ANNUAL INFORMATION FORM

(“AIF”)

of

ENDEAVOUR GOLD CORP.

(the “Issuer” or “Endeavour”)

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Dated: July 14, 2003

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ITEM 1: PRELIMINARY NOTES

1.1 Incorporation of Financial Statements, Information Circular and Other Documents

Specifically incorporated by reference and forming part of this Annual Information Form (the "AIF") are the financial statements for Endeavour Gold Corp. (formerly, Levelland Energy & Resources Ltd.) (the "Issuer" or "Endeavour") for the years ended February 28, 2001, 2002 and 2003 together with the Management Discussion and Analysis accompanying such financial statements.

All financial information in this AIF is prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP").

Type of Document	Effective Date / Period Ended	Date Filed / Posted	Document name which may be viewed at the SEDAR website at www.sedar.com (or alternative location for non-SEDAR documents)
Management Information Circular	June 19, 2003	July 2, 2003	Management Proxy / Information Circular - English
Audited annual financial statements (most recent)	February 28, 2003	July 2, 2003	Audited annual financial statements – English
Geological Summary Report on the Otish Mountain Diamond Project	September 20, 2002	January 2, 2003	Engineering Report and Certificate of Qualification
News Releases for 2002 and 2003 fiscal years	Various dates (From March 1, 2001 to date of the AIF)		Press Release – English

1.2 Date of Information

All information in this AIF is as of July 14, 2003 unless otherwise indicated.

1.3 Forward-Looking Statements

This AIF contains certain forward-looking statements and information relating to the Issuer that are based on the beliefs of its management as well as assumptions made by and currently available to the Issuer. When used in this document, the words "anticipate", "believe", "estimate", and "expect" and similar expressions, as they relate to the Issuer or its management, are intended to identify forward-looking statements. This AIF contains forward-looking statements relating to, among others, compliance with environmental standards, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of the Issuer's exploration properties. The Management Discussion and Analysis that is incorporated by reference within this AIF also contains forward-looking statements. Such statements reflect the current view of the Issuer with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Issuer to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

1.4 Currency and Exchange Rates

All dollar amounts in this AIF are expressed in Canadian dollars unless otherwise indicated. The Issuer's accounts are maintained in Canadian dollars.

ITEM 2: CORPORATE STRUCTURE

2.1 Name and Incorporation

Endeavour Gold Corp. was incorporated under the laws of the Province of British Columbia on March 11, 1981 under the name, "Levelland Energy & Resources Ltd". Effective August 27, 2002 the Issuer changed its name to Endeavour Gold Corp., consolidated its share capital on the basis of four old common shares for one new common share and increased its share capital to 100,000,000 common shares without par value. As at July 14, 2003, the Issuer had 6,191,550 common shares issued and outstanding.

The Issuer's principal business office is at Suite 800 - 850 West Hastings Street, Vancouver, British Columbia, V6C 1E1, and its registered and records office is located at Suite 1040 - 999 West Hastings Street, Vancouver, British Columbia, V6C 2W2.

2.2 Intercorporate Relationships

The Issuer has no subsidiaries as at the date of this AIF.

ITEM 3: GENERAL DEVELOPMENT OF THE BUSINESS

3.1 Three Year History

The Issuer is a natural resource company engaged in the evaluation, acquisition, exploration and development of resource properties. The exploration philosophy of the Issuer has historically been to identify and develop resource targets. The Issuer is in the exploration stage as its properties have not reached commercial production and none of its properties are beyond the advanced exploration stage.

The Issuer was deemed "Inactive" by the TSX Venture Exchange ("TSX Venture") on October 29, 2001 due to the Issuer's inability to satisfy Tier 2 Tier Maintenance Requirements ("Tier 2 TMR"), but such designation was removed in November 2002 after the Issuer had implemented its reactivation plans.

3.2 Significant Acquisitions and Significant Dispositions

Otish Mountain properties

On June 20, 2002, the Issuer acquired a 50% interest in two properties located in the Mistassini-Otish area of northern Quebec. In consideration, the Issuer paid $31,000 and issued 150,000 post-consolidation common shares to the vendor. 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 Issuer 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 Issuer.

Ham property

Pursuant to an option agreement dated October 9, 2001, the Issuer was granted an option to earn up to a 100% interest in a mineral claim located in British Columbia in consideration of cash payments in the aggregate of $30,000 (of which $2,700 was paid) and issuing an aggregate of 50,400 post-consolidation common shares over a three year period (12,600 post-consolidation common shares issued). During the 2003 fiscal year, the Issuer determined that it would no longer pursue the property and accordingly, wrote-off total costs incurred on the property in the amount of $4,612.

Ocock property

During the 2002 fiscal year, the Issuer acquired the Ocock mineral claim located in British Columbia in consideration of incurring certain exploration expenditures on the property. During the 2003 fiscal year, the Issuer determined that it would no longer pursue the property and accordingly, wrote-off total costs incurred on the property in the amount of $2,000.

Reforma property

The Issuer continues to hold a 1% net smelter return on the Reforma property located in the Uruachic camp in Mexico, which had been optioned to Golden Goliath Resources Ltd.

3.3 Trends

There are no trends or events presently known to management that are reasonably expected to have a material effect on the Issuer's business, financial condition or result of operations.

ITEM 4: NARRATIVE DESCRIPTION OF THE BUSINESS

4.1 General Description

The Business of the Issuer

The Issuer is a junior Canadian resource company currently engaged in the acquisition, exploration and, if warranted, development of natural mineral resource properties.

Currently the Issuer has a 50% interest in two properties located in the Mistassini-Otish area of northern Quebec. In consideration, the Issuer paid $31,000 and issued 150,000 post-consolidation common shares to the vendor. 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 Issuer 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 Issuer. As at February 28, 2003, the Issuer expended $47,750 in acquisition costs and $3,350 in exploration expenditures.

Competitive Conditions

Significant competition exists for natural resource acquisition opportunities. As a result of this competition, some of which is with large, well established mining companies with substantial capabilities and significant financial and technical resources, the Issuer may be unable to compete for nor acquire rights to exploit additional attractive mining properties on terms it considers acceptable. Accordingly, there can be no assurance that the Issuer will be able to acquire any interest in additional projects that would yield reserves or results for commercial mining operations.

Environmental Protection

Environmental legislation is evolving in a manner such that standards, enforcement, fines and penalties for non-compliance are becoming stricter and can be foreboding. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The costs of compliance with changes in government regulations have the potential to reduce the profitability of future operations. To the best of its knowledge, the Issuer is in compliance with environmental laws and regulations in effect in those countries where its properties are located.

Number of Employees

As at February 28, 2003 and the date of this AIF, the Issuer has no employees.

Reorganization

The Issuer was deemed "Inactive" by the TSX Venture Exchange ("TSX Venture") on October 29, 2001 due to the Issuer's inability to satisfy Tier 2 TMR pursuant to TSX Venture's Policy 2.6, whereby trading in the securities of the Issuer continued under the inactive designation. During the period of its inactive status, the Issuer was prohibited from granting stock options, and principals and insiders were prohibited from exercising previously granted stock options.

Such designation was removed in November 2002 after the Issuer had implemented its reactivation plans. The Issuer's reactivation plans which were implemented in the fiscal year ended February 28, 2003 included the following items:

- share consolidation on a four old for one new basis;
- change of name from Levelland Energy & Resources Ltd to Endeavour Gold Corp.;
- the appointment of a new Board of Directors at the Issuer's annual general meeting held in July 2002;
- closing of a private placement for 3,000,000 units at $0.10 per unit for total proceeds of $300,000. Each unit was comprised of one common share and one share purchase warrant exercisable to acquire one additional common share at an exercise price of $0.12 per share until November 29, 2004;
- issuance of 184,500 common shares at a deemed price of $0.10 to settle debts of $18,450;
- receipt of debt financing totaling $50,000 of which a loan for $25,000 was repaid during the 2003 fiscal year; and
- acquisition of the Otish Mountain property in Quebec.

Risk Factors Relating to the Issuer's Business

The Issuer's ability to generate revenues and profits from its natural resource properties, or any other resource property it may acquire, is dependent upon a number of factors, including, without limitation, the following risk factors.

Precious and Base Metal Price Fluctuations

The Issuer does not have any precious and base metal mining operations. The profitability of the any such operations in which the Issuer has an interest will be significantly affected by changes in the market prices of precious and base metals. Prices for precious and base metals fluctuate on a daily basis, have historically been subject to wide fluctuations and are affected by numerous factors beyond the control of the Issuer such as the level of interest rates, the rate of inflation, central bank transactions, world supply of the precious and base metals, foreign currency exchange rates, international investments, monetary systems and political developments. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Issuer not receiving adequate returns on invested capital or the investments retaining their respective values.

Operating Hazards and Risks

Mining operations generally involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Hazards such as unusual or unexpected formations and other conditions can occur. Operations in which the Issuer has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of precious and base metals, any of which could result in work stoppages, damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damages. The Issuer may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. Any compensation for such liabilities may have a material, adverse effect on the Issuer's financial position.

Exploration and Development

There are no known bodies of commercial ore on the Issuer's mineral properties. Development of the Issuer's properties will only follow upon obtaining satisfactory exploration results. Mineral exploration and development are speculative in nature and involve a high degree of risk and few properties which are explored are ultimately developed into producing mines. There is no assurance that the Issuer's mineral exploration and development activities will result in any discoveries of bodies of commercial ore. The long-term profitability of the Issuer's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish reserves through drilling, to develop, in the case of precious and base metal properties, metallurgical processes to extract metal from ore and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the Issuer's control and which cannot be accurately foreseen or predicted, such as market fluctuations, the global marketing conditions for precious and base metals, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection.

Calculation of Reserves and Resources and Precious Metal Recoveries

There is a degree of uncertainty attributable to the calculation of reserves and resources and their corresponding metal grades to be mined and recovered. Until reserves or resources are actually mined and processed, the quantities of mineralization and metal grades must be considered as estimates only.

Government Regulation

Operations, development and exploration on the Issuer's properties are affected to varying degrees by government regulations relating to such matters as environmental protection, health, safety and labour, mining law reform, restrictions on production, price controls, tax increases, maintenance of claims, tenure, and expropriation of property. There is no assurance that future changes in such regulation, if any, will not adversely affect the Issuer's operations.

The activities of the Issuer require licenses and permits from various governmental authorities. While the Issuer currently has been granted the requisite licenses and permits to enable it to carry on its existing business and operations, there can be no assurance that the Issuer will be able to obtain all the necessary licenses and permits which may be required to carry out exploration, development and mining operations for its projects.

Environmental Factors

All phases of the Issuer's operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Issuer's operations. Environmental hazards may exist on the Issuer's properties which are unknown to the Issuer at present which have been caused by previous or existing owners or operators of the properties.

Title to Assets

Although the Issuer has or will receive title opinions for any properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Issuer has not conducted surveys of the claims in which it holds direct or indirect interests and, therefore the precise area and location of such claims may be in doubt. The Issuer's claims may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by unidentified or unknown defects.

Uncertainty of Funding

The Issuer's current operations do not generate any positive cash flow and it is not anticipated that any positive cash flows will be generated in the near future. The Issuer has limited financial resources, and the mineral claims in which the Issuer has an interest and an option to acquire an interest require financial expenditures to be made by the Issuer. There can be no assurance that adequate funding will be available to the Issuer so as to exercise its option or to maintain its interests once those options have been exercised.

Further exploration work and development of the properties in which the Issuer has an interest or option to acquire depend upon the Issuer's ability to obtain financing through joint venturing of projects, debt financing or equity financing or other means. Failure to obtain financing on a timely basis could cause the Issuer to forfeit all or parts of its interests in mineral properties or reduce or terminate its operations.

Competition and Agreements with Other Parties

The mining industry is intensely competitive in all of its phases, and the Issuer competes with many companies possessing greater financial resources and technical facilities than itself. Competition in the mining business could adversely affect the Issuer's ability to acquire suitable producing properties or prospects for mineral exploration in the future.

The Issuer may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party, and the Issuer may have its interest in the properties subject to such agreements reduced as a result. Furthermore, if other parties to such agreements do not meet their share of such costs, the Issuer may be unable to finance the cost required to complete recommended programs.

Potential Conflicts of Interest

The directors and officers of the Issuer may serve as directors and/or officers of other public and private companies, and may devote a portion of their time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which the Issuer is also participating, such directors and officers of the Issuer may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. The laws of British Columbia, Canada, require the directors and officers to act honestly, in good faith, and in the best interests of the Issuer and its shareholders. However, in conflict of interest situations, directors and officers of the Issuer may owe the same duty to another company and will need to balance the competing obligations and liabilities of their actions. There is no assurance that the needs of the Issuer will receive priority in all cases. From time to time, several companies may participate together in the acquisition, exploration and development of natural resource properties, thereby allowing these companies to: (i) participate in larger programs; (ii) acquire an interest in a greater number of programs;

and (iii) reduce their financial exposure to any one program. A particular company may assign, at its cost, all or a portion of its interests in a particular program to another affiliated company due to the financial position of the company making the assignment. In determining whether or not the Issuer will participate in a particular program and the interest therein to be acquired by it, it is expected that the directors and officers of the Issuer will primarily consider the degree of risk to which the Issuer may be exposed and its financial position at that time.

4.2 Asset-Backed Securities Outstanding

The Issuer does not have outstanding asset-backed securities.

4.3 Mineral Projects

The Issuer's sole reportable segment is mineral exploration and development. The Issuer is in the business of exploration and development of natural resources, currently in the Mistassini-Otish area of northern Quebec.

Otish Mountain Properties

Endeavour has a 50% interest in two properties located in the Mistassini-Otish area of northern Quebec. In consideration, the Issuer paid $31,000 and issued 150,000 post-consolidation common shares to the vendor. 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 Issuer has the option to purchase ½% of each of the two royalties for $250,000.

Endeavour's interest in the Otish Mountain properties are the subject of a report dated September 20, 2002 (the "Chapman Report") which was prepared by Jim Chapman, BSc, PGeo, of Tamri Geological Ltd., Bowen Island, BC, a copy of which has been filed with the applicable regulatory bodies in January 2003 and which is incorporated herein by reference. The Chapman Report complies with National Instrument 43-101 as based on the Exemption Order dated December 18, 2002 granted by the British Columbia Securities Commission.

The following description of the Otish Mountain properties has been summarized primarily from the Chapman Report. Further details are provided in the Chapman Report which is accessible at www.sedar.com.

4.3.1 Property Description and Location

The Otish Mountains Diamond Project, which consists of the Otish 1 and Otish 2 blocks, overlies the Otish Mountains in north central Quebec, approximately 275 kilometres northeast of the town of Chibougamau and 750 kilometres north of Montreal. Endeavor has acquired a 50% interest in each of these properties as described below.

The Otish 1 consists of 220 contiguous mineral claim cells covering approximately 11,654 hectares on NTS mapsheet 33A/01. Title was granted on February 23, 2002 for 160 cells and the remaining 60 cells on March 22, 2002. The centre of the property is approximately located at 52^0 05' north latitude and 72^0 10' west longitude.

The Otish 2 property consists of 40 contiguous mineral claim cells covering approximately 2,120 hectares on NTS mapsheet 33A/02. The centre of the property is approximately located at 52^0 02' north latitude; 72^0 43' west longitude.

There are no known environmental liabilities arising from previous exploration.

4.3.2 Current Status

Otish 1 and 2 are early stage exploration properties located 110 kms from the Renard diamond discoveries of Ashton Mining of Canada Inc. ("Ashton").

Ashton reported in November 2002 that the diamond analysis from a 4.11 tonne sample collected from the Renard 4 kimberlitic intrusion resulted in an estimated diamond content of 66 carats per hundred tones ("cpht") and in June 2003 the diamond analysis from a second 4.11 tonne sample from Renard 4 resulted in an estimated diamond content of 33 cpht, thereby resulting in a combined estimated diamond content 50 cpht from the 8.22 tonne combined sample. In late June 2003, Aston also recovered a large clear diamond with exposed surfaces measuring approximately 8.8x8.2x4.8 mm from a drill core from the Renard 65 kimberlitic body in north-central Quebec.

4.3.3 Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Otish Mountains region of north central Quebec is virtually unpopulated except for the seasonal hunting and trapping periods when the local Cree Indians utilize their field camps. Typical of the interior shield region, winter generally extends from late October to early April and temperatures regularly drop to -40^0C. The region receives annual precipitation of approximately 80 centimetres, with accumulations of several metres of snow during the winter months. Summers are characteristically mild, with daytime temperatures averaging 15^0 Celsius.

The Otish Mountains are a prominent northeasterly trending linear range that rise above the otherwise low lying shield. Elevations range from 450 metres in the Timiscamie River valley to 900 metres in the Otish Mountains. Lowlands are typically wet marsh or muskeg with local eskers. Hillsides and higher elevations are sparsely covered by stunted spruce and pine forest.

The area is accessible most of the year by float or ski-equipped aircraft from Chibougamau, Lake Albanel airbase or from the Mistassini Reserve, (325 kilometres, 175 kilometres and 150 kilometres, respectively, southwest of the project area). Countless lakes clutter the landscape but only a few of them are suitable for aircraft. The most prominent lake in the area is Lac Barou. A winter road from Lake Albanel to the old Eastmain mine traverses the project area but is not currently maintained. However the airstrip at the mine is usable by aircraft up to a DC 3.

4.3.4 History

Ashton Mining of Canada Inc. ("Ashton") and its partner SOQUEM Inc. have been active in the area since 1996 and have acquired the largest land holdings in the region. They carried out a regional scale heavy mineral sampling program followed up with airborne geophysical surveys to identify potential kimberlite targets. This work culminated in late 2001 with the discovery of the Renard 1 and 2 kimberlites. These kimberlites proved to be diamondiferous, containing both micro and macro diamonds, and fuelled extensive additional exploration in the area. Five additional kimberlites have since been discovered in the Renard cluster, all of which are diamondiferous.

Pure Gold Minerals Inc. ("Pure Gold") has conducted two diamond drill programs on airborne magnetic anomalies within their Tichegami Property. This work has identified at least two additional kimberlitic bodies. No diamonds were recovered from either kimberlite.

4.3.5 Geological Setting

Regional Geology: The northern Quebec region in which the Otish Mountains Diamond Project is located is underlain by the Archean age Superior craton. The Proterozoic Otish and Papaskwasati basins are situated within the Superior Structural Province near a poorly defined metamorphic Grenville front. The Superior basement lithologies consist of gneiss and migmatite, metavolcanic rocks and metasedimentary fold belts as well as granite. All units are thought to be Archean age although recent age dating indicates a possible Aphebian age (1800-2400 M.A.). These younger dates may reflect a metamorphic overprint on Archean rocks during the Kenoran and Hudsonian orogenies.

A basement complex of gneiss and migmatite underlies most of the project area. It is variable in appearance, ranging from schistose, layered gneiss to nearly massive granite. Quartz-biotite-feldspar gneiss predominates. Metavolcanic and metasedimentary sequences outcrop as narrow east-west directed belts. They are composed of metamorphosed acid to mafic tuff, volcanic flows and fragmented volcanic rocks, intercalated with sandstones, conglomerates, cherty iron formation and chlorite schist. The granitic complex is typically coarse grained, equigranular and composed of quartz, feldspar and minor amounts of mafic minerals.

The Otish Mountains Diamond Project lies within the Témiscamie-Corvette (TCZ) structural corridor and is intersected by two major lineaments as shown on the tectonic map of Quebec provided by Hocq, 1994. The Beaver Lake kimberlite body occurs at the triple junction of these structural features. The age of the Beaver Lake kimberlite is believed to be Lower Cambrian, approximately 536Ma, (Moorhead, 2002).

Property Geology: No diamond exploration has been carried out on the property to date so information contained within this section is derived from published reports and work carried out by the author on neighbouring properties. Published geologic maps of the area show the bedrock to consist of Archean migmatites and granitoids. The southeastern portion of the property is in addition overlain by a thick sequence of glacial till.

Previous exploration in the region has identified one uranium and a thorium occurrence within the property boundaries of the Otish 1 block. Uranium mineralization occurs as pitchblende, uranophane and autunite in veins and in biotite rich pegmatites within the Archean rocks. Regionally pitchblende has also been recognized as occurring as veins and disseminations in Proterozoic sandstones and dolomites.

Deposit Type: Diamond exploration involves the search for and evaluation of kimberlites and lamproites, which are the host rocks to all currently producing primary diamond deposits. Kimberlites generally occur in clusters consisting of from 6 to 40 pipes, with each cluster covering an area of up to 100 kms in diameter. The accepted mode of formation of kimberlites is an eruptive magmatic event, which initiates in the upper mantle, entrains the diamonds, then carries them along with fragments of mantle and crustal rocks to the surface. Factors that control the formation and location of these kimberlites include a thick stable craton and deep-seated structural breaks.

The Superior Province of Quebec, which underlies the Otish Mountains area, in addition to being one of the largest stable cratons in the world has a thick well preserved root zone in excess of 300 kms deep making it highly prospective for diamond formation and preservation. The presence of the Lac Beaver pipe of DITEM Explorations, the Renard pipes located by Ashton and the Pure Gold's H2 kimberlites are proof that the region can host diamondiferous kimberlites.

Till geochemical sampling is generally the next step in the exploration process. The identification of diamonds and kimberlite indicator minerals (KIM) indicate a potential kimberlite cluster within the glacial till source area. KIM minerals including pyrope garnets, ilmenites, chrome diopsides, chromite and olivine among others, are useful because they are not readily destroyed during glacial erosion and transportation. These minerals are an aid in locating kimberlite bodies due to their highly resistive nature and relative abundance compared to diamonds. Additionally, indicator minerals may have unique characteristics such as high chromium, low calcium compositions (G10) garnets, which make up approximately 85% of the garnet inclusions within diamonds. Picroilmenite, which is a high magnesian ilmenite, can provide a measure of the preservation of any diamonds carried within the kimberlitic body.

Chromites with a high chrome content may be indicative of temperature / pressure conditions within the diamond stability field.

4.3.6 Exploration

Regional scale airborne magnetic surveys and geological maps provide some indication of the prospectivity of the region to host kimberlites. The government airborne magnetic survey, although flown at 800 m line spacing, is useful in outlining the gross geologic features of the region which will have a bearing on the type of exploration program to be carried out. On the Otish 1 block the magnetic pattern defines the strongly magnetic NNW trending diabase dyke which lies on the western edge of the property. In addition the magnetics clearly show the extent of the thickened till cover as it masks the underlying signature of the migmatite / gneiss, granitoid bedrock. Circular and elongate magnetic highs, which could potentially represent kimberlitic pipes or dykes are present on the block. Similar magnetic features are also present on the Otish 2 block.

4.3.7 Mineralization

There are no mineral deposits or significant mineral occurrences known on the Otish properties at this time. Within the Otish Mountains area the only recorded mineral production was derived from the Eastmain Gold Mine in 1995. Other mineral occurrences of significance are the diamondiferous kimberlites of Ashton and partners, the Beaver Lake pipe and the newly discovered Pure Gold kimberlite.

The Otish Mountains region of north central Quebec is highly prospective for diamond exploration, as evidenced by the recently discovered Renard 1 to 7 kimberlites that returned up to 29 macro diamonds and the previously discovered Beaver Lake kimberlite that contained four macro diamonds. As evidenced by the more than 300 kimberlites discovered within the Slave Craton and other worldwide occurrences, kimberlite bodies occur in clusters.

Endeavor Gold Corp. has an acquired a 50% interest in two properties within the core of the Otish Mountains. Ashton Mining Canada Inc., Pure Gold Minerals and Ditem Explorations all have discovered kimberlitic bodies within their property holdings in this area. Eight of the 10 kimberlites discovered to date in this region have proved to be diamondiferous. It is concluded that Endeavor Gold Corp. is warranted to conduct exploration on these two properties in order to identify kimberlite targets within the Otish Mountains Diamond Project area.

4.3.8 Sampling and Analysis

Sampling Method and Approach: No samples have yet been collected from the Otish Mountains Diamond Project. During the proposed till sampling program, sample sites will be selected by a geologist familiar with Quaternary geology to determine the most suitable site. Qualified personnel under the supervision of the project supervisor will undertake collection of the sample. The till sample will be screened on site to the appropriate size and weight fraction, placed into individually labelled sample bags and securely stored. Records will be kept for each sample documenting the sample number, weight, screen size, sampler and geological observations. The samples are then sealed and transported to a secure storage area prior to transfer to the selected laboratory.

Once a kimberlite indicator mineral train has been identified, prospecting and more detailed till sampling is undertaken in an attempt to locate the source of the mineral train. Magnetic anomalies located up ice of strong indicator mineral trains become high priority targets for follow up drilling. The magnetic signature of the surface exposure or drill core is measured utilising a magnetic susceptibility meter to attempt to determine the source of the magnetic anomaly. Targets may be quickly evaluated using this method without incurring excessive drill costs.

Sample Preparation, Analyses and Security: Samples requiring determination of diamond content are generally processed by caustic dissolution. This treatment efficiently produces a concentrate from which diamonds and indicator minerals can be readily extracted for microscopic examination.

During the sample handling procedure, a chain of custody is maintained and the sample shipment tracked. Samples are placed into uniquely numbered sample bags with a third of a three part tag placed in the bag in the event the writing is obscured. A record of the sample location and specific details is documented in the tag book. A representative sample is also collected for reference at a later date. At all times access to the samples is limited to authorised personnel. Results from the laboratory are reported directly to the Qualified Person who disseminates the information as required.

Mineral Processing and Metallurgical Testing: The property is at an early stage of exploration. No mineral processing or metallurgical testing has been carried out on the property.

4.3.9 Mining Operations

The property is at an early stage of exploration. No ore bodies are known to exist and therefore no mining operations are known on the property.

4.3.10 Exploration and Development

It is recommended that the following exploration programs be conducted on both the Otish 1 and Otish 2 properties in an effort to identify diamond bearing kimberlite bodies. A program of airborne magnetic geophysical surveys, till geochemistry and prospecting is warranted for each of these properties. As a Qualified Person, it is the opinion of Jim Chapman, P.Geo., author of the Chapman Report, that the character of the Otish 1 and Otish 2 properties is of sufficient merit to justify the recommended program.

A two-phase exploration program is recommended for the Otish Mountains Diamond Project. The Phase One program consists of airborne magnetic geophysical surveys over each property. A budget of $49,000 is required to support this program. Evaluation of the airborne data allows for targeted till sampling of the high priority magnetic anomalies. The Phase Two program consisting of till geochemistry, ground magnetics and prospecting can then be implemented. Cost of the Phase Two program is estimated at $162,500.

ITEM 5: SELECTED FINANCIAL INFORMATION

5.1 Annual Information

The following table presents selected audited financial information for the Issuer's three most recently completed fiscal years ended February 28, 2003, 2002 and 2001. This information is derived from the audited financial statements of the Issuer and should be read in conjunction with those financial statements and notes thereto. The financial statements of the Issuer have been prepared in accordance with Canadian generally accepted accounting principles (“Canadian GAAP”).

	As at and for the fiscal years ended February 28,		
	2003 ($)	2002 ($)	2001 ($)
Total revenues	Nil	Nil	Nil
Income (loss) from continuing operations:			
(i) Total	(185,847)	(33,376)	16,869
(ii) Basic per share	(0.06)	(0.01)	Nil

(iii) Fully diluted per share	(0.06)	(0.01)	Nil
Net income (loss): (i) Total (ii) Basic per share (iii) Fully diluted per share	 (185,847) (0.06) (0.06)	 (33,376) (0.01) (0.01)	 16,869 Nil Nil
Total assets	209,483	23,237	46,876
Total long term liabilities	Nil	Nil	5,000
Shareholder’s equity (deficiency)	152,155	(5,448)	26,416
Working capital (working capital deficiency)	100,739	(24,583)	1,751
Dividends per share	Nil	Nil	Nil

5.2 Dividends

No dividends have been declared during the past three years. The Issuer has no present intention of paying dividends on its common shares as it anticipates that all available funds will be invested to finance further acquisition, exploration and development of its mineral properties.

5.3 Foreign GAAP

Not applicable, as the Issuer’s financial statements are prepared in accordance with Canadian generally accepted accounting standards.

ITEM 6. MANAGEMENT’S DISCUSSION AND ANALYSIS

The following discussion of the financial position, changes in financial position and results of operation of the Issuer for the three fiscal years ended February 28, 2003 should be read in conjunction with the financial statements of the Issuer and the related notes included therein, which are incorporated by reference in this AIF. The Issuer’s financial statements are prepared in accordance with Canadian generally accepted accounting standards.

6.1 General Overview

The Issuer has been exclusively a natural resource company engaged in the business of exploration of mineral properties. The Issuer currently has no producing mineral properties and consequently no operating income or cash flow. The Issuer finances its operating and exploration activities principally by the issuance of common shares.

The Issuer’s accounting policy is to defer all costs of acquiring mineral properties and their related exploration and development costs until the property to which they relate is placed into production, sold or abandoned. At that time, the capitalized costs are either amortized over the useful life of the ore body, following the commencement of production or written off if the property is sold or abandoned.

The Issuer knows of no trends, demands, commitments, events or uncertainties outside of the normal course of business that may result in the Issuer’s liquidity either materially increasing or decreasing at the present time or in the foreseeable future. Material increases or decreases in the Issuer’s liquidity are substantially determined by the success or failure of the Issuer’s exploration programs and overall market conditions for smaller resource companies. The Issuer is not aware of any seasonality in the business that have a material effect upon its financial condition, results of operations or cash flows other than those normally encountered by public reporting junior resource companies. The Issuer is not aware of any changes in the results of its operations that are other than those normally encountered in its ongoing business.

Effective March 1, 2002, the Issuer adopted the new accounting standard of the Canadian Institute of Chartered Accountants ("CICA"), Section 3870 "Stock-Based Compensation and Other Stock-Based Payments" for accounting for stock-based compensation expense. Under this standard, stock-based payments to non-employees, and employee awards that are direct awards of stock, call for settlement in cash or other assets, or stock appreciation rights that call for settlement by the issuance of equity instruments, granted on or after March 1, 2002, are accounted for using the fair value based method, and are recorded as an expense in the period the stock-based payments are vested or the awards or rights are granted. As allowed under the new standard, the Issuer has elected not to follow the fair value based method of accounting for stock options granted to directors and employees. No compensation expense is recognized when stock options are granted to directors and employees if the exercise price of the stock options granted is at market value. Any consideration paid by directors and employees on exercise of stock options or purchase of shares is credited to share capital. However, disclosure of the effects of accounting for stock-based compensation to directors and employees as compensation expense, using the fair value based method, is disclosed as pro-forma information. Prior to the adoption of the new standard, no compensation expense was recognized for the Issuer's stock option plan when the options were granted. Any consideration paid by employees or directors on exercise of options was credited to share capital.

6.2 Quarterly Information

The following table sets forth selected financial information of the Issuer for each of the last eight quarters ending at the end of the most recently completed fiscal year, February 28, 2003:

	Year Ended February 28, 2003				Year Ended February 28, 2002			
	Feb 28, 2003 (4th Qtr) ($)	Nov 30, 2002 (3rd Qtr) ($)	Aug 31, 2002 (2nd Qtr) ($)	May 31, 2002 (1st Qtr) ($)	Feb 28, 2002 (4th Qtr) ($)	Nov 30, 2001 (3rd Qtr) ($)	Aug 31, 2001 (2nd Qtr) ($)	May 31, 2001 (1st Qtr) ($)
Total revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Income (loss) from continuing operations:								
(i) Total	(85,374)	(83,419)	(16,768)	(289)	(6,723)	(7,550)	(8,016)	(11,088)
(ii) Basic per share	(0.01)	(0.02)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
(iii) Fully diluted per share	(0.01)	(0.02)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Net income (loss):								
(i) Total	(85,374)	(83,419)	(16,768)	(289)	(6,723)	(7,550)	(8,016)	(11,088)
(ii) Basic per share	(0.01)	(0.02)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
(iii) Fully diluted per share	(0.01)	(0.02)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

6.3 Liquidity and Capital Resources

The Issuer's operations consist of the exploration and evaluation of natural resource properties. The Issuer's financial success is dependent upon its ability to find economically viable properties and develop them. The process can take many years and is largely dependent on factors beyond the control of the Issuer. The Issuer's historical capital needs have been met by the sale of the Issuer's stock. The Issuer's funds on hand have for the past several years been sufficient to cover the Issuer's administrative expenses. There is no assurance that equity funding will be possible at the times required by the Issuer.

As it is at the exploration and development stage, the Issuer capitalizes its acquisition, exploration and development costs of its mineral properties. Should any of these properties be placed into production, such costs would be amortized over the life of the properties on a unit-of-production basis. Should exploration results of any of its properties prove unsatisfactory, the Issuer would then abandon such property or properties, and write off costs incurred up to that time. The impact on its net loss for the fiscal period would be dependent upon the amount of costs deferred up to the time of the write-off.

The Issuer is a junior exploration company with no revenue-producing operations. Activities include acquiring mineral properties and conducting exploration programs. The mineral exploration business is risky and speculative and most exploration projects will not become mines. For the funding of property acquisitions and exploration that the Issuer conducts itself, the Issuer does not use long-term debt. Rather, it depends on the issuance of shares from the treasury to investors. Such stock issues, in turn, depend on numerous factors, important among which are a positive mineral exploration climate, positive stock market conditions, a company's track record and experience of management.

As at February 28, 2003, the Issuer has $151,574 in cash and $100,739 in working capital in contrast to cash of $2,388 and a working capital deficiency of $24,583 as at February 28, 2002. The liquidity and capital resources improved during the 2003 fiscal year due to the private placement 3,000,000 units at $0.10 per unit for total proceeds of $300,000 and due to the settlement of debt whereby 184,500 shares were issued at a deemed price per share of $0.10 to settle debts of $18,450.

6.4 Results of Operations

Year Ended February 28, 2003 Compared to the Year Ended February 28, 2002

The Issuer's net loss in 2003 of $185,847 represented a 457% increase from the 2002 net loss of $33,376. The increased expenses in 2003 reflect the heightened level of activity which the Issuer was engaged in during the 2003 fiscal year. These activities included implementation of its reactivation plan in 2003, in which the Issuer had previously been designated as "Inactive" by the TSX Venture. The reactivation plan included property acquisition, private placement, shares for debt and debt financing arrangements resulting in increased operating expenses to reflect ancillary services and due diligence efforts rendered therein to and by the Issuer in the 2003 fiscal year.

By the end of the 2003 fiscal year, the Issuer's financial condition improved greatly and its shares were reinstated for trading on the TSX Venture. As at February 28, 2003, the Issuer had cash of $151,574 and a working capital of $100,739 in stark contrast to 2002 cash balance of $2,388 for cash and a working capital deficiency of $24,583.

Year Ended February 28, 2002 Compared to the Year Ended February 28, 2001

In fiscal 2002, the Issuer recorded a small loss of $37,703 from continuing operations, very similar to the operating loss of $37,064 in 2001. However, the net loss of $33,376 in 2002 was in contrast to the net income of $16,869 due to a non-recurring income in 2001 for the gain of $82,500 from the disposal of resource properties. Assets dropped 50% in 2002 to $23,000 due to property write-offs and working capital also fell from a 2001 deficiency of $3,249 to a 2002 deficiency of $24,583. Subsequent to the 2002 year-end, the working capital deficiency was addressed by the closing of a $300,000 private placement in the 2003 fiscal year.

6.5 Foreign GAAP

Not applicable, as the Issuer's financial statements are prepared in accordance with Canadian generally accepted accounting standards.

ITEM 7. MARKET FOR SECURITIES

The Issuer's securities are listed and posted for trading on the TSX Venture Exchange under the symbol "EDR".

ITEM 8. DIRECTORS AND OFFICERS

8.1 Name, Address, Occupation and Security Holding

The following is a list of the current directors and officers of the Issuer, their municipalities of residence, their current positions with the Issuer and their principal occupations during the past five years:

Name and Municipality Of Residence	Principal Occupation for the Last Five Years	Current Position with the Issuer and Period of Service	Approximate number and percentage of voting securities owned, directly or indirectly or over which direction or control is exercised
Bradford J. Cooke (1) (2) North Vancouver, BC	President, CEO and Director of Canarc Resource Corp.	Director and President (Since July 25, 2002)	805,000 (13%)
Donald W. Coates (1) (2) Delta, BC	President and Director of Endeavour Gold Corp.	Director (Since April 14, 1981)	493,667 (7.97%)
Godfrey J. Walton North Vancouver, B.C.	President, G.J. Walton & Associates Ltd.	Director (Since July 25, 2002)	75,000 (1.21%)
Mario D. Szotlender Caracas, Venezuela	President, Tombstone Explorations Co. Ltd.	Director (Since July 25, 2002)	Nil
Stewart J. Lockwood Vancouver, BC	Lawyer, Vector Corporate Finance Lawyers from 2001 and was in house counsel for Canarc Resource Corp prior thereto	Corporate Secretary (Since July 25, 2002)	50,000 (0.81%)

(1) Audit Committee members.
(2) Donald W. Coates was President of Endeavour Gold Corp. from April 14, 1981 to July 25, 2002, at which time Bradford J. Cooke was appointed President.

As of the date hereof, the Issuer does not have an executive committee.

Directors' Terms of Office

The directors have served as directors of the Issuer since the date shown above and their terms of office expire at the end of the next annual general meeting. The Issuer's next annual general meeting is to be held on July 24, 2003.

Control of Securities

The directors and officers of the Issuer beneficially own, directly or indirectly, have control of or direction over an aggregate of 1,423,667 common shares of the Issuer, representing approximately 22.99% of the issued and outstanding common shares (ie. 6,191,550 common shares) as of the date of this AIF (excluding those issuable on the exercise of share purchase warrants).

8.2 Corporate Cease Trade Orders or Bankruptcies

Within ten years before the date of this AIF, none of the directors or officers of the Issuer, or any shareholders holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, has been a director or officer of any other company that, while that person was acting in that capacity:

(i) was the subject of a cease trade or similar order, or an order that denied the other company access to any exemptions under Canadian securities legislation for a period of more than thirty consecutive days; or

(ii) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise or had a receiver, receiver manager or trustee appointed to hold its assets.

8.3 Penalties or Sanctions

None of the directors or officers of the Issuer, or any shareholders holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, has

(i) been the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority; or

(ii) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

8.4 Personal Bankruptcies

None of the directors or officers of the Issuer, or any shareholders holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, or a personal holding company of any such person has, within the ten years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold assets of that person.

8.5 Conflicts of Interest

The Issuer's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Issuer may participate, the directors of the Issuer may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Issuer's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the laws of British Columbia, the directors of the Issuer are required to act honestly, in good faith and in the best interests of the Issuer. In determining whether or not the company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Issuer may be exposed and its financial position at the time.

The directors and officers of the Issuer are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosure by the directors of conflicts of interest and the Issuer will rely upon such laws in respect of any directors' and officers' conflicts of interest in or in respect of any breaches of duty by any of its directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with the Company Act (British Columbia) and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. The directors and officers of the Issuer are not aware of any such conflicts of interest.

ITEM 9. ADDITIONAL INFORMATION

The Issuer will provide to any person or corporation, upon request to the Secretary at Suite 800 - 850 West Hastings Street, Vancouver, BC, V6C 1E1:

(a) when the Issuer is selling its common shares pursuant to a preliminary short form prospectus or a short form prospectus:

    (i) one copy of this annual information form together with one copy of any document, or the pertinent pages of any document, incorporated by reference therein;
    (ii) one copy of the Issuer's comparative financial statements for the most recently completed financial year together with the report of the Issuer's auditors thereon and one copy of the interim financial statements, if any, that have been filed subsequent to the financial statements for the Issuer's most recently completed financial year;
    (iii) one copy of the management information circular to the most recent annual meeting of shareholders; and
    (iv) one copy of any other documents that are incorporated by reference into the Issuer's preliminary short form prospectus or short form prospectus and are not referred to above; or

(b) at any time, one copy of any documents referred to in (a)(i), (ii) and (iii) above, provided that the Issuer may require the payment of a reasonable charge if the request is made by a person or corporation who is not a security holder of the Issuer's common shares.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Issuer's securities, options to purchase securities and interests of insiders in material transactions, if applicable, is contained in the Issuer's Information Circular pertaining to its most recent Annual General Meeting. Additional information is also provided in the Issuer's comparative financial statements for its most recently completed financial year.