



press release

ENDEAVOUR ANNOUNCES POSTPONING PRELIMINARY SHORT FORM PROSPECTUS AND CHANGE OF YEAR END

Toronto Stock Exchange: EDV

June 12, 2006

George Town, June 12, 2006 Endeavour Mining Capital Corp. (“Endeavour” or “Corporation”) announced that it has elected to postpone the financing in connection with the preliminary short form prospectus filed on May 5, 2006 (“the Prospectus”) in connection with a proposed public offering of units.

Commenting, Frank Holmes, Chairman, said “With the announcement of a financing and the negative shift in market sentiment towards commodities, our stock declined below its book value. The Board determined it was in the best interests of shareholders to not raise equity when the share price is below book value. As a leading venture capital and merchant banking company focused on the resource sector, we are well-capitalized and highly-liquid with a substantial pool of cash available for new investments. In April, we had raised our cash levels to over 35% of our investment capital base. The proceeds from the equity financing would have been used to grow our business model by expanding our mezzanine and bridge loan lending business. The underwriters, GMP Securities and Canaccord Adams Europe, have expanded the awareness of our unique story of seeding many successful mining companies like Wheaton River Minerals Ltd. (now Goldcorp Inc), Silver Wheaton Corp., Bolivar Gold Corp., Northern Orion Resources Inc, Coalcorp Mining Inc. and UrAsia Energy Ltd. These creations have generated a healthy stream of earnings and return on equity for EDV shareholders.” Since implementing the merchant banking business plan at the start of 2002, the Corporation has generated an annualized compound return on equity of 62.5% and the book value per share was approximately CDN\$8.41 as of May 31, 2006.

The Corporation announced that it will change its fiscal year end to June 30 from the current August 31 and will implement the revised compensation scheme for its investment advisors, Endeavour Securities Corporation and U.S. Global Investors Inc (the “Advisors”), to start at the beginning of the next fiscal year. The Advisors will receive a monthly management fee of equal to one-twelfth of 2% of the Corporation’s net asset value and an annualized performance fee at the end of each fiscal period equal to 20% of the Corporation’s consolidated net income from operations in excess of an 8% return on equity. Both the management and annualized performance fees will be shared on a 50 / 50 basis between the Advisors. Commenting, Frank

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Holmes, Chairman said “The fiscal year end change will make for easier comparison of our results with other specialist financial companies and the advisor compensation scheme is designed to maintain the Corporation’s low G&A and high operating margin profile. Endeavour Mining Capital does not have any employees and direct overhead expenses are relatively low.”

Endeavour Mining Capital Corp. is a publicly traded merchant banking company focused on the global natural resources sector. As a venture-capitalist for resource-based companies, the Corporation combines financial and intellectual capital to help build companies and create shareholder value. The Corporation has a demonstrated track-record of success and our shares are listed on the Toronto Stock Exchange under the symbol EDV.

For additional information, please visit our corporate website, www.endeavourminingcapital.com.

On behalf of Endeavour Mining Capital Corp.

“Bill Koutsouras”
Chief Financial Officer, Director & Secretary

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release. The foregoing information may contain forward-looking statements relating to the future performance of Endeavour Mining Capital Corp. Forward-looking statements, specifically those concerning future performance, are subject to certain risks and uncertainties, and actual results may differ materially. These risks and uncertainties are detailed from time to time in the Corporation’s filings with the appropriate securities commissions.

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