC") 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers, and SIC 31 Revenue Barter Transactions involving Advertising Services. IFRS 15 establishes a single five-step framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted.
- › *IFRS 16 Leases* (effective January 1, 2019), was issued in January 2016 and provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value.

3 ACQUISITION AND RESTRUCTURING

ACQUISITION OF AVNEL GOLD MINING LIMITED

On September 18, 2017, the Corporation completed the acquisition of Avnel Gold Mining Ltd ("Avnel"). The Corporation acquired 100% of the share capital of Avnel with an issuance of 7,218,964 ordinary shares. Avnel owns 80% of the Kalana gold project in Mali and the Corporation is now integrating Avnel into the group and initiating pre-development activities to optimize the Kalana gold project.

Following the acquisition of Avnel, La Mancha Holding S.à.r.l. ("La Mancha") is exercising its anti-dilution right to maintain its 30% interest in the Corporation. As at September 30, 2017, this resulted in an initial \$30.1 million placement (CAD\$ 37.7 million) for 1,666,897 shares, paid on September 29, 2017, increasing their ownership to 28.82%. The remaining funds are expected to be received in November 2017 to maintain its 30% interest in the Corporation (note 21).

As of the date of these condensed interim consolidated financial statements, the determination of fair value of assets and liabilities acquired is based on preliminary estimates and has not been finalized. The Corporation is currently in the process of determining the fair values of the net assets acquired, assessing and measuring the associated deferred income tax assets and liabilities and potential goodwill on the acquisition. Non-controlling interest is measured at its proportionate share

of the fair value of net assets. The actual fair values of the assets and liabilities may differ materially from the amounts disclosed in the preliminary fair value below and are subject to change.

The consideration and preliminary allocation to the value of assets acquired and liabilities assumed are as follows:

	Fair value at acquisition date
Purchase price:	
Fair value of 7,218,964 Endeavour common shares issued	134,016
	\$ 134,016
Net assets/(liabilities) acquired	
Mining interests	177,169
Inventory	764
Cash	7,982
Provision for reclamation	(2,104)
Non-controlling interest	(3,517)
Net working capital acquired (excluding cash)	(15,958)
Deferred income and mining taxes	(30,320)
Net Assets	\$ 134,016

In the three months and nine months ended September 30, 2017, the Corporation incurred \$1.2 million and \$2.3 million of acquisition-related costs, relating to advisory, legal, valuation and other professional fees (three and nine months ended September 30, 2016 – \$1.7 million and \$6.2 million). These costs are presented as acquisition costs within the consolidated statements of comprehensive (loss) earnings. The Corporation has incurred an additional \$6.5 million and \$7.8 million of restructuring costs (three and nine months ended September 30, 2016 - \$4.8 million and \$18.3 million respectively).

4 DISPOSALS OF MINING INTERESTS AND ASSETS HELD FOR SALE

4.1 RECLASSIFICATION OF THE NZEMA MINE

On August 9, 2017, the Corporation announced that it had agreed on the sale of its 90% interest in the Nzema Mine to BCM International Ltd (“BCM”) for a total cash consideration of up to \$65 million. At September 30, 2017, the transaction was not yet completed. The cash consideration consists of a \$20 million payment upon completion of the transaction with an additional \$45 million payable contingent on the future cash flows of the Nzema Mine between June 30, 2017 and December 31, 2019.

The Nzema cash generating unit (“CGU”) has been classified as an asset held for sale and a discontinued operation and as a result, (loss) earnings has been restated for the current and comparative period to classify all (loss) earnings relating to Nzema as (loss) earnings from

ENDEAVOUR MINING CORPORATION

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

(Expressed in Thousands of United States Dollars, except per share amounts)

(Unaudited)

discontinued operations. All assets and liabilities relating to the Nzema CGU have been classified as current assets/liabilities held for sale at September 30, 2017. There is no impact on the presentation of the statement of cashflows.

In classifying the Nzema CGU as held for sale, an impairment assessment was completed to recognize the CGU at the lower of its carrying value and fair value less costs to sell. The fair value less costs to sell was valued by taking the contingent consideration and running a series of Monte Carlo simulations based on the agreed mine plan with BCM and using assumptions on the future gold prices and discount rate. When assessing the lower of fair value less costs to sell and carrying value, the following impairment was recognized:

	September 30, 2017
Carrying value of Nzema CGU	110,499
Fair value less costs to sell	(56,900)
Impairment charge	\$ 53,599

The impairment charge is allocated as follows:

	Depletable Mineral Property	Non-Depletable Mineral Property	Property, Plant & Equipment	Total Carrying Value
Carrying value at September 30, 2017	39,430	37,314	15,322	92,066
Impairment allocation	(22,955)	(21,723)	(8,921)	(53,599)
Closing balance at September 30, 2017	\$ 16,475	\$ 15,591	\$ 6,401	\$ 38,467

The profit and loss for the CGU was as follows:

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2017	2016	2017	2016
Gold revenue	49,366	31,391	117,584	79,987
Operating costs	(23,146)	(24,380)	(68,699)	(66,250)
Depreciation and depletion	(8,114)	(3,805)	(17,662)	(12,007)
Impairment of mineral properties	(53,599)	-	(53,599)	-
Royalties	(2,801)	(1,651)	(6,730)	(4,198)
Other gains/(losses)	8	576	315	(2,076)
Current income tax expense	(407)	(1,400)	(216)	(1,457)
Deferred income tax recovery (expense)	-	109	-	4,174
Net loss from discontinued operations	\$ (38,693)	\$ 840	\$ (29,007)	\$ (1,827)

ENDEAVOUR MINING CORPORATION

Notes to the Unaudited Condensed Interim Consolidated Financial Statements
(Expressed in Thousands of United States Dollars, except per share amounts)
(Unaudited)

The net assets of the CGU classified as held for sale are as follows:

	September 30, 2017
Cash and short-term deposits	28,179
Restricted cash	1,311
Amounts receivable	2,460
Deposits and prepaid expenses	645
Inventory	14,695
Property plant and equipment	8,920
Mineral properties, mine development and related deferred costs	29,547
Assets Held for Sale	85,757
Accounts payable and accrued liabilities	(18,060)
Withholding taxes payable	(2,900)
Asset retirement obligation	(7,897)
Liabilities Held for Sale	(28,857)
Net Assets	\$ 56,900

The cash flows of the CGU classified as held for sale are as follows:

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2017	2016	2017	2016
Cash generated from operating activities	21,020	2,435	117,584	650
Cash used in investing activities	(3,282)	(5,761)	(68,699)	(12,822)
Cash generated from financing activities	33	17	3,478	(1,255)

4.2 DISPOSAL OF THE YUGA MINE

On February 29, 2016, the Corporation announced and completed the sale of its non-core Youga Mine to MNG Gold for \$25.3 million. The sale included the Youga Mine, Ouaré Project and the related exploration properties and is part of the Corporation's plan to focus on its core mining operations and assets.

The total cash consideration was comprised of \$20 million for the asset and \$5.3 million for the cash-on-hand and working capital adjustments. The Corporation recognized a loss on disposal of \$1.0 million in the nine months ended September 30, 2016 and a loss from discontinued operations of \$2.3 million. In addition, Endeavour retained a 1.8% Net Smelter Royalty ("NSR") on production realized beyond the current reserve from the property sold, with the inclusion of a buyback provision held by MNG.

5 INVENTORIES

	September 30, 2017	December 31, 2016
Doré bars ¹	3,498	8,291
Gold in circuit ²	23,245	27,623
Ore stockpiles	24,436	22,480
Spare parts and supplies ³	58,329	52,010
Total inventory	\$ 109,508	\$ 110,404

(1) Includes a charge of \$0.5 million to adjust the costs of inventory to net realizable value ("NRV") at the Tabakoto (December 31, 2016: \$nil).

(2) Includes a charge of \$0.3 million to adjust the costs of inventory to net realizable value at the Tabakoto (December 31, 2016: \$nil).

(3) Includes a provision of \$5.3 million for obsolete inventory at the Tabakoto mine (December 31, 2016: \$nil).

The cost of inventories recognized as expense in the three month and nine months ended September 30, 2017, was \$120.2 million and \$3 million respectively, and were included in operating expenses (three and nine months ended September 30, 2016 - \$82.1 million and \$250.3 million respectively).

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6 MINING INTERESTS

MINING PROPERTIES							
In thousands of US\$	Note	Depletable	Non depletable	Plant and equipment	Assets under construction	Non mining	Total
Cost							
Balance as at December 31, 2015		908,950	446,270	584,665	-	2,685	1,942,570
Acquisition of the Karma Mine		-	-	-	280,695	534	281,229
Additions/expenditures		65,826	9,547	31,962	86,775	246	194,356
Transfers related to Hounde construction to/(from)		-	(109,000)	-	109,000	-	-
Transfers on declaration of commercial production to/(from)		106,576	-	157,750	(264,326)	-	-
Reclamation liability change in estimate		4,791	-	-	-	-	4,791
Disposals		-	-	-	-	(887)	(887)
Disposal of the Youga Mine	4.2	(84,837)	(19,538)	(75,267)	-	-	(179,642)
Balance as at December 31, 2016		1,001,306	327,279	699,110	212,144	2,577	2,242,416
Acquisition of mining interest	3	-	182,375	-	-	-	182,375
Additions/expenditures		36,130	47,901	21,757	219,770	3,599	329,157
Reclamation liability change in estimate		-	-	-	9,567	-	9,567
Disposals		-	-	-	-	-	-
Transfer to asset held for sale	4.1	(364,016)	(176,592)	(120,405)	-	-	(661,013)
Balance as at September 30, 2017		\$ 673,420	\$ 380,963	\$ 600,462	\$ 441,481	\$ 6,176	\$ 2,102,502
Accumulated depreciation and impairment							
Balance as at December 31, 2015		619,205	212,075	365,901	-	1,997	1,199,178
Depreciation/depletion		58,478	-	44,038	-	506	103,022
Depreciation captured in inventory		(1,663)	-	114	-	-	(1,549)
Impairment		34,230	26,761	10,044	-	-	71,035
Disposals		-	-	-	-	(841)	(841)
Transfer to asset held for sale		(79,404)	(16,772)	(71,781)	-	-	(167,957)
Balance as at December 31, 2016		630,846	222,064	348,316	-	1,662	1,202,888
Depreciation/depletion		60,604	(360)	46,748	-	180	107,172
Depreciation captured in inventory		1,344	(2)	(3,855)	-	-	(2,513)
Impairment	4.1	22,955	21,723	8,920	-	-	53,598
Transfer to asset held for sale	4.1	(355,449)	(153,095)	(114,003)	-	-	(622,547)
Balance as at September 30, 2017		\$ 360,300	\$ 90,330	\$ 286,126	\$ -	\$ 1,842	\$ 738,598
Carrying amounts							
At December 31, 2016		\$ 370,460	\$ 105,215	\$ 350,794	\$ 212,144	\$ 916	\$ 1,039,529
At September 30, 2017		\$ 313,120	\$ 290,633	\$ 314,336	\$ 441,481	\$ 4,334	\$ 1,363,904

At September 30, 2017, the additions of equipment included \$35.5 million in assets under construction of long term financing arrangements (December 31, 2016 - \$9.1 million). Additions to assets under construction included \$8.9 million of capitalized borrowing costs (December 31, 2016 – nil). The average capitalization rate was 3.83% for the period.

At September 30, 2017, mineral property additions included \$34.9 million in trade and other payable (December 31, 2016 - \$3.7 million).

During the three and six months ended June 30, 2017, the depletion expense was reported as \$35.8 million and \$71.9 million respectively. However, the depletion expense reported should have been \$32.5 million and \$68.6 million, respectively. Additionally, in the six months to June 30, 2017, the Corporation had not capitalized any interest costs. Finance costs as reported were \$5.8 million and \$11.7 million respectively but when adjusted for the capitalization should have been \$2.9 million and \$8.8 million for the three and six months ended June 30, 2017. As a result of the above, the net earnings and basic earnings per share for the three and six months ended June 30, 2017, adjusted, are \$23.5 million and \$21.3 million, and \$0.20 per share and \$0.12 per share respectively, compared to \$17.3 million and \$15.1 million and \$0.14 and \$0.06 per share as previously reported.

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A summary of the carrying values by property is as follows:

In thousands of US\$	Note	Tabakoto Mine	Youga Mine	Agbaou Mine	Ity Mine	Karma Mine	Houndé Project	Ouaré Project	Exploration Properties	Kalana Project	Non mining	Total (Excluding Nzema)	Nzema Mine	Total (Incl Nzema)
Cost														
Balance as at December 31, 2015		739,045	168,014	212,609	37,782	-	138,441	11,629	3,169	-	2,685	1,310,689	629,196	1,942,570
Acquisition of the Karma Mine		-	-	-	-	280,695	-	-	-	-	534	281,229	-	281,229
Additions/expenditures		31,248	-	27,139	20,846	4,860	102,192	-	-	-	246	186,531	19,986	206,517
Transfers (to) from inventory		-	-	-	-	(12,161)	-	-	-	-	-	(12,161)	-	(12,161)
Reclamation liability change in estimate		495	-	1,850	-	2,358	-	-	-	-	-	4,703	88	4,791
Disposals	4.2	-	-	-	-	-	-	-	-	-	(887)	(887)	-	(887)
Disposal of the Youga Mine		-	(168,014)	-	-	-	-	(11,629)	-	-	-	(179,643)	-	(179,643)
Balance as at December 31, 2016		770,788	-	241,598	58,628	275,752	240,633	-	3,169	-	2,578	1,593,146	649,270	2,242,416
Acquisition of mining interest	3	5,206	-	-	-	-	-	-	-	177,169	-	182,375	-	182,375
Additions/expenditures		22,568	-	10,636	43,909	44,078	187,765	-	4,350	513	3,595	317,414	11,743	329,157
Reclamation liability change in estimate		-	-	-	-	-	9,567	-	-	-	-	9,567	-	9,567
Assets Classified as Held for Sale	4.1	-	-	-	-	-	-	-	-	-	-	-	(661,013)	(661,013)
Balance as at September 30, 2017		\$ 798,562	\$ -	\$ 252,234	\$ 102,537	\$ 319,830	\$ 437,965	\$ -	\$ 7,519	\$ 177,682	\$ 6,173	\$ 2,102,502	\$ -	\$ 2,102,502
Accumulated depreciation and impairment														
Balance as at December 31, 2015		503,461	156,329	57,835	1,905	-	-	11,629	3,169	-	1,997	736,325	462,854	1,199,179
Depreciation/depletion		31,057	-	28,622	20,069	5,754	-	-	-	-	432	85,934	17,087	103,021
Depreciation captured in inventory		427	-	(178)	(1,046)	-	-	-	-	-	-	(797)	(752)	(1,549)
Impairment		-	-	-	-	-	-	-	-	-	-	-	71,035	71,035
Disposals		-	-	-	-	-	-	-	-	-	(841)	(841)	-	(841)
Disposal of the Youga Mine	3	-	(156,329)	-	-	-	-	(11,629)	-	-	1	(167,957)	-	(167,957)
Balance as at December 31, 2016		534,944	-	86,278	20,929	5,753	-	-	3,169	-	1,589	652,662	550,226	1,202,888
Depreciation/depletion		34,031	-	24,583	15,080	15,476	-	-	-	-	180	89,350	17,822	107,172
Depreciation captured in inventory		(1,403)	-	464	(1,532)	(943)	-	-	-	-	-	(3,414)	901	(2,513)
Impairment	4.1	-	-	-	-	-	-	-	-	-	-	-	53,598	53,598
Assets Classified as Held for Sale	4.2	-	-	-	-	-	-	-	-	-	-	-	(622,547)	(622,547)
Balance as at September 30, 2017		\$ 567,572	\$ -	\$ 111,325	\$ 34,477	\$ 20,286	\$ -	\$ -	\$ 3,169	\$ -	\$ 1,769	\$ 738,598	\$ -	\$ 738,598
Carrying amounts														
At December 31, 2016		\$ 235,844	\$ -	\$ 155,320	\$ 37,699	\$ 269,999	\$ 240,633	\$ -	\$ -	\$ -	\$ 989	\$ 940,486	\$ 99,044	\$ 1,039,529
At September 30, 2017		\$ 230,990	\$ -	\$ 140,909	\$ 68,060	\$ 299,544	\$ 437,965	\$ -	\$ 4,350	\$ 177,682	\$ 4,404	\$ 1,363,904	\$ -	\$ 1,363,904

¹ Acquisitions of, and additions to mining interests of \$511.5 million net of shares issues as part of Avnel acquisition, leased additions and working capital changes result in \$301.2 million of cash utilized, as found on the Statement of Cash Flows.

7 OTHER LONG TERM ASSETS

Other long term assets are comprised of:

	September 30, 2017	December 31, 2016
Working capital loan	1,050	1,012
Long term stockpiles	2,697	2,765
Long term receivable	227	278
Total	\$ 3,974	\$ 4,055

Working capital loan

The Corporation continues to maintain a working capital loan receivable from a former associate, which is still considered collectible.

Long term stockpiles

Certain low grade stockpiles that are not expected to be processed until the end of mine life are classified as long term assets. In the three and nine months ended September 30, 2017, an adjustment of \$nil and \$0.1 million respectively was recognized to adjust the cost to a net realizable value of \$2.7 million (September 30, 2016 - \$nil million).

8 TRADE AND OTHER PAYABLES

Trade and other payables consist of the following:

	September 30, 2017	December 31, 2016
Trade accounts payable - operations	123,147	102,295
Trade accounts payable - construction ¹	19,470	4,230
Royalties payable	3,732	3,560
Taxes - direct and indirect	7,599	11,633
Payroll and social charges	943	5,778
Other payables	7,798	1,364
Total	\$ 162,689	\$ 128,860

¹Includes \$8.8 million of the current portion of the Houndé financing arrangement.

9 FINANCE LEASE OBLIGATIONS

The finance leases were composed of the following obligations:

	September 30, 2017	December 31, 2016
Equipment lease obligations	7,233	10,009
Less: current portion	(4,315)	(4,315)
Long-term equipment lease obligations	\$ 2,918	\$ 5,694

	MINIMUM LEASE PAYMENTS	
	September 30, 2017	December 31, 2016
Not later than one year	4,540	4,540
Later than one year and not later than five years	4,468	6,738
	9,008	11,278
Less future finance charges	(1,775)	(1,269)
Present value of minimum lease payments	\$ 7,233	\$ 10,009

On March 7, 2014, the Corporation's Malian subsidiary entered a five year, \$18 million equipment lease financing facility. The equipment lease is a finance lease and 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.

10 LONG-TERM DEBT

	Note	September 30, 2017	December 31, 2016
Corporate loan facility	10.1	300,000	140,000
Deferred financing costs ¹		(8,318)	(10,461)
Corporate loan facility		291,682	129,539
Houndé financing	10.2	30,776	11,418
Total long term debt		\$ 322,458	\$ 140,957

¹ Financing fees capitalized at December 31, 2016 of \$10.5 million relating to the previous facility have been expensed in the quarter ended September 30, 2017 as the previous facility was extinguished and replaced with the new facility. Transactional and lender fees attributable to the new facility of \$8.3 million in the three months to September 30, 2017 have been capitalized and will be amortized over the life of the new facility.

10.1 CORPORATE LOAN FACILITY

On September 19, 2017 the Corporation signed a \$500 million revolving credit facility (“the new RCF”) with a syndicate of leading international banks. The previously held \$350 million facility was settled and derecognized. The key terms include:

- › Principal amount of \$500 million.
- › Interest accrues on a sliding scale of between LIBOR plus 2.95% to 3.95% based on the Company's leverage ratio
- › Commitment fees for the undrawn portion of the new RCF of 1.03%.
- › The term of the new RCF is four years, maturing in September 2021.
- › The principal outstanding on the new RCF is repayable as a single bullet payment on the maturity date.
- › The new RCF can be repaid at any time without penalty.

On September 19, 2017, a drawdown of \$300 million was made resulting in an undrawn position of \$200 million on the new facility.

As per the condensed interim consolidation statement of comprehensive (loss) earnings, the Corporation incurred the following finance costs:

Note	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2017	2016	2017	2016
Interest expense	3,090	1,853	7,751	7,575
Amortisation of deferred fees	8,139	1,137	10,461	3,385
Commitment, structuring and other fees	6,115	2,940	10,774	7,799
Less: Capitalised borrowing costs	(6,019)	-	(8,919)	-
Total finance costs	\$ 11,325	\$ 5,930	\$ 20,067	\$ 18,759

10.2 HOUNDÉ FINANCING ARRANGEMENTS

On June 9, 2016, the Corporation entered into a financing arrangement with the Komatsu Group to purchase mining fleet equipment for the Houndé project. The Corporation made an initial down-payment of \$7.1 million on July 1, 2016. Delivery of the mining fleet commenced from the fourth quarter of 2016 and seventeen quarterly payments of principle and interest are to be made between the first quarter of 2018 and the first quarter of 2022, totaling \$46.9 million. As at September 30, 2017 approximately \$46.7 million of the equipment has arrived at site and is currently being commissioned as a part of the construction phase. \$8.8 million of this financing arrangement is classified as current as referred to in note 8.

On March 13, 2017, Houndé Gold Operation SA, Endeavour's main operating subsidiary for the Houndé project, entered into an equipment financing facility with Caterpillar Financial Services Corporation. The \$10 million facility will finance the purchase of backup power gensets for the Houndé project in Burkina Faso. The facility will mature five years from the date of first drawdown, which had not occurred at September 30, 2017. Availability of the facility is subject to the satisfaction of customary conditions precedent, including the provision of an equipment pledge.

11 OTHER LONG TERM LIABILITIES

Provisions are comprised of:

	Note	September 30, 2017	December 31, 2016
Environmental rehabilitation provision	11.1	43,146	38,864
Share based liabilities	12	2,894	8,679
Net pension obligation		294	311
Total		\$ 46,334	\$ 47,854

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11.1 ENVIRONMENTAL REHABILITATION PROVISION

	September 30, 2017	December 31, 2016
Balance beginning of period	38,864	35,893
Initial recognition of provision	9,566	-
Assumed on acquisition of the Karma Mine	-	1,886
Derecognized on disposal of the Youga Mine	-	(4,786)
Derecognized on reclassification to held for sale	(7,897)	-
Assumed on acquisition of the Kalana Project	2,104	-
Revisions in estimates and obligations incurred	-	5,434
Accretion	833	698
Rehabilitation work performed	(324)	(261)
Balance end of period	\$ 43,146	\$ 38,864

The provisions of each mine will be accreted over the projected life of each mine.

12 SHARE CAPITAL

VOTING SHARES

Authorized

- › 200,000,000 voting shares of \$0.10 par value
- › 100,000,000 undesignated shares

SHARE-BASED COMPENSATION

The following table summarizes the share-based compensation expense:

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2017	2016	2017	2016
Amortization of option grants	13	76	213	656
Amortisation and change in fair value of DSUs	690	538	1,837	3,571
Amortisation and change in fair value of PSUs	6,200	1,958	11,532	4,062
Amortisation and change in fair value of RSUs	2,229	314	4,993	314
Total share-based expenses	\$ 9,132	\$ 2,886	\$ 18,575	\$ 8,603

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OPTIONS

A summary of the changes in share options is presented below:

	Options outstanding	Weighted average exercise price (C\$)
At December 31, 2015	2,734,404	2.06
Granted	1,700,213	9.23
Exercised	(2,191,150)	9.84
Forfeited	(29,966)	8.12
Expired	(1,140,879)	23.24
At December 31, 2016	1,072,622	14.08
Exercised	(558,648)	11.66
Forfeited	(83,994)	9.47
Expired	(213,746)	26.07
At September 30, 2017	216,234	11.15

The following table summarizes information about the exercisable share options outstanding as at September 30, 2017:

Exercise Prices (C\$)	Outstanding	Exercisable	Weighted average exercise price (C\$)	Weighted average remaining contractual life
\$5.20 - \$7.99	46,758	46,758	\$5.71	2.54 years
\$8.00 - \$14.99	153,619	71,784	\$10.34	2.67 years
\$20.00 - \$24.99	15,158	15,158	\$22.66	0.37 years
\$85.00 - \$449.57	699	699	\$233.91	0.50 years
	216,234	134,399	\$11.28	2.35 years

The Corporation has a share option plan whereby the Corporation's directors may from time to time grant options to directors, employees or consultants. The maximum term of any option is ten years. The exercise price of an option is set at the higher of (i) the volume weighted average trading price of the shares traded on the exchange for the five trading days immediately preceding the grant date and (ii) the closing trading price on the grant date. At September 30, 2017, there were 10,579,475 (December 31, 2016 – 9,354,635) options available for grant under the plan, of which 7,458,406 (December 31, 2016 – 8,252,047) are still available to be granted.

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SHARE UNITS PLANS

A summary of the changes in share unit plans is presented below:

	DSUs outstanding	Weighted average grant price (C\$)	PSUs outstanding	Weighted average grant price (C\$)	RSUs outstanding	Weighted average grant price (C\$)
At December 31, 2015	178,084	5.37	517,800	9.50	-	-
Granted	34,516	16.76	1,122,226	18.99	398,446	21.12
Exercised	(39,199)	7.05	(113,423)	7.83	-	-
Expired	-	-	(216,547)	8.45	-	-
At December 31, 2016	173,401	6.82	1,310,056	12.58	398,446	21.12
Granted	23,288	24.45	1,227,047	18.47	52,645	19.10
Exercised	(50,444)	9.15	(511,166)	17.77	(121,917)	19.10
Forfeited	-	-	(45,839)	18.44	-	0.00
At September 30, 2017	146,245	8.82	1,980,098	14.75	329,174	21.55

DEFERRED SHARE UNITS

On January 26, 2013, the Corporation established a deferred share unit plan (“DSU”) for the purposes of strengthening the alignment of interests between non-executive directors of the Corporation and shareholders by linking a portion of the annual director compensation to the future value of the Corporation’s common shares. Upon establishing the DSU plan for non-executive directors, the Corporation no longer grants options to non-executive directors.

The DSU allows each non-executive director to choose to receive, in the form of DSUs, all or a percentage of their director’s fees, which would otherwise be payable in cash. Compensation for serving on committees must be paid in the form of DSUs. The plan also provides for discretionary grants of additional DSUs by the Board. Each DSU fully vests upon award, but is distributed only when the director has ceased to be a member of the Board. Vested units are settled in cash based on the common share price at the date of settlement.

The total fair value of DSUs at September 30, 2017, was \$2.9 million (December 31, 2016 – \$2.1 million). The total DSU share-based expense recognized in the (loss) earnings was \$0.7 million and \$1.8 million for three and nine months ended September 30, 2017 respectively (September 30, 2016, \$0.5 million recovery and \$3.6 million expense respectively). Of this share-based expense, the change in fair value of the DSUs recognized was a \$0.4 million recovery and \$0.3 million expense for the for three and nine months ended September 30, 2017 respectively (September 30, 2016, \$0.1 million recovery and \$2.2 million expense respectively), with a corresponding amount recorded as a long-term liability in the condensed interim consolidated statement of financial position.

PERFORMANCE SHARE UNITS

In March 2014, following a comprehensive review of its executive compensation programs and pay practices, the Corporation introduced a change in its long-term incentive plan (“LTI Plan”) to include a portion of performance-linked share unit awards (“PSUs”). The PSU program is intended to increase the pay mix in favor of long-term equity-based compensation with three-year cliff-vesting to serve as an employee retention mechanism.

The fair value of the PSUs are determined based on Total Shareholder Return (“TSR”) relative to peer companies, achieving certain operational performance measures (key future operational indicators – All in Sustaining Cost “AISC” and project targets) and using the US\$ share price at each reporting date proportioned to the number of days vested per unit. The fair value related to the TSR portion is determined using a multi-asset Monte Carlo model while the fair value related to the achievement of operational performance measures is determined based the probability of reaching the operational targets.

The total fair value of outstanding PSUs at September 30, 2017, was \$11.6 million (December 31, 2016 - \$5.6 million). The total PSU share-based expense recognized in the (loss) earnings was \$6.2 million and \$11.5 million for three and nine months ended September 30, 2017 respectively (September 30, 2016, \$1.9 million recovery and \$4.0 million expense respectively). Of this share-based expense, the change in fair value of the PSUs recognized was \$0.7 million and \$6.0 million for the three and nine months ended September 30, 2017, (September 30, 2016, \$0.1 million recovery and \$4.0 million expense respectively). During the quarter, the Corporation began settling PSU’s in equity under the terms of the amendments previously made to the PSU arrangements. As a result, management has determined that, as at September 30, 2017, the PSU’s should be accounted for as equity settled share based payments and have reclassified the PSU liability into equity.

RESTRICTED SHARE UNITS

In July 2016, the Corporation introduced a change in its long-term incentive plan (“LTI Plan”) to include a portion of restricted share unit awards (“RSUs”) for certain executives. The RSU program is intended to increase the pay mix in favor of long-term equity-based compensation to serve as an employee retention mechanism.

The total fair value of outstanding RSU’s at September 30, 2017 was \$3.9 million (December 31, 2016, \$1.0 million). The total RSU share-based expense recognized in the profit and loss was \$2.2 million and \$4.9 million for three and nine months ended September 30, 2017 respectively (September 30, 2016, \$0.3 million recovery and \$0.3 million expense respectively). Of this share-based expense, the fair value of the RSU’s recognized was \$0.2 million and \$3.0 million for the three and nine months ended September 30, 2017 (September 30, 2016 - \$nil). During the quarter the Corporation began settling RSU’s in equity under the terms of the amendments previously made to the RSU arrangements.

STOCK APPRECIATION RIGHTS

As part of the Karma Mine acquisition, the Corporation acquired 5,295,000 stock appreciation rights (“SARs”) from True Gold. Each SAR is exercised in cash, based on the closing price of Endeavour on the day prior to exercise multiplied by the ratio of 0.044, less C\$0.19, until February 27, 2017.

In the nine-month period ended September 30, 2017, 405,000 SARs were exercised for total payments of \$0.3 million (September 30, 2016 - \$1.7 million). As at February 27, 2017 all remaining SARs have expired.

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BASIC AND DILUTED EARNINGS PER SHARE

Diluted net earnings per share was calculated based on the following:

	THREE MONTHS ENDED SEPTEMBER		NINE MONTHS ENDED SEPTEMBER	
	2017	2016	2017	2016
Basic weighted average number of shares outstanding	97,623,867	92,063,075	95,723,440	76,324,976
Effect of dilutive securities ¹				
Stock options	176,636	798,712	222,930	-
Diluted weighted average number of shares outstanding	97,800,503	92,861,787	95,946,370	76,324,976
Total basic share capital	105,817,047	93,283,958	105,817,047	93,283,958
Total diluted share capital	108,013,379	93,613,144	108,013,379	93,613,144

¹ Diluted income per share was determined using the basic weighted average shares outstanding rather than the diluted weighted average shares outstanding as the effects would have been anti-dilutive.

On April 17, 2017 the Corporation announced that its largest shareholder, La Mancha Holding S.A R.L (“La Mancha”) exercised its anti-dilution right to increase its stake from the current 28.1% interest to the initial 29.9% ownership position, by means of a \$47.5 million (CAD\$63.4 million) private placement for 2,573,372 shares on April 25, 2017.

Following the acquisition of Avnel, La Mancha is exercising its anti-dilution right to maintain its 30% interest in the Corporation. As at September 30, 2017, this resulted in a \$30.1 million placement (CAD\$ 37.7 million) for 1,666,897 shares, paid on September 29, 2017 (note 3).

13 NON-CONTROLLING INTERESTS

The composition of the non-controlling interests is as follows:

	Agbaou Gold Operations SA (Agbaou Mine) 15%	Segala Mining Co SA/Kofi Mining S.à r.l. (Tabakoto Mine) 20%/10%	Burkina Mining Company SA (Youga Mine) 10%	Societe des Mines d'Ity (Ity Mine) 45%	Riverstone Karma SA (Karma Mine) 10%	Societe des Mines d'Or de Kalana (Kalana Project) 20%	Total (before discontinued operations)	Adamus Resources Limited (Nzema Mine) 10%	Total (after discontinued operations)
At December 31, 2015	22,663	(27,051)	4,305	38,646	-	-	38,563	(4,545)	34,018
Arising on acquisition	-	-	-	-	11,530	-	11,530	-	11,530
Net earnings (loss)	16,964	6,101	-	3,255	(889)	-	25,431	(11,132)	14,299
Dividend distribution	(1,310)	(1,095)	-	(1,287)	-	-	(3,692)	-	(3,692)
New share issuance	22	-	-	-	-	-	22	-	22
Disposal of the Youga Mine	-	-	(4,305)	-	-	-	(4,305)	-	(4,305)
At December 31, 2016	38,339	(22,045)	-	40,614	10,641	-	67,549	(15,677)	51,872
Net earnings (loss)	11,849	(2,710)	-	443	(446)	-	9,136	2,125	11,261
Acquisition of NCI	-	-	-	(22,974)	-	3,517	(19,457)	-	(19,457)
Dividend distribution	(5,177)	(1,121)	-	-	-	-	(6,298)	-	(6,298)
At September 30, 2017	\$ 45,011	\$ (25,876)	\$ -	\$ 18,083	\$ 10,195	\$ 3,517	\$ 50,930	\$ (13,552)	\$ 37,378

For summarized information related to these subsidiaries, refer to Note 17, Segmented Information.

On May 19, 2017, the Corporation acquired an additional 25% stake in Société des Mines d'Ity ("SMI") from one of the non-controlling interests thereby increasing its ownership to 80% for consideration of \$54.4 million and a \$5 per ounce royalty for any additional reserves added subsequent to December 31, 2016. The consideration recognized in the period consists of \$53.9 million in cash and \$3.3 million in other transaction costs and accruals. This transaction has resulted in a decrease of NCI of \$23.0 million and a decrease in the deficit of \$34.2 million.

14 GAINS (LOSSES) ON FINANCIAL INSTRUMENTS

Note	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER	
	2017	2016	2017	2016
Gain (loss) on marketable securities and investments	451	(55)	319	261
Imputed interest on promissory note and other assets	13	13	38	38
Interest income	-	457	-	1,308
Gain (loss) on derivative financial instruments	15	2,466	(10,281)	(16,560)
Gain (loss) on foreign exchange	(345)	600	3,691	(5,322)
Total	\$ 119	\$ 3,481	\$ (6,233)	\$ (20,275)

15 DERIVATIVE FINANCIAL INSTRUMENTS

The following table summarizes the derivative financial assets (liabilities):

	September 30, 2017	December 31, 2016
Gold revenue protection strategy	-	6,623
Derivative financial assets, current portion	\$ -	\$ 6,623

The following table summarizes the gain (loss) on derivative financial assets (liabilities) that have been recognized through the condensed interim consolidated statements of comprehensive (loss) earnings:

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2017	2016	2017	2016
Realized loss on gold revenue protection strategy premium	-	(1,829)	(3,658)	(3,712)
Realized loss on gold and fuel price protection programs	-	(3,299)	-	(10,177)
Realized gain on foreign exchange option	-	-	-	538
Unrealized gain (loss) on gold and fuel price protection strategy	-	7,594	(6,623)	(3,209)
Gain (loss) on derivative financial instruments	\$ -	\$ 2,466	\$ (10,281)	\$ (16,560)

GOLD REVENUE PROTECTION STRATEGY

In the year ended December 31, 2016, the Corporation implemented a deferred premium collar strategy ("Collar") using written call options and bought put options for the 15-month period from April 2016 to June 2017. The program covered a total of 400,000 ounces, representing approximately 50% of Endeavour's total estimated gold production for the period, with a floor price of \$1,200 per ounce and ceiling price of \$1,400 per ounce.

The Collar was not designated as a hedge by the Corporation and was recorded at its fair value at the end of each reporting period with changes in fair value recorded in the condensed interim consolidated statement of comprehensive (loss) earnings.

As at September 30, 2017, no ounces remain outstanding under the Collar derivative liability (December 31, 2016 - \$6.6 million derivative asset). An unrealized loss of \$6.6 million was reversed in (loss) earnings in the period ended September 30, 2017 (three and nine months September 30, 2016 - \$4.3 million unrealized gain and \$8.7 million unrealized loss), from the reversal of the derivative asset in place at year end.

The total premium payable for entering into the Collar of \$9.2 million was included as part of the Collar fair value, and was cash-settled on a net basis as monthly contracts mature. In the three and nine months ended September 30, 2017, the Corporation incurred \$nil and \$3.7 million in premium costs (three and nine months September 30, 2016 - \$1.8 million and \$3.7 million respectively), included in realized losses on derivative financial instruments in (loss) earnings.

16 INCOME TAXES

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.

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(Unaudited)

17 SEGMENTED INFORMATION

The Corporation operates in four principal geographical areas, Burkina Faso (Karma mine), Côte d'Ivoire (Agbaou and Ity mines), Ghana (Nzema mine) and Mali (Tabakoto mine). The following table provides the Corporation's revenue and results by reportable segment.

THREE MONTHS SEPTEMBER 30, 2017

In thousands of US\$	Agbaou Mine Côte d'Ivoire	Tabakoto Mine Mali	Ity Mine Côte d'Ivoire	Karma Mine Burkina Faso	Houde Project Burkina Faso	Kalana Project Mali	Exploration	Non-Mining	Total
Revenue									
Gold revenue	59,428	40,353	15,101	20,228	-	-	-	-	135,110
Cost of sales									
Operating expenses	(25,545)	(37,358)	(10,885)	(15,828)	-	-	-	-	(89,616)
Depreciation and depletion	(8,405)	(16,850)	(3,970)	(1,757)	-	-	-	200	(30,782)
Royalties	(2,080)	(2,426)	(697)	(2,068)	-	-	-	1	(7,270)
Earnings (loss) from mine operations	23,398	(16,281)	(451)	575	-	-	-	201	7,442
Corporate costs	-	-	-	-	-	-	-	(3,104)	(3,104)
Acquisition and restructuring costs	-	-	-	-	-	(509)	-	-	(7,654)
Share-based payments	-	-	-	-	-	-	-	(9,132)	(9,132)
Exploration	-	-	(769)	(261)	-	4	(405)	2	(1,429)
Earnings (loss) from operations	23,398	(16,281)	(1,220)	314	-	(505)	(405)	(19,179)	(13,877)
Other (expenses) income	-	-	-	-	-	-	-	-	-
(Loss) gains on financial instruments	(790)	(507)	1,618	(793)	53	-	30	508	119
Finance costs	(99)	(281)	247	(64)	-	(94)	-	(11,034)	(11,325)
Other income	-	-	-	-	-	-	-	(582)	(582)
Earnings (loss) before taxes	22,509	(17,069)	645	(543)	53	(599)	(375)	(30,287)	(25,665)
Deferred and income tax recovery (expense)	2,263	(33)	(600)	318	(2,912)	748	-	52	(164)
Net earnings (loss) from continuing operations	24,772	(17,102)	45	(225)	(2,859)	149	(375)	(30,234)	(25,829)

THREE MONTHS ENDED 30 SEPTEMBER 2016

In thousands of US\$	Agbaou Mine Côte d'Ivoire	Tabakoto Mine Mali	Ity Mine Côte d'Ivoire	Karma Mine Burkina Faso	Houde Project Burkina Faso	Exploration	Non-Mining	Total
Revenue								
Gold revenue	68,068	49,482	20,372	-	-	-	-	137,922
Cost of sales								
Operating expenses	(22,795)	(33,409)	(7,272)	-	-	-	-	(63,476)
Depreciation and depletion	(7,276)	(7,419)	(3,944)	-	-	-	-	(18,802)
Royalties	(2,761)	(2,962)	(832)	-	-	-	-	(6,555)
Earnings (loss) from mine operations	35,236	5,692	8,324	-	-	-	(163)	49,089
Corporate costs	-	-	-	-	-	-	-	(5,552)
Acquisition costs	-	-	-	-	-	-	-	(6,558)
Share-based payments	-	-	-	-	-	-	-	(2,886)
Exploration	-	-	-	-	-	(2,520)	-	(2,520)
Earnings (loss) from operations	35,236	5,692	8,324	-	-	(2,520)	(15,159)	31,573
Other (expenses)/income	-	-	-	-	-	-	-	-
(Loss) gain on financial instruments	(1,455)	(553)	3,628	(461)	-	(4)	2,326	3,481
Finance costs	(186)	(353)	(10)	-	-	-	(5,381)	(5,930)
Other income	-	-	-	-	-	-	-	-
Earnings (loss) before taxes	33,595	4,786	11,942	(461)	-	(2,524)	(18,214)	29,124
Deferred and income tax recovery (expense)	1,704	(2,519)	(3,689)	(973)	-	-	(234)	(5,711)
Net earnings (loss) and total comprehensive earnings (loss)	\$ 35,299	\$ 2,267	\$ 8,253	\$ (1,434)	\$ -	\$ (2,524)	\$ (18,448)	\$ 23,413

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NINE MONTHS ENDED 30 SEPTEMBER, 2017

In thousands of US\$	Agbaou Mine Côte d'Ivoire	Nzema Mine Ghana	Tabakoto Mine Mali	Ity Mine Côte d'Ivoire	Karma Mine Burkina Faso	Houede Project Burkina Faso	Kalana Project Mali	Exploration	Non-Mining	Total
Revenue										
Gold revenue	166,904	-	146,071	54,252	78,302	-	-	-	-	445,529
Cost of sales										
Operating expenses	(72,210)	-	(108,023)	(33,322)	(52,567)	-	-	-	-	(266,122)
Depreciation and depletion	(24,580)	-	(34,834)	(15,080)	(15,476)	-	-	-	(206)	(90,176)
Royalties	(5,894)	-	(8,729)	(2,110)	(6,233)	-	-	-	1	(22,965)
Earnings (loss) from mine operations	64,220	-	(5,515)	3,740	4,026	-	-	-	(205)	66,266
Corporate costs	-	-	-	-	-	-	-	-	(15,399)	(15,399)
Acquisition and restructuring costs	-	-	-	-	-	-	(509)	-	(9,605)	(10,114)
Share-based payments	-	-	-	-	-	-	-	-	(18,575)	(18,575)
Exploration	-	-	-	(1,519)	(1,610)	-	4	(2,542)	2	(5,665)
Earnings (loss) from operations	64,220	-	(5,515)	2,221	2,416	-	(505)	(2,542)	(43,782)	16,513
Other (expenses) income										
(Loss) gain on financial instruments	(1,062)	-	1,662	963	(834)	2,539	-	129	(9,630)	(6,233)
Finance costs	(304)	-	(908)	583	(189)	-	(94)	-	(19,155)	(20,067)
Other expense	-	-	-	-	-	-	-	-	1,920	1,920
Earnings (loss) before taxes	62,854	-	(4,761)	3,767	1,393	2,539	(599)	(2,413)	(70,647)	(7,867)
Deferred and income tax recovery (expense)	3,938	-	(8,533)	(2,239)	3,175	(2,912)	748	30	(577)	(6,370)
Net earnings (loss) from continuing operations	66,792	-	(13,294)	1,528	4,568	(373)	149	(2,383)	(71,224)	(14,237)
Total segment assets	190,047	85,755	301,687	111,347	363,067	441,915	182,008	6,264	55,920	1,738,010
Total segment liabilities	39,399	28,857	56,768	19,107	57,781	80,360	44,273	2,453	318,066	647,064

NINE MONTHS ENDED 30 SEPTEMBER, 2016

In thousands of US\$	Agbaou Mine Côte d'Ivoire	Nzema Mine Ghana	Tabakoto Mine Mali	Ity Mine Côte d'Ivoire	Karma Mine Burkina Faso	Houede Project Burkina Faso	Exploration	Non-Mining	Total
Revenue									
Gold revenue	176,483	-	143,815	73,359	-	-	-	-	393,657
Cost of sales									
Operating expenses	(60,610)	-	(98,845)	(33,632)	-	-	-	-	(193,087)
Depreciation and depletion	(20,481)	-	(22,248)	(14,440)	-	-	-	(436)	(57,605)
Royalties	(6,531)	-	(8,613)	(2,683)	-	-	-	-	(17,827)
Earnings (loss) from mine operations	88,861	-	14,109	22,604	-	-	-	(436)	125,138
Corporate costs	-	-	-	-	-	-	-	(14,895)	(14,895)
Acquisition costs	-	-	-	-	-	-	-	(24,580)	(24,580)
Share-based payments	-	-	-	-	-	-	-	(8,603)	(8,603)
Exploration	-	-	-	-	-	-	(4,388)	-	(4,388)
Earnings (loss) from operations	88,861	-	14,109	22,604	-	-	(4,388)	(48,514)	72,672
Other income (expenses)									
Losses (Gains) on financial instruments	(3,300)	-	(3,171)	3,704	(1,119)	-	87	(16,476)	(20,275)
Finance costs	(263)	-	(1,124)	(31)	-	-	-	(17,341)	(18,759)
Other (expense) income	-	-	-	-	-	-	-	270	270
Earnings (loss) before taxes	85,298	-	9,814	26,277	(1,119)	-	(4,301)	(82,061)	33,908
Deferred and income tax recovery (expense)	2,313	-	(5,108)	(7,921)	(1,521)	-	811	(689)	(12,115)
Net earnings (loss) from continuing operations	\$ 87,611	\$ -	\$ 4,706	\$ 18,356	\$ (2,640)	\$ -	\$ (3,490)	\$ (82,750)	\$ 21,793
Total segment assets	\$ 219,521	\$ 209,094	\$ 340,113	\$ 83,324	\$ 310,294	\$ 204,844	\$ 1,558	\$ 51,946	\$ 1,420,694
Total segment liabilities	\$ 38,162	\$ 35,156	\$ 83,133	\$ 20,898	\$ 37,281	\$ 21,806	\$ 823	\$ 155,288	\$ 392,547

Segment revenue reported represents revenue generated from external customers. There were no inter-segment sales during the periods ended September 30, 2017 or December 31, 2016.

The Corporation is not economically dependent on a limited number of customers for the sale of gold because gold can be sold through numerous commodity market traders worldwide.

The Corporation's non-current assets by geographic location of assets are detailed below:

NON-CURRENT ASSETS

	September 30, 2017	December 31, 2016
Côte d'Ivoire	213,183	199,322
Mali	301,687	262,562
Burkina Faso	737,509	510,631
Other	142,124	101,047
Total non-current assets	\$ 1,394,503	\$ 1,073,562

18 CAPITAL MANAGEMENT

The Corporation's objectives of capital management are to safeguard the entity's ability to support the Corporation's normal operating requirements on an ongoing basis, continue the development and exploration of its mineral properties and support any expansionary plans.

In the management of capital, the Corporation includes the components of equity, short-term borrowings and long-term debt, net of cash and cash equivalents, restricted cash and marketable securities.

Capital, as defined above, is summarized in the following table:

	September 30, 2017	December 31, 2016
Equity	1,090,946	960,661
Current and long-term debt	322,458	140,957
	1,413,404	1,101,618
Less:		
Cash	(97,166)	(124,294)
Cash - restricted	(1,876)	(5,270)
Marketable securities	(929)	(506)
Total	\$ 1,313,433	\$ 971,548

The Corporation manages its capital structure and makes adjustments to it in light of changes in its economic environment and the risk characteristics of the Corporation's assets. To effectively manage the entity's capital requirements, the Corporation has in place a planning, budgeting and forecasting process to help determine the funds required to ensure the Corporation has the appropriate liquidity to meet its operating and growth objectives.

19 FINANCIAL INSTRUMENTS

19.1 FINANCIAL ASSETS AND LIABILITIES

The Corporation's financial instruments consist of cash, restricted cash, marketable securities, trade and other receivables, working capital loan, long-term receivable, trade and other payables and current and long-term debt. The fair value of these financial instruments approximates their carrying value, unless otherwise noted below.

The Corporation has certain financial assets and liabilities that are held at fair value. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques to measure fair value:

Classification of financial assets and liabilities

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

As at each of September 30, 2017 and December 31, 2016, the levels in the fair value hierarchy into which the Corporation's financial assets and liabilities measured and recognized in the statement of financial position at fair value are categorized are as follows:

SEPTEMBER 30, 2017

	Note	Level 1 Input	Level 2 Input	Level 3 Input	Aggregate Fair Value
Assets:					
Cash		97,166	-	-	97,166
Cash - restricted		1,876	-	-	1,876
Marketable securities		929	-	-	929
Total		\$ 99,971	\$ -	\$ -	\$ 99,971

DECEMBER 31, 2016

	Note	Level 1 Input	Level 2 Input	Level 3 Input	Aggregate Fair Value
Assets:					
Cash		124,294	-	-	124,294
Cash - restricted		5,270	-	-	5,270
Marketable securities		506	-	-	506
Derivative financial asset	15	-	6,623	-	6,623
Total		\$ 130,070	\$ 6,623	\$ -	\$ 136,693

There were no transfers between level 1 and 2 in the period and as at September 30, 2017, no financial liabilities.

19.2 FINANCIAL INSTRUMENT RISK EXPOSURE

The Corporation's activities expose it to a variety of risks that may include credit risk, liquidity risk, currency 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.

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. Credit risk arises from cash, cash-restricted, marketable securities, trade and other receivables, long-term receivable and other assets.

The Corporation closely monitors its financial assets and does not have any significant concentration of credit risk other than receivable balances owed from the governments in the countries the Corporation operates in. The Corporation sells its gold to large international organizations with strong credit ratings but the historical level of customer defaults is minimal and, as a result, the credit risk associated with gold trade receivables at September 30, 2017 is considered to be negligible. The Corporation does not rely on ratings issued by credit rating agencies in evaluating counterparties' related credit risk.

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

	September 30, 2017	December 31, 2016
Cash	97,166	124,294
Cash - restricted	1,876	5,270
Trade and other receivables	17,455	12,274
Working capital loan	1,050	1,012
Marketable securities	929	506
Long-term receivable	227	278
Total	\$ 118,703	\$ 143,634

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, physical gold 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.

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The following table summarizes the Corporation's liabilities that have contractual maturities as at September 30, 2017:

	Within 1 year	2 to 3 years	4 to 5 years	Over 5 years	Total
Trade and other payables	162,689	-	-	-	162,689
Corporate loan facility	-	-	300,000	-	300,000
Other long-term debt	-	16,804	13,972	-	30,776
Minimum operating lease payments	4,315	2,918	-	-	7,233
Total	\$ 167,004	\$ 19,722	\$ 313,972	\$ -	\$ 500,698

19.3 MARKET RISKS

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 period ended September 30, 2017.

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

The table below highlights the net assets (liabilities) held in foreign currencies, presented in US dollars:

	September 30, 2017	December 31, 2016
Canadian dollar	21,635	(6,082)
CFA Francs	(10,611)	16,591
Euro	(1,611)	-
Other currencies	16	(668)
Total	\$ 9,429	\$ 9,841

The effect on earnings and other comprehensive (loss) earnings before tax as at September 30, 2017, of a 10% appreciation or depreciation in the foreign currencies against the US dollar on the above mentioned financial and non-financial assets and liabilities of the Corporation is estimated to be \$1.7 million (December 31, 2016, \$1.0 million), assuming that all other variables remained constant. The calculation is based on the Corporation's statement of financial position as at September 30, 2017.

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 (loss) earnings before tax as at September 30, 2017, of a 10% change in the LIBOR rate on the Facility is estimated to be \$0.1 million (December 31, 2016 - \$0.1 million).

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 period ended September 30, 2017.

20 COMMITMENTS AND CONTINGENCIES

- › The Corporation has commitments in place at all six of its mines and other key projects for drill and blasting services, load and haul services, supply of explosives and supply of hydrocarbon services.
- › The Corporation has multiple contracts in place at the Nzema mine to purchase higher grade ore from third parties for processing. These typically do not extend to more than one year.
- › The Corporation is subject to operating and finance lease commitments in connection with the purchase of mining equipment, light duty vehicles and workshop and rented office premises.
- › The Corporation is, from time to time, involved in various claims, legal proceedings, tax assessments 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.

21 SUBSEQUENT EVENTS

Pursuant to the acquisition of Avnel, La Mancha Holding S.à.r.l. ("La Mancha") is exercising its anti-dilution right. As at September 30, this resulted in a \$30.1 million placement (CAD\$ 37.7 million) for 1,666,897 shares, paid on September 29, 2017 (note 3.1) to give La Mancha a 28.82% stake. A final payment was received in November 2017 to allow La Mancha to maintain its 30% interest.