



NEWS RELEASE

Endeavour Silver Reports Financial Results for Third Quarter, 2016; Conference Call at 11am PDT (2pm EDT) Today

Vancouver, Canada – November 3, 2016 - Endeavour Silver Corp. (NYSE: EXK; TSX: EDR) released today its financial results for the third quarter ended September 30, 2016. Endeavour owns and operates three underground silver-gold mines in Mexico: the Guanaceví mine in Durango state, and the Bolañitos and El Cubo mines in Guanajuato state.

The Company's financial performance in the Third Quarter, 2016 improved compared to the Third Quarter, 2015. Earnings were up as a result of higher metal prices and lower operating costs. Management continued to strengthen the balance sheet by generating free cash flow and completing its second ATM equity offering during the third quarter (click [here](#) for an audio review of Q3 highlights).

Highlights of Third Quarter 2016 (Compared to Third Quarter, 2015)

Financial

- Net earnings of \$5.6 million⁽¹⁾ (\$0.04 per share) compared to a net loss of \$14.1 million (loss of \$0.14 per share)
- EBITDA⁽²⁾ increased 703% to \$10.8 million
- Cash flow from operations before working capital changes increased 72% to \$8.2 million
- Mine operating cash flow before taxes⁽¹⁾ increased 48% to \$17.8 million
- Revenue decreased 1% to \$42.1 million
- Realized silver price increased 31% to \$19.16 per ounce (oz) sold
- Realized gold price increased 25% to \$1,340 per oz sold
- Cash costs⁽²⁾ decreased 35% to \$5.27 per oz silver payable (net of gold credits)
- All-in sustaining costs (AISC)⁽²⁾ decreased 24% to \$11.47 per oz silver payable (net of gold credits)
- Raised net proceeds of \$13.9 million in Q3, 2016 to complete second ATM equity financing
- Cash increased 308% to \$83.2 million and working capital increased 433% to \$91.9 million from year end

Operations

- Silver production decreased 29% to 1,284,646 oz
- Gold production decreased 6% to 14,364 oz
- Silver equivalent production was 2.4 million oz (at a 75:1 silver: gold ratio)
- Silver oz sold down 35% to 1,200,466 oz
- Gold oz sold down 3% to 14,228 oz
- Bullion inventory at quarter-end included 189,831 oz silver and 334 oz gold
- Concentrate inventory at quarter-end included 22,384 oz silver and 498 oz gold
- Acquired prospective Parral exploration properties in the Parral District, Chihuahua
- Raised 2016 production guidance to 9.0 million to 9.8 million oz silver equivalent, increased capital budget to \$17.4 million and exploration budget to \$10.1 million to accelerate growth projects, including 23,000 metres extra drilling

(1) The Consolidated Interim Financial Statements and Management's Discussion & Analysis can be viewed on the Company's website at www.edrsilver.com, on SEDAR at www.sedar.com and EDGAR at www.sec.gov. All amounts are reported in US\$

- (2) Mine operating cash flow, EBITDA, cash costs and all-in sustaining costs are non-IFRS measures. Please refer to the definitions in the Company's Management Discussion & Analysis

Endeavour CEO Bradford Cooke commented, "Our financial performance in the third quarter was much improved thanks to higher metal prices and lower operating costs. Having successfully minimized our all-in sustaining costs and boosted our free cash flows in recent quarters, management continued to focus on optimizing near-term production and long-term growth in Q3, 2016.

"As a result of our growing cash position in recent quarters, we elected to increase our exploration and development budgets in H2, 2106, which means our AISC should rise in Q4, 2016. Notwithstanding, we are well ahead of our production targets and below our cost targets for the year so we expect to readily meet our guidance on both in 2016.

"We currently have 12 drill rigs working on six projects to grow our resource base. With the recent acquisition of the Parral properties to our project pipeline, Endeavour now has one of the strongest organic growth profiles in the silver mining sector."

Operations Update

At Guanaceví, plant throughput of 892 tonnes per day (tpd) in Q3, 2016 continued to lag behind plan as the mining contractor focused on accelerating mine development, and company personnel focused on improving underground services, including power, dewatering and ventilation. Due to variations in the ore-bodies, grades were lower than plan for the quarter. Management expects throughput to improve in the fourth quarter.

The Company is initiating a \$2.8 million capital investment program in Q4, 2016, as part of a three-year, \$8.4 million capital investment for mine development and ramp down into the Santa Cruz Sur ore-body. This investment will provide access to an indicated resource of over 650,000 tonnes grading 250 g/t silver and 0.70 g/t gold. The currently defined ore-body is open to the south and at depth.

At Bolañitos, plant throughput averaging 1,442 tpd in Q3, 2016 continued to exceed plan due in part to the draw-down of an historical ore stockpile and mining of new extensions of the LL-Asunción ore-body in and around historic mine workings. Bolañitos is significantly ahead of production guidance for the year.

The Company commenced a \$1.7 million capital investment program in Q3, 2016 to develop the Plateros orebody located close to the existing LL-Asunción mine workings. The development is accessing an indicated resource of over 130,000 tonnes grading 116 g/t silver and 1.61 g/t gold, still open at depth.

At El Cubo, plant throughput of 1,531 tpd in Q3, 2016 also exceeded plan, as development opened up new areas for mining at Santa Cecilia. Production is expected to continue close to 1,500 tpd in the fourth quarter. El Cubo is also significantly ahead of production guidance for the year.

The Company commenced a \$1.6 million program in Q3, 2016 to extend the V-Asunción ramp to depth an additional 1.6 km in order to access an indicated resource of more than 300,000 tonnes grading 141 g/t silver and 1.55 g/t gold. The V-Asunción ore-body extends well south of the current mine plan.

Financial Results

For the third quarter ended September 30, 2016, the Company generated revenue totaling \$42.1 million (2015 - \$42.7 million). During the quarter, the Company sold 1,200,467 silver oz and 14,228 gold oz at realized prices of \$19.16 and \$1,340 per oz respectively, compared to sales of 1,844,556 silver oz and 14,599 gold oz at realized prices of \$14.67 and \$1,074 per oz respectively in Q3, 2015.

After cost of sales of \$26.9 million (2015 - \$40.6 million), mine operating earnings amounted to \$15.2 million (2015 - \$2.1 million) from mining and milling operations in Mexico. Excluding depreciation and depletion of \$2.8 million (2015 - \$9.8 million), and share-based compensation recovery of \$0.2 million

(2015- \$0.1 million expense), mine operating cash flow before taxes was \$17.8 million (2015 – \$12.0 million) in Q3, 2016. Net earnings were \$5.6 million (2015 – net loss of \$14.1 million) after exploration expense of \$2.4 million (2015 – \$1.1 million) and corporate general and administrative costs of \$2.8 million (2015 – \$1.8 million).

Consolidated cash costs of production were \$5.27 per oz, net of gold by-product credits in Q3, 2016, significantly lower than the \$8-9 per oz guidance due to higher throughput, depreciation of the Mexican peso, and higher gold prices impacting the gold credit. Management expects cash costs to rise slightly in the fourth quarter but on an annual basis should be significantly lower than company guidance.

All-in sustaining costs (AISC) in accordance with the World Gold Council standard were \$11.47 per oz, net of gold by-product credits, in Q3, 2016, substantially lower than the \$12-13 per oz AISC guidance due to reduced cash operating costs and lower sustaining investments. Management expects AISC to rise in the fourth quarter with an increase in sustaining mine development and exploration expenditures but on an annual basis should be lower than company guidance.

Cash holdings at the end of Q3, 2016 grew to \$83.2 million and working capital rose to \$91.9 million which is sufficient for the Company to meet its short- and medium-term growth goals.

Conference Call

A conference call to discuss the results will be held on Thursday, November 3 at 10am PDT (1pm EDT). To participate in the conference call, please dial the following:

Toll-free in Canada and the US: 1-800-319-4610

Local Vancouver: 604-638-5340

Outside of Canada and the US: 1-604-638-5340

No pass-code is necessary to participate in the conference call.

A replay of the conference call will be available by dialing 1-800-319-6413 in Canada and the US (toll-free) or 1-604-638-9010 outside of Canada and the US. The required pass-code is 0867#. The audio replay and a written transcript will also be made available on the Company's website at www.edrsilver.com.

About Endeavour – Endeavour is a mid-tier silver mining company focused on growing production, reserves and resources in Mexico. Since start-up in 2004, Endeavour has posted nine consecutive years of accretive growth of its silver mining operations. Endeavour's three silver-gold mines in Mexico combined with its strategic acquisition and exploration programs should facilitate Endeavour's goal to become a premier senior silver producer.

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Cautionary Note Regarding Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of the United States private securities litigation reform act of 1995 and "forward-looking information" within the meaning of applicable Canadian securities legislation. Such forward-looking statements and information herein include but are not limited to statements regarding Endeavour's anticipated performance in 2016 and the timing and results of various activities. The Company does not intend to, and does not assume any obligation to update such forward-looking statements or information, other than as required by applicable law.

Forward-looking statements or information involve known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Endeavour and its operations to be materially different from

those expressed or implied by such statements. Such factors include, among others, changes in national and local governments, legislation, taxation, controls, regulations and political or economic developments in Canada and Mexico; operating or technical difficulties in mineral exploration, development and mining activities; risks and hazards of mineral exploration, development and mining; the speculative nature of mineral exploration and development, risks in obtaining necessary licenses and permits, and challenges to the Company's title to properties; as well as those factors described in the section "risk factors" contained in the Company's most recent form 40F/Annual Information Form filed with the S.E.C. and Canadian securities regulatory authorities.

Forward-looking statements are based on assumptions management believes to be reasonable, including but not limited to: the continued operation of the Company's mining operations, no material adverse change in the market price of commodities, mining operations will operate and the mining products will be completed in accordance with management's expectations and achieve their stated production outcomes, and such other assumptions and factors as set out herein. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or information, there may be other factors that cause results to be materially different from those anticipated, described, estimated, assessed or intended. There can be no assurance that any forward-looking statements or information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements or information.

ENDEAVOUR SILVER CORP. COMPARATIVE HIGHLIGHTS

Three Months Ended September 30			Q3 2016 Highlights	Nine Months Ended September 30		
2016	2015	% Change		2016	2015	% Change
Production						
1,284,646	1,820,282	(29%)	Silver ounces produced	4,346,562	5,445,901	(20%)
14,364	15,319	(6%)	Gold ounces produced	45,973	44,557	3%
1,258,408	1,773,459	(29%)	Payable silver ounces produced	4,243,199	5,305,309	(20%)
13,939	14,961	(7%)	Payable gold ounces produced	44,657	43,512	3%
2,361,946	2,892,612	(18%)	Silver equivalent ounces produced	7,794,537	8,564,891	(9%)
5.27	8.11	(35%)	Cash costs per silver ounce	6.13	7.96	(23%)
7.28	13.57	(46%)	Total production costs per ounce	8.92	13.48	(34%)
11.47	15.05	(24%)	All-in sustaining costs per ounce	11.01	15.07	(27%)
355,611	404,878	(12%)	Processed tonnes	1,141,362	1,157,415	(1%)
71.18	75.07	(5%)	Direct production costs per tonne	72.89	80.05	(9%)
11.06	10.33	7%	Silver co-product cash costs	10.60	10.68	(1%)
773	756	2%	Gold co-product cash costs	808	774	4%
Financial						
42.1	42.7	(1%)	Revenue (\$ millions)	128.1	141.6	(10%)
1,200,466	1,844,556	(35%)	Silver ounces sold	4,205,575	5,619,126	(25%)
14,228	14,599	(3%)	Gold ounces sold	44,847	44,195	1%
19.16	14.67	31%	Realized silver price per ounce	16.80	16.05	5%
1,340	1,074	25%	Realized gold price per ounce	1,281	1,163	10%
5.6	(14.1)	140%	Net earnings (loss) (\$ millions)	9.1	(13.7)	167%
15.2	2.1	622%	Mine operating earnings (loss) (\$ millions)	34.4	18.0	91%
17.8	12.0	48%	Mine operating cash flow (\$ millions)	46.5	48.0	(3%)
8.2	4.8	72%	Operating cash flow before working capital changes	25.1	29.6	(15%)
10.8	1.3	703%	Earnings before ITDA	29.6	28.6	4%
91.9	20.4	350%	Working capital (\$ millions)	91.9	20.4	350%
Shareholders						
0.04	(0.14)	129%	Earnings (loss) per share – basic	0.08	(0.13)	100%
0.07	0.05	40%	Operating cash flow before working capital changes per share	0.22	0.29	(24%)
125,277,591	101,976,901	23%	Weighted average shares outstanding	114,426,580	101,976,901	12%

- 1) Silver equivalent ounces calculated using 75:1 ratio in 2016 and 70:1 in 2015
- 2) Cost metrics, EBITDA, mine operating cash flow, operating cash flow before working capital changes are non-IFRS measures. Please refer to the definitions in the Company's Management Discussion & Analysis.

ENDEAVOUR SILVER CORP.
CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

(expressed in thousands of U.S. dollars)

	Three Months Ended		Nine Months Ended	
	Sept. 30, 2016	Sept. 30 2015	Sept. 30, 2016	Sept. 30 2015
Operating activities				
Net earnings (loss) for the period	\$ 5,586	\$ (14,079)	\$ 9,114	\$ (13,696)
Items not affecting cash:				
Share-based compensation	775	735	2,636	2,329
Depreciation and depletion	2,834	9,849	12,267	29,824
Deferred income tax expense (recovery)	(654)	3,110	(711)	5,188
Unrealized foreign exchange loss (gain)	723	48	589	196
Loss on available for sale assets	-	-	269	-
Settlement of derivative liability	(1,372)	-	-	-
Finance costs	345	338	926	950
Write down of marketable securities	-	4,785	-	4,785
Net changes in non-cash working capital	8,071	(747)	(1,425)	(2,188)
Cash from (used in) operating activities	16,308	4,039	23,665	27,388
Investing activities				
Property, plant and equipment expenditures	(5,508)	(9,291)	(12,717)	(27,308)
Proceeds from disposition of available for sale assets	-	-	448	-
Investment in long term deposits	-	-	133	-
Cash used in investing activities	(5,508)	(9,291)	(12,136)	(27,308)
Financing activities				
Repayment of revolving credit facility	(2,500)	(3,000)	(10,500)	(7,000)
Repayment of obligation under finance lease	(76)	(224)	(465)	(224)
Debt issuance costs	-	-	(474)	-
Interest paid	(243)	(257)	(632)	(706)
Public equity offerings	14,229	-	55,353	-
Exercise of options and warrants	5,263	-	10,548	-
Share issuance costs	(497)	-	(1,943)	-
Cash from (used in) financing activities	16,176	(3,481)	51,887	(7,930)
Increase (decrease) in cash and cash equivalents	26,976	(8,733)	63,416	(7,850)
Effect of exchange rate change on cash and cash equivalents	(584)	(235)	(589)	(383)
Cash and cash equivalents, beginning of period	56,848	31,780	20,413	31,045
Cash and cash equivalents, end of period	\$ 83,240	\$ 22,812	\$ 83,240	\$ 22,812

This statement should be read in conjunction with the condensed consolidated interim financial statements for the period ended September 30, 2016 and the related notes contained therein.

ENDEAVOUR SILVER CORP.**CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME**

(expressed in thousands of US dollars, except for shares and per share amounts)

	Three Months Ended		Nine Months Ended	
	Sept. 30, 2016	Sept. 30, 2015	Sept. 30, 2016	Sept. 30, 2015
Revenue	\$ 42,066	\$ 42,737	\$ 128,117	\$ 141,565
Cost of sales:				
Direct production costs	24,033	30,447	80,852	92,807
Royalties	247	304	732	795
Share-based compensation	(208)	109	78	349
Depreciation and depletion	2,761	9,768	12,059	29,604
	26,833	40,628	93,721	123,555
Mine operating earnings	15,233	2,109	34,396	18,010
Expenses:				
Exploration	2,361	1,173	5,468	4,726
General and administrative	2,827	1,812	8,010	6,215
	5,188	2,985	13,478	10,941
Operating earnings (loss)	10,045	(876)	20,918	7,069
Finance costs	345	370	926	1,037
Other income (expense):				
Write down of marketable securities	-	(4,785)	-	(4,785)
Foreign exchange	(1,650)	(2,964)	(2,983)	(4,335)
Investment and other	(426)	121	(610)	805
	(2,076)	(7,628)	(3,593)	(8,315)
Earnings (loss) before income taxes	7,624	(8,874)	16,399	(2,283)
Income tax expense (recovery):				
Current income tax	2,731	2,095	7,622	6,225
Deferred income tax	(693)	3,110	(337)	5,188
	2,038	5,205	7,285	11,413
Net earnings (loss) for the period	5,586	(14,079)	9,114	(13,696)
Other comprehensive income (loss), net of tax				
Unrealized gain (loss) on available for sale investments	4	633	(58)	(27)
Reclassification of gain (loss) on available for sale investments, included in the net loss	-	4,785	269	4,785
Total other comprehensive income (loss) for the period	4	5,418	211	4,758
Comprehensive income (loss) for the period	\$ 5,590	\$ (8,661)	\$ 9,325	\$ (8,938)
Basic earnings (loss) per share based on net earnings	\$ 0.04	\$ (0.14)	\$ 0.08	\$ (0.13)
Diluted earnings (loss) per share based on net earnings	\$ 0.04	\$ (0.14)	\$ 0.08	\$ (0.13)
Basic weighted average number of shares outstanding	125,277,591	101,976,901	114,426,580	101,976,901
Diluted weighted average number of shares outstanding	127,414,848	101,976,901	115,916,906	101,976,901

This statement should be read in conjunction with the condensed consolidated interim financial statements for the period ended September 30, 2016 and the related notes contained therein.

ENDEAVOUR SILVER CORP.
CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(expressed in thousands of US dollars)

	September 30, 2016	December 31, 2015
ASSETS		
Current assets		
Cash and cash equivalents	\$ 83,240	\$ 20,413
Investments	108	614
Accounts receivable	25,924	24,343
Inventories	11,995	17,350
Prepaid expenses	1,230	2,510
Total current assets	122,497	65,230
Non-current deposits	798	855
Deferred income tax asset	-	223
Mineral properties, plant and equipment	56,193	47,925
Total assets	\$ 179,488	\$ 114,233
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 16,138	\$ 18,949
Finance lease obligation	276	1,180
Income taxes payable	4,147	5,844
Credit facility	10,000	22,000
Total current liabilities	30,561	47,973
Credit facility - long term	1,500	-
Provision for reclamation and rehabilitation	7,825	7,762
Deferred income tax liability	6,689	7,623
Total liabilities	46,575	63,358
Shareholders' equity		
Share capital, unlimited common shares authorized, no par value, issued and outstanding 125,882,181 shares (Dec 31, 2015 - 102,776,470 shares)	444,392	368,898
Contributed surplus	6,319	9,465
Accumulated comprehensive income (loss)	66	(145)
Retained earnings (deficit)	(317,864)	(327,343)
Total shareholders' equity	132,913	50,875
Total liabilities and shareholders' equity	\$ 179,488	\$ 114,233

This statement should be read in conjunction with the condensed consolidated interim financial statements for the period ended September 30, 2016 and the related notes contained therein.