

**Form 51-102F3  
Material Change Report**

**1. Name and Address of Company**

Endeavour Mining Corporation  
Bureau 76  
7 Boulevard des Moulins  
Monaco, Monaco  
98000

**2. Date of Material Change**

June 29, 2017 (London time)

**3. News Release**

A joint news release with respect to the material changes referred to in this report was issued by Endeavour Mining Corporation (“Endeavour”) and Avnel Gold Mining Limited (“Avnel”) on June 29, 2017 and distributed through newswire services. A copy of the news release was filed on Endeavour’s profile at [www.sedar.com](http://www.sedar.com).

**4. Summary of Material Change**

On June 29, 2017 (London time), Endeavour and Avnel entered into an arrangement agreement (the “Arrangement Agreement”) pursuant to which Endeavour will acquire all of the issued and outstanding common shares of Avnel (the “Avnel Shares”) in an all-share transaction to be completed by way of a court-sanctioned scheme of arrangement under Part VIII of the Companies (Guernsey) Law, 2008 (the “Scheme”) for a total consideration of approximately US\$122 million (C\$159 million).

Under the terms of the Arrangement Agreement, Avnel shareholders are to receive 0.0187 of an Endeavour share (each whole share an “Endeavour Share”) for each Avnel Share held, which represents a value of C\$0.42 per Avnel Share based on Endeavour’s five-day volume weighted average price (“VWAP”) (C\$22.58 per share) on the Toronto Stock Exchange (“TSX”) on June 28, 2017.

**5. Full Description of Material Change**

**Arrangement Agreement**

On June 29, 2017 (London time), Endeavour and Avnel entered into the Arrangement Agreement pursuant to which Endeavour will acquire 100% of the Avnel Shares by way of a Scheme.

Under the terms of the Scheme, Avnel shareholders will receive 0.0187 of an Endeavour Share for each Avnel Share held, which represents a value of C\$0.42 per share based on Endeavour’s five-day VWAP (C\$22.58 per share) on the TSX on June 29, 2017 and a total transaction consideration of approximately US\$122 million (C\$159 million). This represents a premium of

48% to the closing price of the Avnel Shares on the TSX on June 29, 2017, and a 52% premium based on Avnel's 20-day trailing VWAP on the TSX for the period ending on June 29, 2017.

The number of Endeavour Shares to be issued under the Scheme will be approximately 7 million based on the issued and outstanding Avnel Shares as of the date of the Arrangement Agreement. Following the completion of the transaction, Endeavour will have approximately 103.6 million ordinary shares in issue, with former Avnel shareholders holding approximately 6.8% of Endeavour's pro forma share capital.

The Scheme has been unanimously approved by the Boards of Directors of Endeavour and Avnel. Closing of the transaction will be subject to, among other things, the favourable vote by a majority in number of the Avnel shareholders voting at the Guernsey Court Meeting, either in person or by proxy, representing at least 75% in value of the Avnel Shares voted and sanction by the Guernsey Royal Court.

### **Timing**

Subject to the satisfaction of various conditions, including the receipt of the requisite approval of Avnel shareholders and sanction by the Guernsey Royal Court, the transaction is expected to close in September 2017.

### **Further Information**

A copy of the Arrangement Agreement has been filed and made available for viewing under Endeavour's SEDAR profile at [www.sedar.com](http://www.sedar.com). The summary of the Arrangement Agreement set out in this material change report does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement.

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

This report is not being filed on a confidential basis.

#### **7. Omitted Information**

Not applicable.

#### **8. Executive Officer**

For further information, please contact Morgan Carroll, Executive Vice President, Corporate Finance and General Counsel at +377.97.98.71.66.

#### **9. Date of Report**

July 6, 2017