TRANSACTION HIGHLIGHTS

Endeavour to acquire Avnel, which owns the Kalana Gold project in Mali

› An all-share transaction values Avnel at US$122m (C$159m), representing a 48% premium to Avnel’s closing price on 28 June 2017

› Kalana is a high-quality project that fits Endeavour’s strategic portfolio criteria

› Strengthens Endeavour’s construction pipeline following the completion of the Hounde and Ity CIL projects and leverages its operational synergies in the region

› With robust project economics, the transaction will be value accretive on a Net Asset Value basis to Endeavour shareholders

› The Boards of Directors of both Endeavour and Avnel have unanimously approved the transaction
FITS OUR STRATEGIC PORTFOLIO CRITERIA
Kalana is a high-quality project

- Feasibility-stage project
- 1.2Mtpa CIL plant
- Single open-pit reserve of 1.96Moz at 2.8 g/t
- 18-year mine life
- Low AISC cost operation with $730/oz over life of mine
- After-tax NPV$_{5\%}$ of $321$m and after-tax IRR of 50% based on a gold price of $1,200/oz
- Endeavour intends to re-design the current feasibility study
- Significant exploration upside

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**GENERAL INFORMATION**

<table>
<thead>
<tr>
<th>Ownership</th>
<th>80% Avnel; 20% Mali government</th>
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</thead>
<tbody>
<tr>
<td>M&amp;I Resources (inclusive of reserves)</td>
<td>3.10Moz @ 4.07g/t</td>
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<tr>
<td>Reserves</td>
<td>1.96Moz @ 2.80g/t</td>
</tr>
<tr>
<td>Mine Type</td>
<td>Open Pit</td>
</tr>
<tr>
<td>Processing Rate</td>
<td>1.2mtpa</td>
</tr>
</tbody>
</table>

**LIFE OF MINE PRODUCTION**

<table>
<thead>
<tr>
<th>Strip ratio, w:o</th>
<th>9.9</th>
</tr>
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<tbody>
<tr>
<td>Tonnes of ore processed, Mt</td>
<td>21.7</td>
</tr>
<tr>
<td>Grade processed, Au g/t</td>
<td>2.80</td>
</tr>
<tr>
<td>Gold content processed, Koz</td>
<td>1,964</td>
</tr>
<tr>
<td>Gold recovery, %</td>
<td>93%</td>
</tr>
<tr>
<td>Gold production, Moz</td>
<td>1,821</td>
</tr>
<tr>
<td>Mine life, years</td>
<td>18</td>
</tr>
<tr>
<td>Average gold production, koz pa</td>
<td>101 koz</td>
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<tr>
<td>AISC, $/oz</td>
<td>US$730/oz</td>
</tr>
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**CAPITAL COST**

| Upfront capital cost, $m | US$171m |
| Sustaining capital cost, $m | US$122m |

**ECONOMIC RETURNS (US$1,200/oz)**

| After-tax Project NPV 5%, $m | US$321m |
| After-tax Project IRR, % | 50% |
| Payback, years (undiscounted) | 1.1 |

Numbers presented are Based on Anvel’s the Optimised Feasibility Study dated Jan. 9, 2017
FITS OUR STRATEGIC PORTOFOLIO CRITERIA
Kalana has potential to increase annual production to c.150kozpa

- Production profile based on the Optimised Feasibility Study:
  - Average over first 5 years: 148koz at an AISC of $561/oz
  - Average over mine life: 101koz at an AISC of $730/oz

- Endeavour intends to re-design and optimize the current feasibility study:
  - Expanding the plant capacity
  - Increase the average annual production and shorten the mine life
  - Integrate synergies
  - Integrating exploration upside

Numbers presented are Based on Anvel’s the Optimised Feasibility Study dated Jan. 9, 2017
Kalana has significant exploration upside

- Kalana Main deposit still fully open at depth
- The high-grade Kalanako prospect, located 2.5km northeast of the Kalana Main Project, provides potential for a satellite deposit (already hosts an Indicated resource of 119koz at 3.34 g/t)
- Kalana concession covers 387km² and contains 27 exploration prospects with multiple geochemical anomalies
- Strong regional exploration potential with multiple prospects outside of Kalana
- Currently have a small unclassified resource at Djirlia
FITS OUR STRATEGIC PORTFOLIO CRITERIA
Kalana Fits Well in our “Magic Box”

- **Tabakoto** (150-160k oz)
  - UG potential
  - OP potential
- **Nzema** (100-110k oz)
- **Agbaou** (175-180k oz)
- **Karma** (100-110k oz)
- **Houndé**
  - +250k oz starting Q4-2017
- **Kalana Potential** (125-150k oz)
- **Ity CIL**
  - 165k oz starting 2019

- **Youga**
  - Cut-back
  - Sold
- **Ity HL** (75-80k oz)

*Bubble size represents production*

- **AISC, US$/oz**
  - $1,200/oz
  - $1,150/oz
  - $1,100/oz
  - $1,050/oz
  - $1,000/oz
  - $950/oz
  - $900/oz
  - $850/oz
  - $800/oz
  - $750/oz
  - $700/oz
  - $650/oz
  - $600/oz
  - $550/oz
  - $500/oz
  - $450/oz

- **Countries**
  - Côte d’Ivoire
  - Burkina Faso
  - Ghana
  - Mali

**AVNEL TRANSACTION**

**FITS OUR STRATEGIC PORTFOLIO CRITERIA**

**Kalana Fits Well in our “Magic Box”**
STRENGTHENS ENDEAVOUR’S PROJECT PIPELINE
Kalana will be developed after the Houndé and Ity CIL projects

Project construction pipeline

- Houndé - Construction period
- Ity CIL, Côte d’Ivoire - Construction period
- Kalana, Mali - Exploration and optimisation
- Kalana, Mali - Construction period

Construction team expertise

- Core construction team has successfully developed projects together for +10 years
- 7 projects built, $2.4B in capex
- All projects delivered on time and within budget
  - Agbaou
  - Nzema
  - Karma expansion
  - Houndé (85% completed)
Endeavour’s West African presence will benefit Kalana and provide opportunities to draw on operating synergies in a country where Endeavour already has a producing mine.

Synergies from operating the Kalana with the current team in Abidjan.

Removal of Avnel corporate costs.
VALUE ACCRETIVE
Meets equity hurdle rates and is accretive on an NAV basis

Due diligence demonstrates that the acquisition meets minimum hurdle rate returns when accounting for the acquisition cost, the initial construction costs, and the holding/integration costs prior to production

Strong returns based on current feasibility study with further potential to optimize the study, unlock exploration, and benefit from synergies

Strongly accretive on a NAV per share basis

Source: Market data as per 28 June 2017
# TRANSACTION TERMS

Transaction closing by 13 Sept 2017

| Offer                                                                 | 0.0187 Endeavour shares for each Avnel share, implying a value of C$0.42 per Avnel share  
|                                                                      |   › Implied aggregate consideration of US$122m  
|                                                                      |   › Offer will be conducted through a Guernsey Scheme of Arrangement  
|                                                                      |   › 75% present and voting, and a majority in number requirement  
| Implied premia                                                        | 48% premium to spot  
|                                                                      | 52% premium to 20 day VWAP  
| New shareholders                                                      | Avnel shareholders will make up 6.8% of Endeavour register  
|                                                                      | Major Avnel shareholder, Elliott, is expected to hold 4.3% of Endeavour  
| Shareholder approvals and support                                     | Total irrevocable undertakings of 72.3%  
|                                                                      | Irrevocable undertakings to support the transaction from Fern Trust (8.9% percent), from Elliott (63.4% percent) and from Avnel’s Directors and Officers  
| Indicative timeline                                                   | Shareholder approval expected on 31 August 2017  
|                                                                      | Transaction closing by 13 Sept 2017  

Source: Market data as per 28 June 2017