

BRITISH COLUMBIA SECURITIES COMMISSION

**QUARTERLY AND YEAR END REPORT
BC FORM 51-901F**

Incorporated as part of: Schedule A
 Schedules B and C

ISSUER DETAILS

Name of Issuer: Endeavour Gold Corp.
For Quarter Ended: November 30, 2003
Date of Report: January 29, 2004
Issuer's Address: #800 - 850 West Hastings Street
Vancouver, BC, V6C 1E1
Issuer Fax Number: (604) 685-9744
Issuer Telephone Number: (604) 685-9775
Contact Person: Bradford J. Cooke
Contact's Position: President
Contact Telephone Number: (604) 685-9775
Contact E-Mail Address: bcooke@edrgold.com

CERTIFICATE

The three schedules required to complete this Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder who requests it.

Director's Signature: /s/ *Bradford J. Cooke*
Director's Full Name: Bradford J. Cooke
Date Signed: January 29, 2004

Director's Signature: /s/ *Godfrey Walton*
Director's Full Name: Godfrey Walton
Date Signed: January 29, 2004

ENDEAVOUR GOLD CORP.

Third Quarter Report

November 30, 2003

Schedule A

SHAREHOLDER UPDATE
Third Quarter Review 2004

Bradford Cooke, President of Endeavour Gold Corp. (EDR: TSX-V) (the "Company"), provides the following review of the Company's activities for the 3rd Quarter of 2004.

The Company has two attractive gold and silver exploration properties in Mexico. In July 2003, the Company entered into an agreement to acquire a 100% interest in the San Jose Property located near Culiacan, Sinaloa, Mexico, by paying US\$300,000 over a four year period, subject to regulatory approval. Then in August 2003, the Company entered into an option agreement for the El Taco property located in Sonora state, Mexico, in which the Company can earn a 100% interest in the property by making cash payments of \$100,000 and issuing 200,000 common shares over a 4 year period, subject to 2% net smelter return. As at November 30, 2003, the Company had capitalized costs of \$63,874 in resource properties.

In December 2003, the Company closed a private placement for 3,050,000 units at a price of \$0.30 per unit for total proceeds of \$915,000. Each unit is comprised of one common share and one-half share purchase warrant; each whole warrant is exercisable to acquire one common share at an exercise price of \$0.35 until October 6, 2005. Proceeds from the private placement are to finance exploration activities for the Company's mineral properties in Quebec, Canada, and Mexico and for working capital purposes.

The ongoing efforts of the Company culminated in the signing of an option agreement in January 2004 to acquire up to a 100% interest in the producing Santa Cruz silver-gold mine and the Guanacevi mineral processing plant in Durango, Mexico. The Guanacevi silver-gold district is a classic, low sulfidation, epithermal vein camp that ranks in the top 5 of historic silver districts in Mexico, having produced over 500 million oz in silver and silver equivalents over the past 400 years. The Santa Cruz vein is one of five main productive silver-gold veins at Guanacevi that have been traced for more than 6 km. Terms of the agreement give the Company the option to pay US\$3 million to the vendors and to invest US\$1 million in mine exploration and development within one year in order to earn a 51% interest in these operating assets. The balance of the 49% interest can be earned by paying a further US\$4 million over the remaining 3 years thereafter. This is a material transaction for the Company, and the option agreement is subject to a 90-day due diligence satisfactory to the Company and is subject to regulatory approval.

The Company continues with its endeavours to further expand and develop the Santa Cruz silver-gold mine and Guanacevi mineral processing plant in Mexico, to explore its existing properties and to acquire additional mining projects in Mexico that offer excellent potential for the discovery and development of large gold-silver deposits. As a recently re-organized junior exploration company with a new management team and fresh access to capital, Endeavour Gold Corp. is in an advantageous position to make major acquisitions in Mexico.

Endeavour Gold Corp. (EDR : TSX-V) is a small-cap resource company focused on the discovery and development of large gold and silver mines in Mexico. Our strategy for growth is twofold: to explore early stage prospects that have substantial discovery potential, and to acquire a more advanced project for development and production.

On Behalf Of The Board Of Directors

ENDEAVOUR GOLD CORP.

/s/ *Bradford J. Cooke*

Bradford J. Cooke
President

January 29, 2004

ENDEAVOUR GOLD CORP.

BALANCE SHEETS

(Unaudited – Prepared by Management)

	Notes	November 30, 2003 (Unaudited)	February 28, 2003 (Audited)
ASSETS			
CURRENT			
Cash		\$ 796,387	\$ 151,574
Accounts receivable		6,076	4,368
Prepaid expenses		13,176	2,125
		815,639	158,067
CAPITAL ASSETS	3	-	316
RESOURCE PROPERTIES	2	63,874	51,100
		\$ 879,513	\$ 209,483
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities		\$ 52,162	\$ 30,744
Loan payable	4	28,382	26,584
		80,544	57,328
SHAREHOLDERS' EQUITY			
Share capital	5(a)	4,372,567	4,346,067
Common shares subscribed	5(b)	832,855	-
Deficit		(4,406,453)	(4,193,912)
		798,969	152,155
		\$ 879,513	\$ 209,483

ENDEAVOUR GOLD CORP.

STATEMENTS OF LOSS AND DEFICIT

(Unaudited – Prepared by Management)

	Three Months Ended November 30,		Nine Months Ended November 30,	
	2003	2002	2003	2002
EXPENSES				
Accounting and audit	\$ -	\$ 630	\$ 4,900	\$ 2,850
Amortization	-	64	-	192
Consulting	7,620	15,000	37,620	16,157
Filing and regulatory	697	5,477	10,217	18,168
Financing and foreign exchange	4,051	11,845	5,254	11,845
Legal fees	7,707	4,375	23,497	12,826
Office and sundry	791	3,330	1,570	3,872
Rent	4,500	8,956	13,500	11,557
Shareholder relations	17,246	-	17,246	-
Stock-based compensation	-	7,500	-	7,500
Travel	3,233	-	3,233	928
Loss from operations	(45,845)	(57,177)	(117,037)	(85,895)
Gain from sale of market securities	-	-	-	11,664
Property investigations	(38,317)	(19,630)	(95,186)	(19,630)
Write-off of capital assets	-	-	(318)	-
Write-off of resource properties	-	(6,612)	-	(6,612)
NET LOSS FOR THE PERIOD	(84,162)	(83,419)	(212,541)	(100,473)
Deficit, beginning of the period	(4,322,291)	(4,025,119)	(4,193,912)	(4,008,065)
DEFICIT, END OF PERIOD	\$ (4,406,453)	\$ (4,108,538)	\$ (4,406,453)	\$ (4,108,538)
LOSS PER SHARE	\$ (0.01)	\$ (0.02)	\$ (0.03)	\$ (0.03)

ENDEAVOUR GOLD CORP.

STATEMENTS OF CASH FLOWS

(Unaudited – Prepared by Management)

	<u>Three Months Ended November 30,</u>		<u>Nine Months Ended November 30,</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING:				
OPERATING				
Net loss for the period	\$ (84,162)	\$ (83,419)	\$ (212,541)	\$ (100,473)
Items not affecting cash:				
Amortization	-	64	-	192
Financing costs	595	10,000	1,798	10,000
Stock-based compensation	-	7,500	-	7,500
Gain from disposition of marketable securities	-	-	-	(11,664)
Write-off of capital assets	-	6,612	316	6,612
	<u>(83,567)</u>	<u>(59,243)</u>	<u>(210,427)</u>	<u>(87,833)</u>
Net changes in non-cash working capital items:				
Accounts receivable	(2,862)	(1,387)	(1,708)	(2,609)
Prepaid expenses and deposits	(7,080)	-	(11,051)	1,366
Accounts payable and accrued liabilities	31,407	(4,510)	21,418	(3,367)
	<u>(62,102)</u>	<u>(65,140)</u>	<u>(201,768)</u>	<u>(92,443)</u>
FINANCING				
Loans payable	-	(24,020)	-	22,480
Issuance of common shares	20,500	-	26,500	297,500
Subscriptions for common shares	832,855	297,500	832,855	-
	<u>853,355</u>	<u>273,480</u>	<u>859,355</u>	<u>319,980</u>
INVESTING				
Proceeds from sale of marketable securities	-	-	-	23,440
Expenditures for resource properties	(8,483)	(3,350)	(12,774)	(36,100)
	<u>(8,483)</u>	<u>(3,350)</u>	<u>(12,774)</u>	<u>(12,660)</u>
NET CASH INFLOWS	782,770	204,990	644,813	214,877
CASH, BEGINNING OF PERIOD	13,617	12,275	151,574	2,388
CASH, END OF PERIOD	\$ 796,387	\$ 217,265	\$ 796,387	\$ 217,265

1. NATURE OF OPERATIONS

The Company's principal business activities are the acquisition, exploration and development of resource properties. Effective August 27, 2002, the Company consolidated its share capital on the basis of one new common share for each four old common shares (Note 5(a)) and changed its name from Levelland Energy & Resources Ltd. to Endeavour Gold Corp.

The Company is in the process of exploring its resource properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of amounts capitalized for resource properties is dependent upon the existence of economically recoverable reserves in its resource properties, the ability of the Company to arrange appropriate financing to complete the development of its properties, confirmation of the Company's interest in the underlying properties, the receipt of necessary permitting and upon future profitable production or proceeds from the disposition thereof.

These financial statements have been prepared on a going concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. The Company has incurred significant operating losses and currently has no significant source of revenue. The Company has financed its activities principally by the sale of equity securities. The Company's ability to continue as a going concern is dependent on continued financial support from its shareholders and other related parties, the ability of the Company to raise equity financing, and the attainment of profitable operations to fund its operations. Failure to continue as a going concern would require that the Company's assets and liabilities be restated on a liquidation basis which would differ significantly from the going concern basis.

2. RESOURCE PROPERTIES

Management periodically reviews the carrying value of its resource properties with internal and external mining related professionals. A decision to abandon, reduce or expand a specific project is based upon many factors including general and specific assessments of reserves, anticipated future prices, anticipated future costs of exploring, developing and operating a producing mine, expiration term and ongoing expense of maintaining leased resource properties and the general likelihood that the Company will continue exploration. The Company does not set a pre-determined holding period for properties with unproven reserves. However, properties which have not demonstrated suitable resource concentrations at the conclusion of each phase of an exploration program are re-evaluated to determine if future exploration is warranted and their carrying values are appropriate.

If any area of interest is abandoned or it is determined that its carrying value cannot be supported by future production or sale, the related costs are charged against operations in the period of abandonment or determination of value. The amounts recorded as resource properties represent costs incurred to date and do not necessarily reflect present or future values.

The accumulated costs of resource properties that are developed to the stage of commercial production will be amortized to operations through unit of production depletion.

NOTES TO THE FINANCIAL STATEMENTS, November 30, 2003
(Unaudited – Prepared by Management)

2. RESOURCE PROPERTIES (continued)

At November 30, 2003, the Company's resource properties are comprised of properties located in Canada and Mexico.

	Mining Properties (Cost) <u>2003</u>	Deferred Exploration Expenses <u>2003</u>
Mining assets:		
Advances	\$ -	\$ 5,065
Exploration equipment	-	4,550
Otish Mountain, Canada	47,750	3,350
El Taco Property, Mexico	-	1,399
San Jose Property, Mexico	-	1,760
	<u>\$ 47,750</u>	<u>\$ 16,124</u>
		<u>2003</u>
Mining properties:		
Balance, beginning of period		\$ 47,750
Additional acquisition costs		-
Balance, end of period		<u>\$ 47,750</u>
Deferred exploration expenses:		
Balance, beginning of period		\$ 3,350
Advances for staking costs		5,065
Assays		3,159
Exploration equipment		4,550
Balance, end of period		<u>\$ 16,124</u>

(a) Canadian Properties:

Otish Mountain properties (Quebec):

Pursuant to an agreement dated June 20, 2002, the Company acquired a 50% interest in two properties located in the Mistassini-Otish area of northern Quebec. In consideration, the Company paid \$31,000 and issued 150,000 post-consolidation common shares to the vendor in the 2003 fiscal year. The properties are subject to a 3% gross over-riding royalty on all diamond production and a 3% net smelter royalty on all other mineral production. The Company has the option to purchase ½% of each of the two royalties for \$250,000. Subsequent to the transaction, the vendor became President and a director of the Company.

2. RESOURCE PROPERTIES (continued)

(b) Mexican Properties:

San Jose property (Sinaloa):

In July 2003, the Company entered into an agreement to acquire a 100% interest in the San Jose Property located in Culiacan, Sinaloa, Mexico, by paying US\$300,000 over a four year period, subject to regulatory approval.

El Taco property (Sonora):

In August 2003, the Company entered into an option agreement for the El Taco property located in Sonora state, Mexico. The Company can earn a 100% interest in the property by making cash payments of \$100,000 and issuing 200,000 common shares over a 4 year period, subject to 2% net smelter return.

(c) Resource property contingencies:

The Company has diligently investigated rights of ownership of all of the resource properties to a level which is acceptable by prevailing industry standards with respect to the current stage of development of each property in which it has an interest and, to the best of its knowledge, all agreements relating to such ownership rights are in good standing. However, all properties may be subject to prior claims, agreements or transfers, and rights of ownership may be affected by undetected defects.

3. CAPITAL ASSETS

In May 2003, the Company wrote-off all its equipment by \$316.

4. LOAN PAYABLE

In June 2002, the Company received a loan of \$25,000 which bears an interest rate of 9% per annum with repayment due on or before September 30, 2002. A loan bonus of 50,000 shares was issued at a deemed price of \$0.10 per share in the 2003 fiscal year. On November 30, 2003, the loan was not repaid and interest of \$3,382 has been accrued. An amount of \$28,480 was paid in December 2003 in full settlement of the loan including accrued interest.

5. SHARE CAPITAL

(a) Authorized and issued:

Authorized share capital consists of 100,000,000 common shares without par value. During fiscal 2003, the Company consolidated its authorized and issued share capital on a four old for one new basis and subsequently increased its authorized share capital from 5,000,000 post-consolidated common shares to 100,000,000 post-consolidated common shares. All share references prior to the share consolidation have been restated for this share consolidation.

NOTES TO THE FINANCIAL STATEMENTS, November 30, 2003
(Unaudited – Prepared by Management)

5. SHARE CAPITAL (continued)

(a) Authorized and issued: (continued)

Details of shares issued are as follows:

	Number of Shares	Amount
Balance, February 28, 2003	6,191,550	\$ 4,346,067
Exercise of stock options	85,000	8,500
Exercise of warrants	150,000	18,000
Balance, November 30, 2003	6,426,550	\$ 4,372,567

As at November 30, 2003, a total of 93,750 common shares are held in escrow, the release of which is subject to regulatory approval.

(b) Common shares subscribed:

In December 2003, the Company closed a private placement for 3,050,000 units at a price of \$0.30 per unit, of which gross proceeds of \$840,000 were received as at November 30, 2003. Each unit is comprised of one common share and one-half share purchase warrant; each whole warrant is exercisable to acquire one common share at an exercise price of \$0.35 until October 6, 2005.

(c) Share options:

Options to purchase common shares have been granted to directors, employees and consultants at exercise prices determined by reference to the market value on the date of the grant. A summary of the status of the Company's outstanding stock options as at November 30, 2003 and changes during the nine months then ended is as follows:

	Number of Shares	Weighted Average Exercise Prices
Outstanding as at February 28, 2003	275,000	\$0.10
Granted	380,000	\$0.22
Exercised	(85,000)	\$0.10
Outstanding as at November 30, 2003	570,000	\$0.18

5. SHARE CAPITAL (continued)

(c) Share options: (continued)

In July 2003, the Company granted 380,000 incentive stock options to directors and employees, exercisable at \$0.22 per share until July 28, 2005. In January 2004, the Company granted 270,000 incentive stock options to directors and employees, exercisable at \$0.66 per share until January 14, 2009, subject to regulatory approval.

(d) Warrants:

As at November 30, 2003, the Company had outstanding warrants for the purchase of an aggregate of 2,850,000 common shares at \$0.12 per share until November 29, 2004. During the nine months ended November 30, 2003, warrants for 150,000 common shares were exercised for total proceeds of \$18,000.

(e) Shares reserved for issuance:

	Number of Shares
Outstanding, November 30, 2003	6,426,550
Stock options	570,000
Warrants	2,850,000
<u>Fully Diluted, November 30, 2003</u>	<u>9,846,550</u>

6. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties during the nine months ended November 30, 2003:

- (a) Consulting fees of \$22,500 were charged by the President of the Company and \$2,500 by a director.
- (b) Legal fees of \$23,447 were charged by a law firm in which an officer of the Company is an employee.
- (c) Rent of \$13,500 was incurred and paid to a company with certain common directors.

7. COMPARATIVE FIGURES

Certain of the prior periods' comparative figures have been reclassified to conform to the presentation adopted in the current period.

8. OTHER SIGNIFICANT AND SUBSEQUENT EVENTS

In January 2004, the Company entered into an option agreement to acquire up to a 100% interest in the producing Santa Cruz silver-gold mine and Guanacevi mineral processing plant in Durango, Mexico. Terms of the agreement give the Company the option to pay US\$3 million to the vendors and to invest US\$1 million in mine exploration and development within one year in order to earn a 51% interest in these operating assets. The balance of the 49% interest can be earned by paying a further US\$4 million over the remaining 3 years thereafter. The option agreement is subject to a 90-day due diligence satisfactory to the Company and is subject to regulatory approval.

CORPORATE INFORMATION

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SHARES LISTED	TSX Venture Exchange Trading Symbol ~ EDR