ENDURANCE GOLD CORPORATION

INTERIM FINANCIAL STATEMENTS

MARCH 31, 2006

Notice of No Auditor Review of the Interim Financial Statements

The accompanying unaudited interim financial statements of Endurance Gold Corporation ("the Company"), for the three month period ended March 31, 2006, have been prepared by management and have not been the subject of a review by the Company's independent auditor.

ENDURANCE GOLD CORPORATION
BALANCE SHEETS
(Unaudited, Prepared by Management)

	March 31, 2006 (Unaudited)	December 31, 2005 (Audited)
ASSETS		
Current		
Cash	$ 848,068	$ 948,693
Prepaid expenses and deposits	21,910	23,778
Receivables	25,237	32,606
	895,215	1,005,077
Equipment (Note 3)	4,878	5,207
Reclamation bond	6,000	3,500
Mineral properties (Note 4)	1,379,827	1,223,968
	$ 2,285,920	$ 2,237,752
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 126,962	$ 21,026
	126,962	21,026
Shareholders' equity		
Capital stock (Note 5)	2,228,766	2,641,166
Contributed surplus (Note 5)	169,351	158,880
Deficit	(239,159)	(583,320)
	2,158,958	2,216,726
	$ 2,285,920	$ 2,237,752

Nature and continuance of operations (Note 1)

Subsequent events (Note 10)

On behalf of the Board:

/s/ Duncan McIvor Director
Duncan McIvor

/s/ J. Christopher Mitchell Director
J. Christopher Mitchell

The accompanying notes are an integral part of these financial statements.

ENDURANCE GOLD CORPORATION
STATEMENTS OF OPERATIONS AND DEFICIT
(Unaudited, Prepared by Management)

	March 31, 2006	March 31, 2005
EXPENSES		
Amortization	$ 329	$ -
Corporate communications	6,912	-
Exploration and business development	4,539	-
Listing and transfer agent fees	5,568	350
Management fees	17,450	13,900
Office and administrative	20,831	15,315
Professional fees	10,080	3,365
Stock-based compensation	10,471	107,802
LOSS BEFORE OTHER ITEMS	(76,180)	(140,732)
OTHER ITEMS		
Interest income	6,157	-
Part XII.6 tax on unspent flow-through funds	(5,216)	-
	941	-
NET LOSS BEFORE TAX	(75,239)	(140,732)
Future income tax recovery (Note 6)	419,400	-
NET INCOME (LOSS) FOR THE PERIOD	344,161	(140,732)
DEFICIT, BEGINNING OF PERIOD	(583,320)	(148,592)
DEFICIT, END OF PERIOD	$ (239,159)	$ (289,324)
Earnings (loss) per common share	$ 0.02	$ (0.02)
Weighted average number of common shares outstanding	16,917,808	7,675,802

The accompanying notes are an integral part of these financial statements.

ENDURANCE GOLD CORPORATION
STATEMENTS OF CASH FLOWS
(Unaudited, Prepared by Management)

	March 31, 2006	March 31, 2005
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) for the period	$ 344,161	$ (140,732)
Add items not involving cash:		
Amortization	329	-
Stock-based compensation	10,471	107,802
Future tax recovery	(419,400)	-
Changes in non-cash working capital items:		
Prepaid expenses and deposits	1,868	-
Receivables	7,369	(4,057)
Accounts payable and accrued liabilities	25,941	(30,598)
Net cash used in operating activities	(29,261)	(67,585)
CASH FLOWS FROM INVESTING ACTIVITIES		
Mineral properties	(68,864)	(12,441)
Reclamation bond	(2,500)	-
Net cash used in investing activities	(71,364)	(12,441)
CASH FLOWS FROM FINANCING ACTIVITIES		
Deferred issue costs	-	(24,733)
Subscriptions receivable	-	163,275
Net cash provided by financing activities	-	138,542
Net increase in cash during the period	(100,625)	58,516
Cash, beginning of period	948,693	4,582
Cash, end of period	$ 848,068	$ 63,098

Supplemental disclosures with respect to cash flows (Note 7)

The accompanying notes are an integral part of these financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Endurance Gold Corporation (the "Company") was incorporated under the *Canada Business Corporations Act* on December 16, 2003 and continued into British Columbia on August 16, 2004. Its principal business activities are the exploration and development of resource properties. All of the Company's resource properties are located in Canada.

The Company is in the process of exploring its resource properties and has not yet determined whether the properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for resource properties and related deferred exploration costs are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These unaudited interim financial statements have been prepared by management on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

	March 31, 2006	December 31, 2005
Deficit	$ (239,159)	$ (583,320)
Working Capital	$ 768,253	$ 984,051

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying unaudited interim financial statements have been prepared by management in accordance with generally accepted accounting principles ("GAAP") in Canada on a basis consistent with those outlined in the Company's audited financial statements for the year ended December 31, 2005. They do not include all of the information and disclosures required by Canadian GAAP for audited financial statements. In the opinion of management, all adjustments considered necessary for fair presentation have been included in these financial statements. These unaudited interim financial statements should be read in conjunction with the most recent audited annual financial statements of the Company, including the notes thereto.

The Company has not changed any of its existing accounting policies, nor has it adopted any new accounting policies since its last fiscal year end.

3. EQUIPMENT

	March 31, 2006			December 31, 2005
	Cost $	Accumulated Amortization $	Net Book Value $	Net Book Value $
Computers	3,237	691	2,546	2,751
Office furniture and equipment	2,728	396	2,332	2,456
	5,965	1,087	4,878	5,207

4. MINERAL PROPERTIES

At March 31, 2006, the Company's mineral properties were comprised of properties located in Canada. Expenditures incurred on mineral properties are as follows:

	Balance December 31, 2005	2006 Expenditures	Balance March 31, 2006
Dogpaw Property			
Acquisition costs	$ 214,000	$ -	$ 214,000
Exploration costs			
Airborne survey	71,600	-	71,600
Drilling	207,091	-	207,091
Equipment rentals	1,920	-	1,920
Field expenses	25,155	375	25,530
Geochemistry	15,804	-	15,804
Geological and miscellaneous	120,315	1,683	121,998
Geophysics	22,130	-	22,130
Line cutting	71,837	-	71,837
	749,852	**2,058**	**751,910**
Nechako Gold (Amarc JV) Property			
Acquisition costs	80,000	-	80,000
Exploration costs			
Drilling	64,876	-	64,876
Equipment rentals	9,705	-	9,705
Field expenses	38,095	-	38,095
Geochemistry	36,690	1,400	38,090
Geological and miscellaneous	67,400	5,725	73,125
Geophysics	52,437	-	52,437
Land & recording fees	7,186	8,918	16,104
Line cutting	51,744	-	51,744
	408,133	**16,043**	**424,176**
Nechako – Endurance 100%			
Acquisition costs	873	-	873
Exploration costs			
Geological and miscellaneous	56	591	647
	929	**591**	**1,520**
BQ Property			
Acquisition costs	8,750	-	8,750
Exploration costs			
Drilling	-	54,661	54,661
Equipment rentals	-	263	263
Field expenses	4,734	11,432	16,166
Geochemistry	4,704	75	4,779
Geological and miscellaneous	12,348	22,867	35,215
Geophysics	8,100	-	8,100
Land & recording fees	960	832	1,792
Line cutting	4,146	19,218	23,364
	43,742	**109,348**	**153,090**

4. MINERAL PROPERTIES (cont'd…)

	Balance December 31, 2005	2006 Expenditures	Balance March 31, 2006
Pardo Property			
Acquisition costs	7,500	-	7,500
Exploration costs			
Geological and miscellaneous	5,081	3,743	8,824
Land & recording fees	91	-	91
	12,672	**3,743**	**16,415**
Turner Property			
Acquisition costs	8,640	-	8,640
Exploration costs			
Geological and miscellaneous	-	1,000	1,000
	8,640	**1,000**	**9,640**
Simmie Property			
Acquisition costs	-	4,000	4,000
Exploration costs			
Geological and miscellaneous	-	3,677	3,677
	-	**7,677**	**7,677**
Eagle Gold-Silver Property			
Acquisition costs	-	8,000	8,000
Exploration costs			
Geological and miscellaneous	-	2,990	2,990
	-	**10,990**	**10,990**
Minnitaki Property			
Acquisition costs	**-**	**4,409**	**4,409**
Total Mineral Properties	**$ 1,223,968**	**$ 155,859**	**$ 1,379,827**

Dogpaw Property, Ontario

The Company holds a 100% interest in the Dogpaw Property.

Nechako Gold (Amarc JV) Property, British Columbia

The Company owns a 67% interest in the Nechako Gold Joint Venture with partner, Amarc Resources Inc. ("Amarc") owning 33%.

Nechako–Endurance 100% Property, British Columbia

The Company holds a 100% interest in the Nechako-Endurance 100% Property.

BQ Property, British Columbia

The Company has an option to earn a 100% interest in the BQ Property by making total cash payments of $70,000 ($5,000 paid) and issuing 250,000 shares (15,000 shares issued) on or before September 27, 2008. The Vendor retained a 3% net smelter return royalty interest, one-half of which may be purchased by the Company for $1,500,000.

4. MINERAL PROPERTIES (cont'd…)

Pardo Property, Ontario

The Company has an option to earn a 100% interest in the Pardo Property by making total cash payments of $100,000 ($5,000 paid) and issuing 200,000 shares (10,000 shares issued) on or before November 16, 2009. The Vendor retained a 3% net smelter return royalty interest, one-half of which may be purchased by the Company for $1,500,000.

Turner Property, Ontario

The Company holds a 100% interest in the Turner Property.

Simmie Property, Saskatchewan

In an agreement dated January 30, 2006, the Company acquired an option to earn a 100% interest in the Simmie Gold Project, located southwest of Swift Current, Saskatchewan, by issuing 200,000 shares (20,000 shares issued at a value of $4,000) and incurring $150,000 in exploration expenditures over three years. The Vendor retained a 3% net smelter return royalty interest, one-half of which may be purchased by the Company for $1,500,000.

Eagle Gold-Silver Property, British Columbia

In an agreement dated February 1, 2006, the Company acquired an option to earn a 100% interest in the Eagle Gold-Silver property, located south of Whitehorse, Yukon Territory, and south of the past producing Mt. Skukum gold mine, in the Atlin Mining District of northwest B.C., by issuing 100,000 shares (15,000 shares issued at a value of $3,000) and making cash payments totaling $50,000 ($5,000 paid) over three years. The Vendor retained a 2.5% net smelter return royalty interest, 1.5% of which may be purchased by the Company for $1,500,000.

Minnitaki Property, Ontario

During the current quarter, the Company acquired by staking a 100% interest in three claims totaling 48 units (768 hectares) in the Minnitaki Lake region of northwestern Ontario.

5. CAPITAL STOCK

(a) The authorized share capital of the Company consists of an unlimited number of common shares without par value.

(b) Issued and outstanding:

	Number of Shares	Amount	Contributed Surplus
Balance at December 31, 2005	**16,915,086**	**$ 2,641,166**	**$ 158,880**
For mineral property acquisition at $0.20 per share	35,000	7,000	-
For stock-based compensation	-	-	10,471
Flow-through share renunciation (Note 6)	-	(419,400)	-
Balance at March 31, 2006	**16,950,086**	**$ 2,228,766**	**$ 169,351**

Of the outstanding shares as of March 31, 2006, 5,390,500 shares are held in escrow. Under the escrow agreement, 15% of the original 7,187,334 shares held in escrow will be released every six months from August 4, 2005.

5. CAPITAL STOCK (Cont'd)

(c) Stock Options, Warrants and Agent's Compensation Options Outstanding

The Company has an incentive stock option plan that conforms to the requirements of the TSX Venture Exchange. Options to purchase common shares have been granted to directors, officers, employees and consultants of the Company at exercise prices determined by the market value of the common shares on the date of the grant. A summary of the options outstanding at March 31, 2006 is as follows:

Number Outstanding	Exercise Price $	Expiry Date
1,050,000	0.25	August 4, 2008
100,000	0.20	February 2, 2009
1,150,000		

As at March 31, 2006, the Company had warrants (the "Warrants") outstanding for 3,275,000 common shares. The Warrants are exercisable at $0.35 per share until July 27, 2006 and then exercisable at $0.45 per share until July 27, 2007.

The Company also had 800,000 Agent's compensation options outstanding at March 31, 2006. The Agent's compensation options were issued to the Agent in connection with the Company's initial public offering. Each Agent's compensation option entitles the Agent to purchase one unit at a price of $0.25 per unit until July 27, 2007, with each unit consisting of one common share and one Warrant.

(d) Stock-based compensation

The fair value of options reported as compensation expense during the period was estimated using the Black-Scholes Option Pricing Model using the following assumptions: a risk free interest rate of 3.97% (2005 - 3.55%), an expected life of 3 years; an expected volatility of 76.76% (2005 – 75%) and no expectation for the payment of dividends. The weighted average fair value per option was $0.10. Based on these variables, stock-based compensation expense of $10,471 (2005 - $107,802) was recorded during the period. The offsetting credit was recorded in Contributed Surplus.

6. INCOME TAXES

Flow-through Expenditures

Under the Canadian *Income Tax Act (the "Act")* a company may issue a form of securities referred to as "flow through" shares. Expenditures made using the proceeds from the sale of flow through shares for certain qualifying activities (designated under the Act as "Canadian Exploration Expense") can be renounced by the company to the investors if the Company has reasonable assurance that the expenditures will be completed. When the expenditures are renounced, future income tax liabilities are recognized (renounced expenditures multiplied by the effective corporate tax rate), thereby reducing share capital. Previously unrecognized tax assets may then offset or eliminate the liability recorded.

In February 2006, the Company renounced $1,200,000 of exploration expenditures raised through the issuance of flow through shares in 2005, resulting in a future tax liability of $419,400, which was deducted from share capital (see also Note 5). The Company subsequently reduced the future income tax liability by recognizing previously unrecorded future income tax assets equal to the amount of the future tax liability. This decrease in the valuation allowance has resulted in a **future income tax recovery** of $419,400 disclosed on the Statements of Operations and Deficit.

As at March 31, 2006, $613,219 of qualified expenditures have been incurred, and the amount of flow-through proceeds remaining to be expended was $586,781.

7. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

Supplementary disclosure of non-cash investing and financing activities:

	2006	2005
Shares issued for mineral property	$ 7,000	$ -
Shares issued to settle indebtedness	-	119,541
Stock-based compensation	10,471	107,802

Incurred mineral property expenditures of $79,995 through accounts payable ($nil - 2005).

8. RELATED PARTY TRANSACTIONS

During the quarter ended March 31, 2006, the Company entered into the following related party transactions:

a) paid or accrued companies controlled by Company officers an aggregate of $24,000 ($nil in 2005) for geological fees included in mineral property expenses, and $17,450 ($13,900 in 2005) for management fees.

b) paid a company with a common director an aggregate of $7,800 ($nil in 2005) for rent.

c) during the quarter ended March 31, 2005, the Company issued 1,117,206 shares at a value of $0.107 per share to repay the sum of $119,541 that had been advanced as a non-interest bearing unsecured demand loan from a company that is a significant shareholder in the Company and that is itself controlled by two of the Company's directors.

9. SEGMENTED INFORMATION

The Company operates in one reportable operating segment in Canada, being the exploration and development of mineral properties.

10. SUBSEQUENT EVENTS

Subsequent to March 31, 2006, the Company has:

a) granted 75,000 incentive stock options to a consultant of the Company, exercisable at $0.26 a share for a period of three years from the date of grant.

b) negotiated, subject to acceptance by the TSX Venture Exchange, a non-brokered private placement of 1,000,000 units, at a price of $0.30 per unit for gross proceeds of $300,000. Each unit ("Unit") is comprised of one common share and one common share purchase warrant. Each share purchase warrant will be exercisable for a one year period at $0.40 into one common share. The Units will be subject to a hold period of four months plus one day from the closing date.

MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of the financial condition and results of operations, prepared as of May 25, 2006 (the "Report Date"), containing information up to and including the Report Date, should be read in conjunction with the unaudited financial statements and related notes for the quarter ended March 31, 2006, and the annual audited financial statements and related notes for the year ended December 31, 2005 as attached hereto or filed on the SEDAR website at www.sedar.com.

This MD&A contains certain forward-looking information. All information, other than historical facts included herein, including without limitation data regarding potential mineralization, exploration results and future plans and objectives of Endurance is forward-looking information that involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate and actual results and future events could differ materially from those anticipated in the forward-looking information.

Endurance (formerly 6172342 Canada Ltd.) was incorporated under the provisions of the *Canada Business Corporations Act* on December 16, 2003 and continued into British Columbia on August 16, 2004. The Company's exploration efforts at the present time are focused on the exploration and development of precious metal properties in Canada, principally in British Columbia and Ontario. The Company's common shares have been listed and traded on the TSX Venture Exchange under the symbol "EDG" since August 4, 2005.

1. Overall Performance

During the first three months in fiscal year 2006, the Company's exploration activities focused on advancing the BQ Project in northwest British Columbia, and evaluating a series of potential new acquisitions. As a result of those evaluations, three new projects were acquired; the Simmie Paleoplacer Gold Project, in southwestern Saskatchewan; the Minnitaki Project, in northwestern Ontario, and the Eagle Gold-Silver Project in northwestern B.C.

BQ Property

In January and February, 2006, a 16 line-kilometre grid was completed on the property, in advance of additional geophysical work planned for the Spring of 2006. In March, the Company completed a three hole, 526 metre diamond drilling program on the property, designed to test the strongest geochemical and geophysical targets defined to date. All three holes intersected heavy sulphide mineralization (primarily pyrite-pyrrhotite) within a sequence of altered sediments and volcanics. Hole BQ-03 intersected a broad stockwork of pyrite, pyrrhotite, and arsenopyrite mineralization, which returned a 33 metre interval grading 0.776 grams per tonne ("gpt") gold. In addition, the three holes returned several narrow high grade zinc intercepts, to 7.19% over 1.6 metres, in Hole BQ-03. Given that the BQ Property had seen no prior concerted exploration, the results of the drilling successfully identified a new mineralizing system.

Endurance is earning a 100% interest in the property by making cash payments of $70,000 and issuing 250,000 shares over a three year period, as well as completing a minimum of $100,000 in exploration during the same period.

As a result of the discovery, Endurance staked an additional 20 claims totaling 8,062 hectares around the original claim block.

Subsequent to the end of the first quarter, an IP crew and geological mapping crew were mobilized to the property. That work is in progress, in advance of additional diamond drilling, planned for mid-June of 2006.

Nechako Gold Property

The Company vested its 60% interest in the Nechako Gold Property, located 75 kilometres west of Quesnel, British Columbia, by incurring $250,000 in exploration expenditures, and issuing 250,000 shares to Amarc Resources Inc.

During the first quarter, the Company's joint venture partner elected not to participate in its pro-rata share of costs for the diamond drilling program. As a result of that decision, the property is now held 67.39% Endurance and 32.61% by the joint venture partner.

In light of the successful results from the BQ Property, the Company is re-evaluating the proposed 2006 exploration program for the Nechako Property.

Eagle Gold-Silver Property

During the first quarter, Endurance entered into an option agreement to acquire the 4 claim, 1,232 hectare Eagle Gold-Silver Project, located 80 kilometres south of Whitehorse, Yukon Territory, and 25 kilometres south of the past producing Mt. Skukum gold mine. Under the terms of the Option Agreement, Endurance can earn a 100% interest in the property, subject to a 2.5% NSR, by issuing 100,000 shares and making cash payments totaling $50,000 over three years. Following TSX Venture acceptance of the transaction, the vendor was paid $5,000 in cash, plus 15,000 shares.

The claim group covers the southern margin of the Bennett Lake Caldera, an Eocene age volcanic cauldron that is comprised primarily of rhyolite to dacite ash flow tuffs, with lesser dacite to andesite lavas. Geologically, this environment is prospective for large epithermal gold-silver deposits. As mentioned, the Mt. Skukum mine to the north produced 77,790 ounces of gold from 233,440 tonnes of ore between 1986 and 1988, and is currently being evaluated by Tagish Lake Gold Corp. Several other prospective zones of mineralization are also being evaluated adjacent to the Mt. Skukum deposit, although to date there is no significant exploration activity in the immediate area of the Eagle Project.

Mineralization defined to date on the property, by two very limited prospecting programs in 1979 and then 1988, have identified multiple narrow epithermal veins in outcrop, with assay values to 878.8 gpt Ag and 0.3 gpt Au. Of particular interest to Endurance was the discovery, in 1988, of a large quartz-sulphide float boulder at the toe of a small glacier on the property, from which samples returned assays up to 44.5 gpt Au and 14,356 gpt Ag (1.42 ounces per ton gold and 458.7 ounces per ton silver). Most small glaciers in the northwestern portion of the province have receded significantly over the previous 18 years, and the source of this extremely high grade float will be an exploration priority for the Company.

A detailed two week prospecting and sampling program will commence on the property as weather conditions allow, and probably commencing in early July. The results of that program will dictate the type and scale of additional exploration on the property.

Pardo Property

In 2005, Endurance acquired an option to earn a 100% interest in the 6 claim, 1,344 hectare "Pardo" Property, located 65 kilometres northeast of Sudbury, in east-central Ontario. The road accessible property covers a sequence of Proterozoic aged rocks of the Mississagi Formation, a basal unit of the Huronian Supergroup sedimentary assemblage that forms the 15,000 square kilometre Cobalt Embayment.

Historic exploration work between 1996 and 2000 by Tenajon Resources and Triex Minerals identified widespread low-grade gold mineralization hosted within a basal conglomerate, located immediately at the unconformity. Work by those companies returned individual grab samples to 9.9 gpt Au, and detailed channel samples to 966 ppb Au over 12 metres. Gold mineralization is associated with pyritized portions of the conglomerate, and has been defined over a north south strike length of over 5 kilometres. Subsequent IP work defined numerous anomalies that appear to reflect the presence of pyritic conglomerate over the limited extent of the survey (two kilometre north-south strike length). Limited trenching on selected IP anomalies returned elevated gold values to 7.03 gpt Au in grabs, and 1.42 gpt Au from a series of seven 1 metre channel samples. Less than 10% of known IP anomalies have been tested to date, and only a small portion of the property has been covered by a grid or seen any significant exploration.

The Pardo Property covers the southern flank of a large Proterozoic sedimentary basin that is analogous in many ways to the Witwatersrand Basin in South Africa. The Witwatersrand Basin is the world's largest gold producing geological environment, with over 1.3 billion ounces of gold production since 1880. In terms of size, stratigraphy and depositional environment, the two basins have several similarities. There are significant differences as well, primarily in the age of the two basins, with the Cobalt Embayment being significantly younger than the Wits Basin. Regardless, the widespread occurrence of low grade gold mineralization within the basal conglomerate on the Pardo Property, the potential size of the target, and the very limited previous exploration activity, dictates that the property warrants serious evaluation

Under the terms of the agreement, Endurance can earn a 100% interest in the property, subject to a 3% NSR, by making $100,000 in cash payments and issuing 200,000 shares over a four year period.

Through the first quarter, no significant work was completed on the property. Endurance is planning a major trenching and channel sampling program over ten prioritized targets on the property, to be completed by the end of the second quarter.

Minnitaki Property

During the first quarter, Endurance acquired by staking a 100% interest in three claims totaling 48 units (768 hectares) in the Minnitaki Lake region of northwestern Ontario. The claims cover a portion of the major regional-scale Sioux Lookout Deformation Zone, a northeast-southwest trending structural corridor that the Ministry of Northern Development and Mines has identified as highly prospective for gold mineralization.

The claims are located immediately north of and contiguous to the Tak Property, currently held by Silver Quest Resources Ltd. During the period 1999 through 2002, the Tak Property saw significant exploration activity by both Silver Quest and the previous owner, Triex Resources (now Triex Minerals Corporation). Both companies concentrated on evaluating the potential of large quartz feldspar porphyry intrusions within the large shear system, and drill intercepts of up to 2.06 gpt over 31.83 metres have been returned from highly altered porphyry on the Tak Property.

The intrusions are magnetite rich, and have very distinct, strong, positive magnetic signatures. On the ground acquired by Endurance, a series of strong, ovoid shaped magnetic highs suggest the presence of unrecognized, and totally untested porphyritic intrusions on the property. Regional scale shore-line sampling by Triex in 1999 returned gold values to 5.26 gpt on the eastern flank of the magnetic anomalies, but no systematic evaluation of the targets has been carried out in the past. This extremely low cost, 100% owned acquisition can be made drill ready quickly, through completion of a small grid, and ground magnetic and induced polarization ("IP") surveys to define potential zones of silicification and pyritization of the porphyry, with which gold mineralization occurs on the Tak ground to the south. Pending results, a small diamond drilling program would be completed in late summer, 2006.

Simmie Property

During the first quarter, Endurance announced that it has entered into an option agreement to acquire the 7 claim, 2,688 hectare Simmie Gold Project, located 50 kilometres southwest of Swift Current, Saskatchewan. Endurance can earn a 100% interest in the property, subject to a 3% NSR, by issuing 200,000 shares and completing $150,000 in exploration expenditures over three years. Of the 200,000 shares, 20,000 were paid following TSX Venture Exchange acceptance of this transaction.

The claims, located in the eastern block of the Cypress Hills, cover a large area of sparsely outcropping, poorly consolidated conglomerates and sands of the Miocene/Eocene Cypress Hills Formation. In 1990, a regional geochemical survey by the Saskatchewan Research Council and Cameco Corporation was completed over an area of 64,000 square kilometres in southwest Saskatchewan. The main objective of the survey was to map kimberlite indicator minerals in surficial deposits but, in addition, gold grain counts were completed on all of the samples. This work resulted in the discovery of a highly anomalous gold occurrence in sands of the Cypress Hills Formation, up to 468 grains of detrital gold (against a background of 5-10 grains). The discovery prompted an extensive program of sampling by Consolidated Pine Channel Gold Corp. in 1996-1997, which confirmed widespread distribution of gold in the sandy matrix of the conglomerates on the property, with values to 258 ppb Au. In 2003, the property was briefly optioned to Claude Resources, who excavated two trenches and collected 22 samples, all of which were anomalous, with values to 184 ppb Au.

Gold occurs as rough, flattened detrital grains to 0.5 mm in size, and the shape and size of the grains suggest the possibility of a local, as yet un-identified source. Current interpretation by the Saskatchewan Geological Survey is that the gold is derived from the Bearpaw Mountains and Little Rocky Mountains of northern Montana, which are host to numerous vein gold deposits. Regardless, the lateral and vertical extent of gold mineralization within the host conglomerate has not been fully evaluated. Of importance to note is that the project has never been drill tested, to determine if gold grades increase with depth to the base of the conglomerate, which is normal in most all paleoplacer gold deposits. Equally important is the shallow and flat lying nature of the unconsolidated conglomerate, which in itself represents an excellent source of aggregate. The economics of any defined gold deposit could be enhanced by the production of an aggregate by-product.

A late summer field program reverse circulation drilling is planned in order to determine gold content of the horizon along its base. Additional work will consist of detailed micro-probe analysis of the gold mineralization collected to date, to better understand its potential source.

Dogpaw Property

The work completed in 2005 on the Company's 100% owned Dogpaw Property, located in north-western Ontario, included detailed humus sampling and geological mapping and sampling over an approximately 65 line-kilometre grid that covers the a large, 12 square kilometre granitic intrusionstock.

Results of the humus sampling identified a new target in the west central portion of the grid, where the Stephen Lake Stock appears to have partially consumed a pre-existing gabbroic dyke. Several samples returned anomalous gold values to as high as 405 ppb, and define a "cluster" measuring 500 metres by 200 metres. The area in question has very little outcrop, and the source of the anomalous gold values in humus is not readily apparent.

The Company plans to complete a mechanical stripping and sampling program over selected targets of merit in the late summer of 2006.

The Company actively evaluates new projects on an on-going basis, and is seeking a new, advanced stage acquisition of merit.

2. Results of Operations

Endurance explores for precious metal deposits, none of which have been advanced to the point where a production decision can be made. The Company has no producing properties, and no sales or revenues.

The Company's net income for the three month period ended March 31, 2006 was $344,161 or $0.02 per common share, compared to a net loss of $140,732 or $0.02 per common share for the same period in 2005. The net income in the current quarter reflects a non-cash income tax recovery of $419,400 that relates to the renouncement of $1.2 million of flow through expenditures to investors in February 2006 (see notes 5 and 6 to the financial statements). This income item effectively reduces Capital whilst also decreasing Deficit by the same amount. There is no effect on cash.

Three months ended March 31, 2006

General and administrative expenditures at $65,709, excluding stock-based compensation, before other items for the three months ended March 31, 2006 were about 100% higher than the $32,930 incurred in the comparable quarter of 2005. All categories of expense were higher in the current quarter as the reported expenditures for the same period in 2005 were primarily incurred in maintaining the Company's corporate existence pending the closing of its initial public offering ("IPO") in August 2005. The increase principally reflects the increased level of activity since the IPO closed. During the first quarter, $10,471 ($107,802 – 2005) of stock-based compensation expenses incurred as a result of the vesting of 100,000 stock options (1,050,000 stock options – 2005) granted. During the current quarter, the Company accrued an amount of $5,216 ($nil – 2005) in tax payable due to the penalty on unspent flow-through funds raised in August 2005.

3. Summary of Quarterly Results

Quarter Ended: / Year:	Mar. 31 2006	Dec. 31 2005	Sep. 30 2005	June 30 2005	Mar. 31 2005	Dec. 31 2004	Sep. 30 2004	June 30 2004
Net sales or total revenue ($000s)	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Income (loss) from continuing operations:								
(i) in total (000s)	$344	$(99)	$(117)	$(78)	$(141)	$(40)	$(36)	$(32)
(ii) per share[1]	$0.02	$(0.01)	$(0.01)	$(0.01)	$(0.02)	$(0.01)	$(0.01)	$(0.02)
Net income or loss:								
(i) in total (000s)	$344	$(99)	$(117)	$(78)	$(141)	$(40)	$(36)	$(32)
(ii) per share[1]	$0.22	$(0.01)	$(0.01)	$(0.01)	$(0.02)	$(0.01)	$(0.01)	$(0.02)

(1) Basic and diluted losses per share are the same, as the effect of potential issuances of shares under stock option agreements would be anti-dilutive.

In most quarters prior to September 30, 2005, the reported losses were primarily the result of costs incurred in maintaining the Company's corporate existence, pending the closing of its IPO in August 2005. The increase in loss in the first quarter of 2005 was largely due to the granting of 1,050,000 stock options, which resulted in stock-based compensation expense of $107,802 in that quarter. The net income incurred in the current quarter reflects a non-cash income tax recovery item that relates to the renunciation of $1.2 million of flow-through expenditures to investors in February 2006. Costs for future quarters may differ materially from the costs incurred each quarter to date, in part because of the increase in the Company's business activities since the IPO closed in August 2005.

4. Liquidity and Capital Resources

Endurance finances its activities primarily by the private placement of securities. There is no assurance that equity funding will be accessible to Endurance at the times and in the amounts required to fund the Company's activities, as there are many conditions that are beyond the ability of Endurance to control that will have a bearing on the level of investor interest in purchasing the Company's securities.

The Company does not use debt financing to fund its property acquisitions and exploration activities and Endurance has no current plans to use debt financing. However, from time to time between the Company's formation in late 2003 and the closing of its IPO, the Company relied upon non-interest bearing advances from its principal shareholder to provide short-term funding. All such advances were converted into common shares at a price of $0.107 per share.

The Company has no "stand-by" credit facilities, or any off-balance sheet arrangements and it does not use hedges or other financial derivatives.

Cash and Financial Conditions:

The Company's cash position was $848,068 at March 31, 2006 ($948,693 at December 31, 2005).

The Company had working capital of $768,253 at March 31, 2006, as compared to a working capital of $984,051 at December 31, 2005.

Investing Activities:

During the three month period ended March 31, 2006, the Company's cash flow used for investing activities was $2,500 ($nil – 2005) for a reclamation bond, and $68,864 ($12,441 - 2005) on mineral properties, all of which represented acquisition and exploration costs that were capitalized.

Financing Activities:

There were no financing activities in the current quarter.

During the comparable quarter in 2005, the Company received a total of $163,275 form the sale of common shares in private placements that were completed in the prior period. In addition, the Company issued 1,117,200 shares to settle debt in the amount of $119,541 which represented a sum that had been advanced from a company that is a significant shareholder of the Company and that is itself controlled by two of the Company's directors.

Outstanding share data as at the Report Date:

On the Report Date, Endurance had 16,950,086 common shares outstanding or 23,050,086 shares on a fully diluted basis as follows:

	No. of Shares	Exercise Price	Expiry Date
Employee Stock Options	1,225,000	$0.20 - $0.26	Aug. 4, 2008 to Apr. 25, 2009
Warrants	3,275,000	$0.35 - $0.45	July 27, 2007
Agent's Options	800,000	$0.25	July 27, 2007
Agent's Warrants	800,000	$0.35 - $0.45	July 27, 2007

5. Transactions with related parties

During the three months ended March 31, 2006, the Company:

(a) paid or accrued an aggregate amount of $30,000 ($9,555 - 2005) to McIvor Geological Consulting, a company controlled by Duncan McIvor, for management and geological consulting services.

(b) paid or accrued an aggregate amount of $nil ($4,800 - 2005) to Adera Company Management Inc., a company controlled by J. C. Mitchell, for management and administrative services.

(c) paid or accrued an aggregate amount of $11,450 ($nil – 2005) to Teresa Cheng for management and administrative services.

(d) paid or accrued an aggregate amount of $7,800 ($nil – 2005) to First Point Minerals Corp., company with a common director, for accounting, rent and services.

(e) The Company did not issue any shares for debt during the current quarter, and 1,117,206 shares were issued in the comparable quarter of 2005 at a value of $0.107 per share to repay the sum of $119,541 that had been advanced as a non-interest bearing unsecured demand loan from a company that is a significant shareholder in the Company and that is itself controlled by two of the Company's director.

These transactions were in the normal course of operations and were measured at the exchange amount, which was the amount of consideration established and agreed to with the related parties.

6. Outlook

It is anticipated that for the foreseeable future, Endurance will rely on the equities markets to meet its financing needs. The Company intends to carry out exploration programs on its several mineral properties.

While the exploration business is very competitive, the Company will actively seek to acquire new, highly prospective land positions, either by staking, purchase or optioning, or by negotiating joint venture arrangements. It is anticipated that the Company's property portfolio will evolve rapidly over the next 12 months as new lands are acquired and properties that fail to meet the Company's criteria are abandoned or "farmed-out".

Corporate G&A Expenses

Excluding non-cash expenses related to stock-based compensation (which are difficult to predict), it is anticipated that general and administrative expenses for the remainding quarters of the current year will be similar to those recorded in the current quarter.

Financial Instruments

The Company's financial instruments consist of cash, receivables and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

Financial Condition

The Company's current working capital position may not be able to provide it with sufficient liquidity to meet its 2006 budgeted operating requirements. The Company expects to obtain financing in the near future primarily through equity financing and/or debt financing.

Risk Factors Relating to the Company's Business

As a company active in the mineral resource exploration and development industry, Endurance is exposed to a number of risks.

There can be no assurances the Company will continue to be able to access the capital markets for the funding necessary to acquire and maintain exploration properties and to carry out its desired exploration programs. In addition to this having an impact on its wholly-owned projects, in the future, Endurance could find itself in a position where it might be unable to fund its share of costs incurred under joint venture agreements to which it may be a party, and its interest in such joint ventures could be reduced or eliminated as a result.

Endurance competes with other companies with greater technical and financial resources than those available to the Company and there is intense competition within the minerals industry to acquire properties of merit. Even if desirable properties are secured, there can be no assurances that the Company will be able to execute its exploration programs on its proposed schedules and within its cost estimates. Moreover, the economics of any potential projects may be affected by many factors beyond the capacity of the Company to anticipate and control, such as the condition of metal and financial markets and government policies and regulations relating to securities matters, health and safety issues, environmental permitting, land tenure and taxation.