UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

[X] ANNUAL REPORT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2016

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number **000-55291**

ENDURANCE EXPLORATION GROUP, INC.
(Exact name of registrant as specified in its charter)

03-0611187
(I.R.S. Employer Identification No.)

Nevada
(State or Other Jurisdiction of Incorporation of Organization)

15500 Roosevelt Blvd, Suite 303 Clearwater, FL 33760
(Address of principal executive offices) (ZIP Code)

(727)-533-5555
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: **None**

Securities registered pursuant to Section12(g) of the Act: **None**

Indicate by check mark whether the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes [ ] No [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes [ ] No [X]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for shorter period that the registrant as required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer."
"accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [ ]   Accelerated filed [ ]   Non-accelerated filer [ ]   Smaller reporting company [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act) Yes [ ] No [X]

Aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter ended June 30, 2016 was approximately $2,451,620.

Number of common shares outstanding at March 10, 2017: 43,024,369

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Forward-looking Statements

The information in this report may contain forward-looking statements. Forward-looking statements give our current expectations or forecasts of future events. You can identify these statements by the fact that they do not relate strictly to historical or current facts. Forward-looking statements involve risks and uncertainties. Forward-looking statements include statements regarding, among other things, (a) our projected sales, profitability, and cash flows, (b) our growth strategies, (c) anticipated trends in our industries, (d) our future financing plans and (e) our anticipated needs for working capital. They are generally identifiable by use of the words "may," "will," "should," "anticipate," "estimate," "plans," “potential," "projects," "continuing," "ongoing," "expects," "management believes," "we believe," "we intend" or the negative of these words or other variations on these words or comparable terminology. These statements may be found under "Management's Discussion and Analysis of Financial Condition and Plan of Operation" and "Business," as well as in this prospectus generally. In particular, these include statements relating to future actions, prospective services or business plans, future performance or results of current and anticipated products, sales efforts, expenses, the outcome of contingencies such as legal proceedings, and financial results.

Any or all of our forward-looking statements in this report may turn out to be inaccurate. They can be affected by inaccurate assumptions we might make or by known or unknown risks or uncertainties. Consequently, no forward-looking statement can be guaranteed. Actual future results may vary materially as a result of various factors, including, without limitation, the risks outlined under "Risk Factors" and matters described in this prospectus generally. In light of these risks and uncertainties, there can be no assurance that the forward-looking statements contained in this filing will in fact occur. You should not place undue reliance on these forward-looking statements. Potential investors are urged to carefully consider such factors. All forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by the foregoing cautionary statements and the "Risk Factors" described herein.

PART I

ITEM 1—BUSINESS

Our Corporate History and Background

We were incorporated as Tecton Corporation, a Nevada corporation, on January 19, 2006, as a wholly-owned subsidiary of Hemis Corporation. On December 1, 2006, Tecton was spun off as an independent company. On January 2, 2014, we amended our Articles of Incorporation to change our name to “Endurance Exploration Group, Inc.” As used in this report, the terms “we”, “us”, “our,” “Endurance” and “the Company” mean Endurance Exploration Group, Inc. (formerly Tecton Corporation), unless otherwise indicated.

Prior to June 2008, we were engaged in the exploration and acquisition of uranium properties that were either past producers or had been the subject of prior work programs and/or contained historic resources. On or about June 1, 2008, we ceased/discontinued operations of our uranium exploration activities as we sought to restructure and find a suitable business opportunity. We were deemed a “shell company”, as defined in Rule 12b-2 under the Securities Exchange Act of 1934, from the discontinuance of operations in 2008 until the filing of our Form 8-K on December 31, 2013, relating to the acquisition of Endurance Exploration Group, LLC, on that date. During our restructuring period from June 2008 until December 31, 2013, we:

- Elected a new slate of directors and appointed a new management team focused on finding a suitable business opportunity for us;
- Attempted to reorganize our balance sheet through the US Bankruptcy courts by filing a Chapter 11 bankruptcy petition, but later withdrew our petition at the request of the court;
- Brought current our filings with the State of Nevada and our financial reporting and disclosure filings with the SEC;

- Effected a reverse 1 for 40 reverse split of our common stock;
- Amended and restated our Articles of Incorporation to increase the total authorized capital stock to 110,000,000 shares, being comprised of 100,000,000 shares of common stock with a par value of $.01 per share, and 10,000,000 shares of preferred stock with a par value of $.001;
- Paid approximately $292,000 of outstanding debt through the issuance of 12,733,499 newly issued common shares on December 31, 2013; and
- Entered into a Share Exchange Agreement, on December 31, 2013, to acquire the ownership interests of Endurance Exploration Group, LLC. for 20,550,539 shares of common stock.

Our fiscal year end was changed from January 31 to December 31 in November 2013. Our common stock is quoted on the OTCQB electronic quotation system under the symbol "EXPL".

Endurance Exploration Group, LLC

On December 31, 2013, we completed the purchase of 100% of the membership interests of Endurance Exploration Group, LLC, a Florida limited liability company ("Endurance LLC"), from its members in exchange for 20,550,539 shares of our common stock, valued at $0.0186 per share, based upon the net book value of the assets of Endurance LLC of $381,173 as of December 31, 2013. Micah Eldred, who serves as our Chairman, Chief Executive Officer and President, and Carl Dilley who serves as one of our directors and our Vice President, were the owners of all of the interests in Endurance LLC. Messrs. Eldred and Dilley were also the beneficial owners of a majority of our common stock at the time. Endurance LLC is now a wholly owned subsidiary of ours, and its operations are now our primary focus.

Endurance LLC was formed in 2009 to explore, from an operational and financial perspective, the feasibility and potential economic return of recovering historic and modern day shipwreck cargos. Based on the business started by Endurance LLC, we have developed a research methodology with three goals. The first goal is to establish a comprehensive understanding of the larger economic, technological and social trends that lead to the transport of physical wealth across oceans during different historical periods, along with creating a "High Interest" list of shipwrecks and their cargos lost across various historical periods. Conflict, accidents and acts of nature claimed a percentage of all voyages, and many of the shipwrecked vessels are believed to have carried a valuable cargo. The second objective is to identify, from this population of potential shipwreck losses, those shipwrecks that could be legally salvaged and recovered, and the cargos sold, with a positive return on the capital investment required for their location and recovery. The third goal is to move those projects which had the potential to generate positive investment returns into an operational phase with a high, risk-adjusted, chance of success; and, to develop a portfolio of projects in various stages of research, search, survey and recovery.

To that end, we have evaluated historical shipwreck databases holding in excess of 125,000 entries as well as undertaken contextual and keyword library and archival searches. It is important to note that even these massive repositories of data reflect just a small percentage of the 3,000,000+ shipwrecks the United Nations estimates lay on the ocean floor.

From these databases and other searches, we have developed an initial "High Interest" list of approximately 400 shipwrecks. Using criteria including (but not limited to) depth, potential search area, legal concerns, difficulty of excavation and potential value, we further culled the "High Interest" list to approximately two-dozen targets, the "Target List". In order for a shipwreck to qualify for our "Target List", and to potentially move forward as an "Operational Target" ("OT") -one that we may consider for the search and survey operation phase- the shipwreck must possess the following criteria:

- **Known Cargo of Value.** Based upon the historical and archival records, an OT must contain a quantifiable cargo of value. While the historical records may not provide our researchers with an exact present day value of a potential cargo, we must be able to determine a quantifiable "range" of its estimated value based upon cargo manifests or other archival documents.

- **Known Navigational Data**. Our research must provide information that would allow us to establish a geographically definable search and sinking location and, subsequently, an economically feasible search area for any potential target.

- **Legal Salvage and Clear Path to Title.** Admiralty law, salvage law, and various sovereign nation's laws and regulations concerning the search and salvage of historical and modern shipwrecks are complex. Prior to pursuing an OT, we must be able to establish a clear legal path to the title of any potential recovery, and search and recovery must be made in compliance with international laws and regulations or under specific country permissions.

- **Potential Returns Exceed Risk-Adjusted Cost of Search and Recovery.** Prior to moving a shipwreck from our Target List to an Operational Target, we evaluate a large number of factors to determine the potential search and recovery costs, and the risks associated with such search and recovery. Items considered include: a targets location and likely depth, its location from the nearest operational port, the complexity and costs of potential search and salvage, legal issues to title, and many other factors; and, we develop an initial search plan and budget for each potential project. We recognize the high risk, yet potentially high rewards, of our business; and, we realize that we will not be successful finding or salvaging every project we undertake. Therefore, prior to moving any project onto the "Operational Target" list, we take a risk-adjusted approach to the potential returns that a project can provide; and we determine if, on a risk-adjusted basis, the potential target is economically feasible and appropriate to add to our portfolio of "Operational Targets".

Project "*Connaught*" has now reached operational status. For project *"Connaught*", we have now surveyed over 700 square miles in the Western Atlantic Ocean in search of this sunken passenger liner carrying a substantial cargo of gold coinage. In addition to this manifest cargo, we also expect to find additional valuables among the personal stores of the ship's passengers. In October of 2014 we announced the discovery of the steamship *Connaught*, previously identified only as Project "*Sailfish*". In July 2015, we were granted exclusive salvage rights by the US Federal Courts. Please refer to **Current & Ongoing Projects** for additional information.

For pre-operational project, code named "*Black Marlin*", in November 2013, Endurance LLC entered into a contract with the sovereign government of an island nation in the Indian Ocean. The contract provides us with a three-year period in which to operate within the territorial waters of the nation with full permission to survey for and recover the *"Black Marlin"* and her silver cargo. Net proceeds of our recovery efforts, after payment of the costs to transport, store and insure any recovered items, will be split between us (75%) and the island government (25%). This contract also allows for other potentially valuable "targets of opportunity" within the territorial waters of this nation. We are currently pursuing an option to extend the existing contract. Please refer to **Current & Ongoing Projects** for additional information.

We believe this survey and recovery capability combined with our proprietary research will allow us to conduct approximately two deep-water surveys per yearly weather window, should we have sufficient capital to undertake such operational surveys.

Description of Key Equipment

In 2011, Endurance LLC began purchasing key equipment for operations. Our equipment purchases have included a 100-foot survey vessel, tethered side-scan sonar units, and light work-class and inspection Remotely Operated Vehicles (ROV), "Shackleton 1" and "Squirt".

Survey Ship

Our 100-foot survey ship has been recently refurbished to include a sonar winch and the latest in electronics and side-scan sonar survey equipment. Depending on the timeframe, circumstances and our other commitments, we may use this ship or charter another vessel of similar or greater capability.

Sidescan Sonar

Side-scan sonar is currently the industry-standard search methodology used for oceanic search operations. An unmanned side-scan sonar unit, or "towfish," is towed behind a manned surface vessel at a pre-set altitude above the seafloor. The sonar unit sends out a "ping" or sound-wave to acoustically map terrain, natural obstructions and man-made objects, including shipwrecks and jettison cargo.

To engage in search operations, we have purchased side-scan sonar systems. Our dual-frequency systems may be set for a range of velocities, search widths and resolutions for both area mapping and high-resolution target prosecution up to 2,000 meters in depth. Our system is compatible with third-party hardware and software systems and meets IHO & NOAA survey specifications. Beyond shipwreck surveys, the system is also capable of cable and pipeline surveys, channel conditioning, geophysical surveys, mine countermeasures and search and recovery operations.

Our sonar systems are a flexible platform from both a hardware and software standpoint, and may continue to be upgraded with industry-standard, off-the-shelf sensor packages.

The sonar "towfish" of one of our current survey systems was lost during the final days of our 2013 search operations. For more information on project *Connaught*, please refer to **Current & Ongoing Projects**. We expect to purchase, charter or otherwise replace this sonar equipment and capability before beginning any future search operations.

Potential shipwreck targets found by sonar will be catalogued, evaluated and eventually visually prosecuted using the *Shackleton 1* or *Squirt* ROV systems, or other systems chartered or rented for inspection and recovery missions.

ROV Shackleton 1

The Remotely-Operated Vehicle (ROV) system *Shackleton* 1 is a light work-class ROV. This system is comprised of underwater lighting, still and motion picture cameras and a single robotic manipulator arm. Initially designed for mid-water industrial applications, the ROV has been redesigned for shipwreck search, identification and cargo recovery operations. Beyond shipwreck operations, the system is also capable of cable and pipeline inspection and repair, geophysical sampling and search and recovery operations. ROV system "Shackleton 1" is currently in disassembled condition for storage following a scheduled overhaul and will be reassembled prior to any operational requirements.

Employees

The Company has five corporate officers. Each officer is also an officer of other entities and not full time employees of the Company. A list of the Company's officers and the average number of hours per week each officer expects to devote to Company affairs are as follows:

Micah Eldred, Director, President and CEO, 20 hours per week.
Carl Dilley, Director and Vice President, 10 hours per week.
Christine Zitman, Director, Secretary, Treasurer and CFO, 20 hours per week.
Guy Zajonc, Director and Vice President, 20 hours per week.
Keith Holloway, Vice President of Shareholder Communications, 30 hours per week.

Other Employees and Contractors

We utilize contract personnel for vessel operation during our survey periods, and intend to continue to use contract technicians to perform marine survey and recovery operations in the future. From time to time, we have or intend to hire other contractors, subcontractors and consultants to perform specific services. Two individuals who joined our Board of Directors in January 2014 are engaged in various capacities by us as independent contractors. See "Item 11 – Executive Compensation - Compensation" and "Employment Agreements" below.

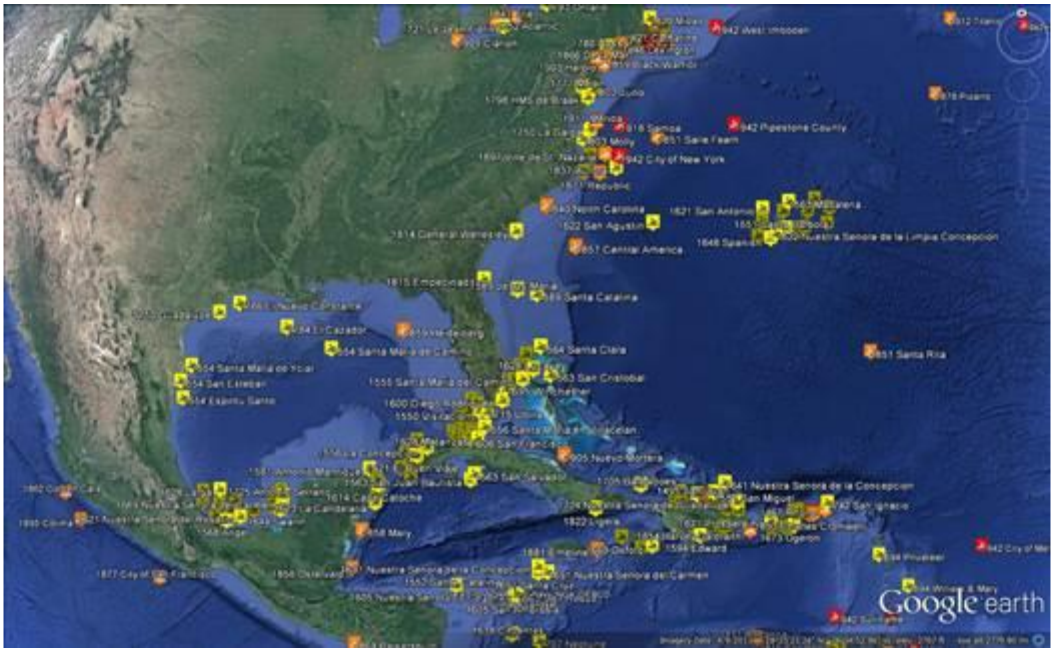
Project Operations

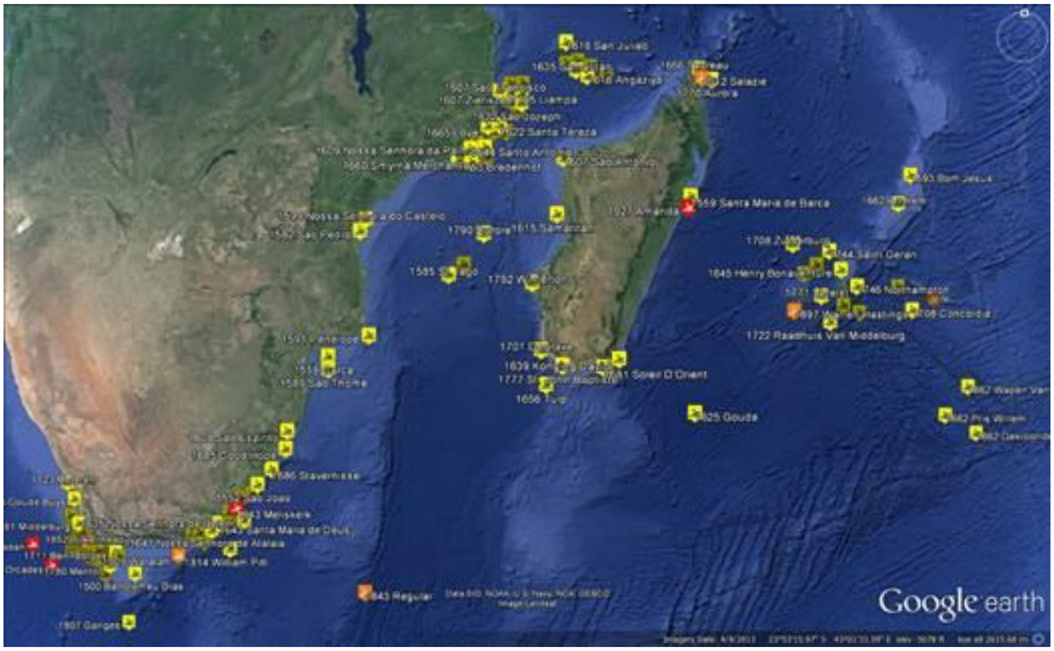
Research

During the Colonial period (1500-1850), the world economy was highly dependent on the physical transportation of bullion coinage, precious metals and high-value non-ferrous metals. A small percentage of shipping during this period was lost to storm, fire, acts of war, natural disasters and other causes, both known and unknown. The administration of this economic system required state-level bureaucratic oversight and record-keeping. Many of these historic records are available in publications, libraries, archives and digitized formats in depositories around the world. Though many records have been lost to time, enough remain to create in-depth, credible project profiles for potential excavation targets.

To that end, we have created a series of regional and period-specific databases from which to compare, evaluate and select potential targets for research, discovery and eventual excavation and recovery.

The graphics below are a visual representation of selected world regions containing our "High Interest" database of shipwrecks and their approximate location and time of sinking.




1722 Raadhuis Van Middelburg
1656 Tulp
1585 São Thomé
1582 São Pedro
1616 San Julião
Google earth


Google earth

Before search or recovery operations may begin, we seek to understand every factor necessary to mount a recovery operation with a high probability of success.

These factors include, but are not limited to:

- The historical context of the shipwreck, including political forces, technological developments, important contextual persons and events and the public reaction to the loss.

- Any images of the shipwreck, including still photography, motion pictures, drawing, paintings, recreations and/or models.

- A complete sinking timeline, including as much information as possible on weather patterns, departure date/time, intended course, course corrections, witness/observer statements. This includes any statement, fact or event material in any way to the sinking.

- A proposed search area with a high-probability of success, including an evaluation of all factors listed in the “Sinking Timeline” as well as any territorial boundaries or environmental factors.

- An Identification Guide, enabling rapid qualification or rejection of potential targets based on sonar and visual imagery, thus limiting expensive ship time on station.

- Cargo evaluation, evaluating the historical records on the target’s cargo and potential modern-day value.

- Any encumbering factors, including territorial ownership of waters, insurance claims, potential cargo claims and sovereign rights. We will not begin a project without a legal path to possession.

All of the above information is gleaned from publications, libraries, archives and digitized medium. Development of further projects is a continuous, ongoing process.

Search

Most operational projects begin with a sonar search phase. We have outfitted our vessel with state-of-the-art sonar systems, an industry standard for underwater search operations. Our vessel tows the sonar systems to map the seafloor and search for targets. Potential targets are then selected from the sonar imagery using a combination of computerized post-processing and expert evaluation. While some shipwreck targets may be positively identified using high-resolution sonar system, others may need visual identification using an underwater camera ROV (Remote Operated Vehicle) system or an AUV (Autonomous Underwater Vehicle).

Recovery

Once a target is positively identified, excavation and recovery operations will begin using our “Shackleton 1” light-work class ROV system, or other chartered ROV systems. Shackleton 1 can document the site using sonar, still and motion-picture imagery. It will then be used for any necessary excavation, as well as coinage, bullion and/or other recovery operations.

Post-Recovery Conservation

Coinage, precious metals and non-ferrous metals typically require a minimum amount of post-recovery conservation. In order to preserve the value of the recovered cargo, we plan to have an on-site facility capable of properly storing and transporting all recovered coinage, precious metals and non-ferrous metals to definitive and final conservation and storage prior to sale.

Sales

We intend to recover coinage and bullion precious metals, including but not limited to gold and silver. We believe that bullion metals, numismatically-graded coinage and non-graded coinage have significant value in the collector market. We intend to sell to existing independent coin dealers as well as directly to the collector and consumer market through the internet.

Current & Ongoing Projects

Project "Connaught" - Research Summary

The *Connaught* was a steam-powered packet ship, part of a fast and indispensable transatlantic communication link, the perfect vessel to rapidly ferry mails and passengers between Britain and the United States. Large for her time, she was a side-wheel steamer constructed almost entirely of iron.

On her last voyage in 1860, the *Connaught* left Great Britain, bound for the United States. She carried several dozen first-class passengers, more than 400 steerage passengers and a full crew of nearly 130. The *Connaught* also disembarked with a cargo of gold coins, and the Captain assumed an uneventful voyage

According to reports, when heavy seas set in, the *Connaught* began to roll heavily. Though the initial problem was temporarily fixed, 12 hours later the same roll started again. Making matters worse, fire broke out. Buckets and pumps were manned, but the water rose rapidly and extinguished the furnaces, rendering the ship immobile. The fire quickly spread, driving the passengers above decks.

The purser and two men attempted to rescue the gold shipment, but were driven back by the smoke and flames. A nearby ship came to the rescue, bravely maneuvering close to the *Connaught* and running a line between the two to facilitate transfer of passenger. Per age-old protocol, the Captain was the last man off the ship.

Virtually nothing was saved. Nearly every trunk and stitch of clothing was lost, including all the money of the first-class passengers. Early the next morning, a passing ship fell in with the *Connaught*, shadowing the stricken vessel through her final hours. The burning *Connaught* exploded and sank by the stern, leaving only an overturned lifeboat, light portions of the decking and a few trunks. The passing ship spent an hour recovering debris, dutifully recorded the sinking position, and then sailed on to New York.

Project "Connaught" – Current Status

In October of 2014 we positively identified the location of the Steamship *Connaught* through sonar imagery and video footage. In July 2015, we were granted exclusive salvage rights by the US Federal Courts, we returned to the site of the *Connaught* to begin salvage efforts, and retrieved the first artifacts from the debris field.

Our salvage operations were temporarily hampered by the discovery of a mass of man-made debris and large commercial fishing nets concentrated around the aft section of the wreck. We have determined the appropriate equipment and methodology to clear these obstacles, and intend to return to the wreck site with these new tools as soon as practical.

Given the task list and the short weather window that we can work in the North Atlantic, we intend to resume our salvage operations in summer of 2017. The cost of recovering the cargo of the *Connaught* is estimated to be $1,200,000. The Company needs additional working capital to recover the cargo of the *Connaught*. There can be no assurances that the Company will be successful in securing additional working capital and therefore cannot represent it will ever be in position to recover the cargo of the *Connaught*.

Project "Black Marlin"- Research Summary

In the end of the 17th century, the world economy was fueled by the Spanish silver mines of the Americas, and the European demand for Asian drugs, spices, commodities and teas. This trade was based on the exchange of precious metals for goods, and silver was the only European payment acceptable to Asian trading partners.

The *"Black Marlin"* was one such vessel engaged in this trade. She was an English East Indiaman, more than 700 tons, three decks high and armed with many cannon. In addition to the silver coin expected by Asian merchants, she also carried lace, golden fabric, beaver fur, tobacco, wine, cloth and iron nails.

The shipping routes of the time took the English ship to the Indian Ocean for resupply in the middle of her long voyage to the East. According to reports, unknown to her Captain and crew, nearby European enemy ships were hunting for English shipping. They discovered the *"Black Marlin"* was in the area and sailed to intercept. The European enemy ships approached the English ship under a false flag and prepared to attack.

The trap set and ready to attack, the Europeans demanded the surrender of the English vessel. Instead of surrendering, the English captain counterattacked, and the vessels began to exchange heavy cannon fire, beginning a pitched fight that would continue over many hours. In a last-ditch effort to escape, the English ship unfurled her sails and attempted to sail away. The Europeans quickly caught up and soon the English ship was disabled and unable to continue fighting.

Rather than surrender, the Captain of the English ship set his own vessel on fire, escaping in a small boat with a chosen group of men while allowing his own ship and abandoned sailors to burn. The fire reached the gunpowder storage, and the English ship burned vigorously and sank, taking with her a rich cargo of silver.

We believe this shipwreck lies at a depth of between 500 to 3000 meters of water.

Project "Black Marlin" – Current Status

In November 2013, Endurance LLC entered into a contract with the sovereign government of an island nation in the Indian Ocean. The contract provides us with a three-year period in which to operate within the territorial waters of the nation with full permission to survey for the location and recover the *"Black Marlin"* and her silver cargo. We are currently pursuing an option to extend the existing contract, however, there can be no assurances that we will be granted an extension. Net proceeds of our recovery efforts, after payment of the costs to transport, store and insure any recovered items, will be split between us (75%) and the island government (25%). The Company needs additional working capital to undertake the search for the *"Black Marlin."* There can be no assurances that the Company will be successful in securing additional working capital and therefore cannot represent it will ever be in position to search for, or recover the *"Black Marlin."*

By selecting *"Black Marlin"* as our second project and since the *"Black Marlin"* was reported to have been lost within 12 nautical miles of land, it was necessary, in the ordinary course of our business, to seek permission of the coastal state to work in their territorial waters. We are not under any obligation to undertake this project and if, at any time, events in the area or our continuing research revealed a lost shipwreck that is a more logical choice to undertake as our second project, we will make that change in project priorities.

Project "Black Marlin" – Targets of Opportunity "Wahoo" and "Dolphin"

As part of discussions pertaining to project *"Black Marlin,"* we have learned of two shallow-water "targets of opportunity" within the same territorial waters as the *"Black Marlin."* Believed to be English East Indiaman, these wrecks (code-named "Dolphin" and "Wahoo") remain unidentified at this time. Until these wrecks are identified, it will not be possible to generate any estimate on the potential value, if any. We expect to begin operations on these wrecks in conjunction with the *"Black Marlin"* in mid-2017.

Patents, trademarks, licenses, franchises and concession

Currently, we neither own nor rely on any patents, trademarks, licenses or franchises. We have been granted a concession for shipwreck search and recovery in the territorial waters of an East African island nation by the government of that nation. The contract provides us with a three-year period in which to operate within the territorial waters of the nation with full permission to survey for and recover the *"Black Marlin"* and her silver cargo. Net proceeds of our recovery efforts, after payment of the costs to transport, store and insure any recovered items, will be split between us (75%) and the island government (25%).

Competition

There are a number of competing entities engaged in aquatic research, survey, inspection and the various aspects of the shipwreck salvage business. One or more of these competing entities may locate and recover a shipwreck that we intend to locate and recover. In addition, these competing entities may be better capitalized and may have greater resources to devote to their pursuit of shipwreck salvage.

Governmental and Environmental Regulation

We are subject to local, state and national taxation. Additionally, our operations are subject to a variety of national, federal, state, local and international laws. In particular, the legal, political, or civil initiatives of countries, international governing bodies and/or other maritime jurisdictions may restrict our operations and prevent or cause us to suspend or abort particular searches or salvage operations.

Project "Black Marlin" – Government or environmental regulations that may restrict our operations.

The island nation has signed and ratified the United Nations Convention on the Law of the Seas (the "LOS"). In this capacity and in keeping with the provisions of the LOS, the island nation asserts jurisdiction over its territorial waters, defined by the LOS as 12 nautical miles, 22.2 kilometers or 13.1 miles from the low water mark of the coastal state. Based upon our historical research, we believe the *"Black Marlin"* sank within the territorial waters of the island nation. While the island nation is not a signatory to nor has it ratified the International Convention on Salvage ("ICS"), the Company and its contractors operate in accordance the provisions of the ICS. Those provisions state generally, that in undertaking salvage a salvage company shall exercise due care in order to minimizing damage to the environment. Damage to the environment is defined by the Treaty under Article 1 (d) as follows: "Damage to the environment" means substantial physical damage to human health or to marine life or resources in coastal or inland waters or areas adjacent thereto, caused by pollution, contamination, fire, explosion or similar major incidents." The Company and its contractors take into account complying with the ISC when estimating costs for the *"Black Marlin"* cargo recovery operations. The island country has no written laws or regulations with respect to salvage operations in general and has placed no additional restrictions on the operations of the Company when it begins operations to locate and recover the *"Black Marlin's"* cargo.

Project "Connaught" – Government or environmental regulations that may restrict our operations.

We believe that the target site identified is the wreck of the *Connaught*, a paddlewheel steamer that sank in October 1860. That shipwreck is located approximately 125 miles off the coast of the United States of America ("U.S."). While the U.S. has not ratified the LOS, this location is recognized under U.S. law as being in international waters. The Company has elected to submit itself to the jurisdiction of the United States Federal Courts by filing a case in admiralty on October 3, 2014 in the U.S. District Court, Middle District of Florida. The process of adjudicating ownership and claims, including the Company's request for a salvage claim or, in the alternative, title to the ship and its cargo, will proceed in the U.S. Court pursuant to U.S. admiralty law. The right to salvage a privately own vessel is not subject to approval of the U.S. Courts or any government agency. Once a party has submitted themselves to the jurisdiction of the U.S. Federal Courts, the Court can determine the ownership rights to the cargo salvaged and the amount of a salvage award according to precedent cases ruled upon by the U.S. Supreme Court. The Company makes its claims based upon those legal precedents.

The United States Coast Guard undertakes marine environmental protection in U.S. waters pursuant to Volume IX of its Marine Environmental Protection – Marine Safety Manual – COMDTINST M16000.14. As specified in Chapter 1 on page 16, the U.S. Coast Guard also looks to the International Convention on Salvage for guidance on salvage operations even though the U.S. has not ratified that treaty. The Company and its contractors expect to conduct salvage operations within the guidelines of the ICS. The Company and its contractors take into account complying with the ISC when estimating costs for the *Connaught* cargo recovery operations.

ITEM 1A.—RISK FACTORS

Risks Related To Our Overall Business Operations

Because of the speculative nature of our operations, there is substantial risk that no commercially exploitable cargo will be found and our business will fail.

While we have been in business since 2006 and have located what we believe to be viable shipwrecks, we have not yet been able to recover any valuables from those wrecks. Thus, potential investors have no way to evaluate the likelihood that we will be successful in our efforts to monetize lost shipwrecks. You should be aware of the difficulties normally encountered by similar companies and the high rate of failure of such enterprises. The search for shipwrecks as a business is inherently risky. We may not be able to recover valuables from shipwrecks and then monetize those assets to have a commercially viable enterprise. In such a case, we may be unable to continue operations, and you could lose your entire investment.

We have a limited operating history with a history of losses and expect losses to continue for the foreseeable future.

We have yet to establish any history of profitable operations. We have not generated any revenues since January 19, 2006 (inception) and do not anticipate that we will generate revenues which will be sufficient to sustain our operations in the near future. Unless and until we are able to generate revenues, we will continue to sustain losses.

There is doubt about our ability to continue as a going concern due to recurring losses from operations and insufficient cash resources to meet our business objectives, all of which means that we may not be able to continue operations.

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. Our consolidated statements of operations for the years ended December 31, 2015, and 2014, reflect net losses of $973,512 and $684,114 respectively. These factors raise substantial doubt about our ability to continue as a going concern for a reasonable period of time.

In light of the acquisition of the membership interests of Endurance Exploration Group, LLC on December 31, 2013, and since both entities were under common control, the comparative financial statements are presented as if the previously separated entities were combined. We are currently evaluating acquisitions and other business opportunities. Our continuation as a going concern is dependent upon our ability to recover and monetize valuable shipwreck cargoes and to secure investment capital from future funding opportunities. No assurance can be given that we will be successful in these efforts.

Changes in our business strategy or restructuring of our businesses may increase our costs or otherwise affect the profitability of our businesses.

As changes in our business environment occur, we may need to adjust our business strategy to meet these changes or we may otherwise find it necessary to restructure our operations or assets. When these changes or events occur, we may incur costs to change our business strategy and may need to write down the value of assets. In any of these events our costs may increase, and we may have significant charges associated with the write-down of assets.

We will continue to experience losses from planned operations.

We have experienced a net loss in every fiscal year since our inception. Even if we do generate operating income in the future, subsequent developments in our industry, business or cost structure, or events such as uninsured or underinsured losses or litigation may cause us to experience operating losses. We may not become profitable in the future.

We are subject to macroeconomic and other factors beyond our control as well as the business, financial, operating and other risks of developing companies, all of which may adversely affect our financial results and growth.

Macroeconomic and other factors beyond our control as well as the business, financial, operating and other risks of a shell company can adversely affect us. These factors include:

- changes and volatility in general economic conditions, including the severity and duration of any downturn in the U.S. and financial markets;
- war, civil unrest, terrorist activities or threats and heightened travel security measures instituted in response to these events;
- outbreaks of pandemic or contagious diseases;
- climate change and resource scarcity, such as water and energy scarcity;
- natural or man-made disasters, such as earthquakes, tsunamis, tornados, hurricanes, floods, oil spills and nuclear incidents;
- domestic and international political and geo-political conditions;
- changes in taxes and governmental regulations that influence or set wages, prices, interest rates or construction and maintenance procedures and costs;
- the costs and administrative burdens associated with compliance with applicable laws and regulations;
- changes in operating costs, including, but not limited to, energy, benefits, insurance and unanticipated costs resulting from force majeure events; and
- the lack of availability, or increase in the cost, of capital for us.

We may seek to expand through acquisitions of and investments in other businesses or through business alliances. These acquisitions and investment activities may be unsuccessful or divert our management's attention.

We intend to consider strategic and complementary acquisitions of and investments in other businesses or other assets. Furthermore, we may pursue these opportunities in alliance with existing businesses. In many cases, we will be competing for these opportunities with third parties that may have substantially greater financial resources than we do. Acquisitions or investments in businesses, or assets, as well as these alliances, are subject to risks that could affect our business, including risks related to:

- issuing shares of stock that could dilute the interests of our existing stockholders;
- spending cash and incurring debt;
- assuming contingent liabilities; and
- creating additional expenses.

We may not be able to identify opportunities or complete transactions on commercially reasonable terms or at all, or that we will actually realize any anticipated benefits from such acquisitions, investments, or alliances. Similarly, we cannot assure you that we will be able to obtain financing for acquisitions or investments on attractive terms or at all, or that the ability to obtain financing will not be restricted by the terms of a revolving credit facility or other indebtedness we may incur.

The success of any such acquisitions or investments will also depend, in part, on our ability to integrate the acquisition or investment with our existing operations. We may experience difficulty with integrating acquired businesses, or other assets, including difficulties relating to:

- coordinating sales, distribution and marketing functions;
- integrating technology information systems; and
- preserving the important licensing, distribution, marketing, customer, labor, and other relationships of the acquired assets.

In addition, any such acquisitions, investments, or alliances could demand significant attention from our management that would otherwise be available for our regular business operations, which could harm our business.

We may be unsuccessful in raising the necessary capital to fund operations and capital expenditures.

Our ability to generate cash flow is dependent upon our ability to find, excavate, and monetize the cargo of shipwrecks. We cannot guarantee that the sales of the recovered cargo and/or related products and other available cash sources will generate sufficient cash flow to meet our overall cash requirements. If cash flow is not sufficient to meet our business requirements, we will be required to raise additional capital through other financing activities. Success in raising necessary funds is not guaranteed.

We depend on key personnel and face competition in hiring and retaining qualified personnel.

Key management and operational personnel may be difficult to replace. We do not have any employment or noncompetition agreements with our key personnel. We may not be able to recruit or retain qualified employees in the future, which could affect our business.

Our background research and data-gathering may prove unreliable.

The success of any marine salvage project is highly dependent on background research and data. Background research and data-gathering may prove to be imprecise, misleading, incomplete, and/or unreliable. This data and research is further affected by the interpretation process due to factors such as analyst misinterpretations, erroneous calculations, and/or translation errors.

Operations may be hindered by natural hazards and weather patterns.

Marine salvage operations are inherently technologically challenging and may be delayed, suspended or aborted due to weather, sea conditions, or other natural hazards. Operations may be dependent on both predictable and unpredictable seasonal weather cycles. We may not be able to logistically begin, continue, or complete operations during favorable weather conditions. Both predictable and unpredictable weather events, including but not limited to storms, cyclones, hurricanes, typhoons and tsunamis, may delay, suspend, or cause us to abort particular salvage operations.

We may discover a commercially exploitable shipwreck cargo but be unable to successfully recover the cargo.

If our search program is successful in discovering a commercially exploitable cargo, we may require additional funds in order to advance operations into commercial recovery. In such an event, we may be unable to obtain the funds, equipment, and/or personnel in order to continue operations, and we may be unable to generate revenues.

We may be unable to establish or maintain rights to recovered objects.

Persons and entities other than us may claim title to the shipwrecks and/or valuable cargo that we may recover. Even if we are successful in locating and recovering shipwrecks and/or valuable cargo, we cannot assure we will be able to establish our rights to property recovered if challenged by governmental entities, prior owners, or other attempted salvors claiming an interest therein. In such an event we could spend a great deal of time and money on a shipwreck project, and receive no salvage claim or revenue for our work. Our shipwrecks may be in controlled water where the policies and laws of a certain government may change abruptly, thereby impacting our ability to operate in those zones.

The profitability of our operations is directly related to the market price of metals and the numismatic coin market. The market prices of metals and the numismatic coin market fluctuate significantly and are affected by a number of factors beyond our control, including, but not limited to, the rate of inflation, the exchange rate of the dollar to other currencies, interest rates, global economic and political conditions, and the collector’s market. Price fluctuations in the metals and numismatic market from the conception of a potential target to the conclusion of operations can significantly affect profitability. We may begin one or more operations at a time when the price of metals or numismatic coins make operations economically feasible and subsequently incur losses due to market decreases. Adverse fluctuations in the metals or numismatic market may force us to curtail or cease our business operations.

We face significant competition from better-established competitors

We compete with other interests possessing greater financial resources and technical facilities than we do in connection with the discovery and excavation of shipwrecks.

We may not have sufficient insurance coverage

Our business could be impaired by the occurrence of uninsured or underinsured events. We have obtained and plan to maintain insurance policies to protect us against certain, but not all, risks related to our operations. This insurance is to be maintained in amounts that Management believes are reasonable depending upon the circumstances surrounding each identified risk. For some risks, Management may elect not to have insurance because of the high premiums associated with insuring those risks or for various other reasons. In other cases, insurance may not be available. Occurrence of events for which we are not insured or underinsured may affect our cash flow and overall profitability.

Risks Related To Ownership of Our Securities

The market price of our common stock can be volatile, leading to the possibility of its value being depressed at a time when you are able to sell your holdings.

The market price of our common stock is highly volatile and subject to wide fluctuations in response to a number of factors that are beyond our control, including, but not limited to:

- variations in our revenues and operating expenses;
- actual or anticipated changes in the estimates of our operating results or changes in stock market analyst recommendations regarding our common stock, other comparable companies or our industry generally;
- market conditions in our industry, the industries of our customers and the economy as a whole;
- actual or expected changes in our growth rates or our competitors' growth rates;
- developments in the financial markets and worldwide or regional economies;
- announcements of innovations or new products or services by us or our competitors;
- announcements by the government relating to regulations that govern our industry;
- sales of our common stock or other securities by us or in the open market; and
- changes in the market valuations of other comparable companies.

In addition, if the stock market in general experiences loss of investor confidence, the trading price of our common stock could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our shares of common stock might also decline in reaction to events that affect other companies in our industry, even if these events do not directly affect us. Each of these factors, among others, could harm the value of your investment. In the past, following periods of volatility in the market, securities class-action litigation has often been instituted against companies. Such litigation, if instituted against us, could result in substantial costs and diversion of management's attention and resources, which could materially and adversely affect our business, operating results, and financial condition.

Our common stock is illiquid and subject to price volatility unrelated to our operations.

If a liquid market for our common stock does develop, its market price could fluctuate substantially due to a variety of factors, including market perception of our ability to achieve our planned growth, quarterly operating results of other companies in the same industry, trading volume in our common stock, changes in general conditions in the economy and the financial markets or other developments affecting us or our competitors. In addition, the stock market itself is subject to extreme price and volume fluctuations. This volatility has had a significant effect on the market price of securities issued by many companies for reasons unrelated to their operating performance and could have the same effect on our common stock.

We are subject to penny stock regulations and restrictions and you may have difficulty selling shares of our common stock, even when legally eligible to do so.

The SEC has adopted regulations which generally define so-called "penny stocks" to be an equity security that has a market price less than $5.00 per share, subject to certain exemptions. As our common stock is a "penny stock," it is subject to Rule 15g-9 under the Exchange Act, the so called "Penny Stock Rule." This rule imposes additional sales practice requirements on broker-dealers that sell such securities to persons other than established customers and "accredited investors" (generally, individuals with a net worth in excess of $1,000,000 or annual incomes exceeding $200,000, or $300,000 together with their spouses). For transactions covered by the Penny Stock Rule, a broker-dealer must make a special suitability determination for the purchaser and have received the purchaser's written consent to the transaction prior to sale. As a result, this rule may affect the ability of broker-dealers to sell our securities and may affect the ability of purchasers to sell any of our securities in the secondary market.

For any transaction involving a penny stock, unless exempt, the rules require delivery, prior to any transaction in a penny stock, of a disclosure schedule prepared by the SEC relating to the penny stock market. Disclosure is also required to be made about sales commissions payable to both the broker-dealer and the registered representative and current quotations for the securities. Finally, monthly statements are required to be sent disclosing recent price information for the penny stock held in the account and information on the limited market in penny stock.

A large number of shares may be eligible for future sale and may depress our stock price.

We may be required, under terms of future financing arrangements, to offer a large number of common shares to the public, or to register for sale by future private investors a large number of shares sold in private sales to them.

Sales of substantial amounts of common stock, or a perception that such sales could occur, and the existence of options or warrants to purchase shares of common stock at prices that may be below the then-current market price of our common stock, could adversely affect the market price of our common stock and could impair our ability to raise capital through the sale of our equity securities, either of which would decrease the value of any earlier investment in our common stock.

Our management, Micah Eldred and Carl Dilley, own a significant majority of our voting shares and their interests may differ from those of our other shareholders.

Micah Eldred and Carl Dilley, and their affiliated entities, own approximately 45.08% and 23.87% of our issued and outstanding shares of common stock, respectively, and they will have significant influence over the outcome of matters that require shareholder approval, including election of directors and, accordingly, over our business and corporate matters. They may exercise their voting rights in ways that they believe is in their best interests, which may conflict with the interest of our other shareholders.

We have never declared or paid any cash dividends on shares of our common stock and we are not likely to pay cash dividends in the foreseeable future.

We intend to retain any future earnings for use in the operation and expansion of our business. We do not expect to pay any cash dividends in the foreseeable future but will review this policy as circumstances dictate. Should we decide in the future to do so, as a holding company, our ability to pay dividends and meet other obligations depends upon the receipt of dividends or other payments from our operating subsidiaries. In addition, our operating subsidiaries, from time to time, may be subject to restrictions on their ability to make distributions to us, including restrictions on the conversion of local currency into U.S. dollars or other hard currency and other regulatory restrictions.

ITEM 1B.—UNRESOLVED STAFF COMMENTS

None

ITEM 2—PROPERTIES

We currently share, at no charge, leased office space at 15500 Roosevelt Blvd., Suite 303, Clearwater, FL 33760, with Spartan Securities Group, an affiliate controlled by Micah Eldred. We believe that such space is sufficient for our needs, and the estimated value of this space is deemed to be immaterial.

ITEM 3—LEGAL PROCEEDINGS

As of December 31, 2016, there are no material, pending legal proceedings (other than ordinary routine litigation incidental to our business, if any) to which we are a party or of which any of our properties is the subject. Also, our management is not aware of any legal proceedings contemplated by any governmental authority against us.

ITEM 4—MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5—MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common stock has been quoted on the OTCQB electronic quotation system under the symbol "TTNC". As a result of changing our company name to Endurance Exploration Group, Inc., our common stock is now quoted on the OTCQB electronic quotation system under the symbol "EXPL". These prices reflect inter-dealer prices without retail mark-up, mark-down, or commission, and may not necessarily reflect actual transactions. The following table sets forth the high and low bid prices for the common stock as reported for each quarterly period from the last two years.

High and Low Bid Prices on Our Common Stock

Year	Quarter Ended	High	Low
2016	December 31	$0.30	$0.20
2016	September 30	$0.45	$0.30
2016	June 30	$0.44	$0.22
2016	March 31	$0.44	$0.20
2015	December 31	$0.60	$0.15
2015	September 30	$1.00	$0.41
2015	June 30	$1.00	$0.21
2015	March 31	$0.57	$0.10

As of December 31, 2016 there were 426 active shareholders of record. The Board of Directors believes that the number of beneficial owners is greater than the number of record holders because a portion of our outstanding common stock is held in broker "street names" for the benefit of individual investors.

Dividends

We have not declared any cash dividends since inception and do not anticipate paying any dividends in the near future. The payment of dividends is within the discretion of the Board of Directors and will depend on our earnings, capital requirements, financial condition, and other relevant factors. There are no restrictions that currently limit our ability to pay dividends on its common stock other than those generally imposed by applicable state law.

Warrants and Options

As of December 31, 2016, we had issued non-qualified options to purchase 5,000,000 shares of our common stock at any time prior to December 15, 2017, with an exercise price of $0.25 per share, non-qualified warrants to purchase 574,000 shares of our common stock at any time prior to December 22, 2025, with an exercise price of $0.25 per share, and non-qualified warrants to purchase 250,000 shares of our common stock at any time prior to May 25, 2019, with an exercise price of $0.25 per share.

Equity Compensation Plan Information

The following table summarizes the equity compensation plans under which our equity securities could be issued as of December 31, 2016:

	(a)	(b)	(c)
	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
Equity compensation plans approved by shareholders			
Equity compensation plans not approved by shareholders[1]	5,250,000	$ 0.25	1,750,000
Totals	5,250,000	$ 0.25	1,750,000

[1] Includes shares of our common stock authorized for awards under the 2014 Non-qualified Stock Option Plan.

Our Board of Directors adopted the 2014 Non-qualified Stock Option Plan on December 31, 2013. The Plan will terminate on December 31, 2017, unless earlier terminated by the Board. Under the Plan, 7,000,000 shares of common stock are reserved for issuance to non-employee directors, officers, employees, consultants and advisors. The terms of each option award will be determined by the Board, or a duly appointed board committee, provided that no employee may receive options to purchase more than 5 million shares under the Plan, the exercise price must be at least equal to the fair market value of a share of common stock (as defined in the Plan) on the date of grant, and no option may be exercisable more than 10 years after the date of grant. Shares awarded under the Plan may be from authorized and unissued shares or treasury shares.

Transfer Agent

Our transfer agent is Island Capital Management, LLC, doing business as Island Stock Transfer, and can be reached at the following address:

Island Stock Transfer
15500 Roosevelt Blvd., Suite 301
Clearwater, FL 33760
Tel: (727) 289-0010

Our transfer agent is controlled by Micah Eldred, our Chairman, Chief Executive Officer and President.

Issuances of Unregistered Securities

On February 12, 2015, we entered into a Debt Conversion Agreement with Endeavour Cooperative Partners, LLC ("Endeavour") relating to the conversion of indebtedness to Endeavour in the amount of $85,000. This amount represents the related party debt payable to Endeavour as of that date. The terms of the agreement allowed for Endeavour to convert this debt into common stock at $0.25 per share. Endeavour converted all of such debt into shares, as a result of which we issued 340,000 shares to Endeavour.

On February 12, 2015, we entered into a Debt Conversion Agreement with Micah Eldred relating to the conversion of indebtedness to Micah Eldred in the amount of $143,333. This amount represents the related party debt payable to Micah Eldred as of that date. The terms of the agreement allowed for Micah Eldred to convert this debt into common stock at $0.25 per share. Micah Eldred converted all of such debt into shares, as a result of which we issued 573,333 shares to Micah Eldred.

On February 12, 2015, we entered into a Debt Conversion Agreement with Carl & Heather Dilley relating to the conversion of indebtedness to Carl & Heather Dilley in the amount of $45,867 and $25,800 respectively. This amount represents the related party debt payable to Carl & Heather Dilley as of that date. The terms of the agreement allowed for Carl & Heather Dilley to convert this debt into common stock at $0.25 per share. Carl & Heather Dilley converted all of such debt into shares, as a result of which we issued 183,467 and 103,200 shares to Carl & Heather Dilley respectively.

During April 2015, the Company issued 600,000 common shares at $.25 per share to non-affiliated investors in fulfillment of stock subscriptions received.

During May 2015, the Company issued 200,000 common shares at $.25 per share to non-affiliated investors in fulfillment of stock subscriptions received.

On May 15, 2015, the Company issued 2,000,000 common shares to Eclipse Group, Inc. at $.25 per share as prepayment for certain salvage services pursuant to an agreement entered into on the same date. Steven Saint Amour, who serves as a member of our Board of Directors, and Joan Saint Amour are the principal shareholders and officers of Eclipse.

On June 29, 2015, the Company issued 8,184 common shares at $.25 per share for services.

During July 2015, the Company issued 200,000 common shares at $.25 per share to non-affiliated investors in fulfillment of stock subscriptions received.

During August 2015, the Company issued 1,670,000 common shares at $.25 per share to non-affiliated investors in fulfillment of stock subscriptions received.

During September 2015, the Company issued 200,000 common shares at $.25 per share to non-affiliated investors in fulfillment of stock subscriptions received.

On September 30, 2015, the Company issued 167,725 common shares at $.25 per share for services.

During November 2015, the Company issued 149,600 common shares at $.25 per share for services.

All of the foregoing shares issuances were exempt from registration under Section 4(a)(2) of the Securities Act of 1933, as amended.

ITEM 6—SELECTED FINANCIAL DATA

Not applicable, because we are a smaller reporting company.

ITEM 7—MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The results presented in this "Management's Discussion and Analysis of Financial Conditions and Results of Operations" are those of Endurance Exploration Group, Inc. and its subsidiaries as reflected in the audited consolidated financial statements included herein.

This discussion should be read in conjunction with the condensed consolidated financial statements and notes included elsewhere in this registration statement.

All dollar amounts refer to US dollars unless otherwise indicated.

Plan of Operation

Side-scan sonar survey operations on Project *Connaught* began in July of 2013. Over the course of this initial survey, approximately 700 square miles were digitally mapped. This sonar imagery was then post-processed and evaluated for potential targets. In October of 2014 we positively identified the target of Project "Sailfish," the Steamship *Connaught* via video and sonar imagery. We intend to return to the site of the *Connaught* in 2017 to recover its cargo. The cost of recovering the cargo of the *Connaught* is estimated to be $1,200,000. The Company needs additional working capital to recover the cargo of the *Connaught*. There can be no assurances that the Company will be successful in securing additional working capital and therefore cannot represent it will ever be in position to recover the cargo of the *Connaught*.

In November 2013, Endurance LLC entered into a contract with the sovereign government of an island nation in the Indian Ocean. The contract provides us with a three-year period in which to operate within the territorial waters of the nation with full permission to survey for and recover the *"Black Marlin"* and her silver cargo. We are currently pursuing an option to extend the existing contract. Net proceeds of our recovery efforts, after payment of the costs to transport, store and insure any recovered items, will be split between us (75%) and the island government (25%). The cost of finding and recovering the cargo of the *"Black Marlin"* is estimated to be $2,000,000. The Company needs additional working capital to undertake the search for the *"Black Marlin"*. There can be no assurances that the Company will be successful in securing additional working capital and therefore cannot represent it will ever be in position to search for and recover the cargo of the *"Black Marlin"*.

Results of Operations

The following information represents our results of operations for the years ended December 31, 2016 and 2015.

Revenue

Since inception through December 31, 2016, we have not generated any revenues. However, during this period of time, the Company has acquired a ship, side scan sonar, topside computer processing of sonar images and a remotely operated vehicle with cameras that can visually inspect things located by the side scan sonar. The Company, through contracted personnel, has also developed an operational capability for this ship and its equipment. The Company can also access, on a contract basis, additional ships, equipment and personnel on a case-by-case basis when needed. This capability allows the Company to offer aquatic research, survey, inspection and recovery, as well as maritime contract services and consulting to both the public and private sectors that contract for such equipment and services. As of the time of this filing there are no agreement or contracts for the use of the Company equipment or the services described herein and the Company needs additional working capital to continue to offer said equipment and services. Therefore, the Company cannot represent that, in the future, it will ever generate revenue from aquatic research, survey, inspection and recovery projects, as well as maritime contract services and consulting.

Expenses

We incurred operations and research expenses of $51,655 for the year ended December 31, 2016 as compared to $698,849 for the year ended December 31, 2015, a decrease of $647,194. The primary reason for this decrease is a result of the decreased spending on salvage operations, and the fact that $581,377 of stock based compensation was included in this category of expenses for the year ended December 31, 2015.

We incurred marketing and promotion expenses of $18,680 for the year ended December 31, 2016 as compared to $52,737 for the year ended December 31, 2015, a decrease of $34,057. This decrease is primarily due to a decrease in both advertising and travel expenses.

We incurred $43,554 in stock based compensation for the year ended December 31, 2016 as compared to $581,377 for the year ended December 31, 2015, a decrease of $537,823. The primary reason for this decrease is the decrease in stock based compensation issued to the salvage contractors.

We incurred general and administrative expenses of $202,524 for the year ended December 31, 2016 as compared to $184,539 for the year ended December 31, 2015, an increase of $17,985. The general and administrative costs consist primarily of legal and professional fees, as well as the stock based compensation of $43,554 included in this category of expenses for the year ended December 31, 2016.

The Company did not have any other income for the year ended December 31, 2016 as compared to the year ended December 31, 2015 which consisted of cancellation of debt income in the amount of $63,144.

Net Losses

For the year ended December 31, 2016, we incurred a net loss of $378,640 as compared to $973,512 for the year ended December 31, 2015.

Current Liquidity and Capital Resources

Since inception, we have funded our operations through the sale of equity securities and advances made to us by our officers and directors and their affiliated entities.

As of December 31, 2016, we had $2,523 in cash.

Net cash used by operating activities was $235,802 for the year ended December 31, 2016.

Net cash used by investing activities was $0 for the year ended December 31, 2016.

Net cash provided by financing activities was $237,500 for the year ended December 31, 2016, which consisted completely of funds advanced from related parties to facilitate operations for the period.

Other Recent Financings

During the year ended December 31, 2016, Endeavour Cooperative Partners, LLC made net advances to the Company in the aggregate amount of $237,500, in order to provide the Company with funds to carry on its operations. These advances do not bear interest, are unsecured and have no specific terms of repayment. As of December 31, 2016, the full amount of these advances totaling 333,000 was forgiven as additional contributed capital.

Future Capital Requirements

Our current available cash and cash equivalents are insufficient to satisfy our liquidity requirements. Our capital requirements for 2017 will depend on numerous factors, including management's evaluation of the timing of projects to pursue. Subject to our ability to generate revenues and cash flow from operations and our ability to raise additional capital (including through possible joint ventures and/or partnerships), we expect to incur substantial expenditures to carry out our business plan, as well as costs associated with our capital raising efforts and being a public company.

Our plans to finance our operations include seeking equity and debt financing, alliances or other partnership agreements, or other business transactions, that would generate sufficient resources to ensure continuation of our operations.

The sale of additional equity or debt securities may result in additional dilution to our shareholders. If we raise additional funds through the issuance of debt securities or preferred stock, these securities could have rights senior to those of our common stock and could contain covenants that would restrict our operations. Any such required additional capital may not be available on reasonable terms, if at all. If we were unable to obtain additional financing, we may be required to reduce the scope of, delay or eliminate some or all of our planned activities and limit our operations which could have a material adverse effect on our business, financial condition and results of operations.

Research and Development

For the years ended December 31, 2016 and 2015, we incurred expenses for research consultants and travel of $2,462 and $14,758.

Inflation

The amounts presented in our consolidated financial statements do not provide for the effect of inflation on our operations or financial position. The net operating losses shown would be greater than reported if the effects of inflation were reflected either by charging operations with amounts that represent replacement costs or by using other inflation adjustments.

Critical Accounting Estimates – Stock Based Compensation

We applied the provisions of FASB ASC 718, "Compensation – Stock Compensation," to account for our stock-based compensation. Stock-based compensation cost is measured at the grant date based on the calculated fair value of the award. We measure the fair value of each stock option grant at the date of grant using a Black-Scholes option pricing model. The weighted average grant-date fair value of options granted during 2015 was $.10. We used the following Black-Scholes assumptions in arriving at the fair value of options granted on December 22, 2015:

Expected Life In Years	5.5
Risk-free Interest Rates	.990%
Volatility	133.77%
Dividend Yield	0%

We used the following Black-Scholes assumptions in arriving at the fair value of options granted on May 25, 2016:

Expected Life In Years	2.0
Risk-free Interest Rates	1.080%
Volatility	144.64%
Dividend Yield	0%

Off-Balance Sheet Arrangements

As of December 31, 2016, we had no off-balance sheet transactions that have or are reasonably likely to have a current or future effect on our financial condition, changes in our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

ITEM 7A—QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 8 – FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

ENDURANCE EXPLORATION GROUP, INC.
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Green & Company, CPAs

A PCAOB Registered Accounting Firm

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders
Endurance Exploration Group, Inc.

We have audited the accompanying consolidated balance sheets of Endurance Exploration Group, Inc. as of December 31, 2016 and 2015, and the related consolidated statement of operations, stockholders' equity and cash flows for the years ended December 31, 2016 and 2015. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Endurance Exploration Group, Inc. as of December 31, 2016 and 2015, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As shown in the accompanying consolidated financial statements, the Company has significant net losses and cash flow deficiencies. Those conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans regarding those matters are described in Note B. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Green & Company, CPAs

Green & Company, CPAs
Temple Terrace, Florida
April 17, 2017

ENDURANCE EXPLORATION GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	December 31, 2016	December 31, 2015
ASSETS		
Current Assets		
Cash and cash equivalents	$ 2,523	$ 825
Prepaid expenses	-	350,000
Total Current Assets	2,523	350,825
Fixed Assets		
Equipment, furniture and fixtures	679,415	679,415
Accumulated depreciation	(458,285)	(355,800)
Total Fixed Assets - net	221,130	323,615
Other assets	350,000	1,100
TOTAL ASSETS	**$ 573,653**	**$ 675,540**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued expenses	$ 149,013	$ 166,912
Loans and notes payable to related parties	-	155,500
Total Current Liabilities	149,013	322,412
TOTAL LIABILITIES	149,013	322,412
Stockholders' Equity		
Preferred stock: 10,000,000 authorized, $.001 par value, 0 and 0 issued and outstanding	-	-
Common stock: 100,000,000 authorized; $0.01 par value 43,024,369 shares issued and outstanding	430,244	430,244
Additional paid in capital	6,970,876	6,520,724
Accumulated deficit	(6,976,480)	(6,597,840)
TOTAL STOCKHOLDERS' EQUITY	424,640	353,128
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$ 573,653**	**$ 675,540**

The accompanying notes are an integral part of these financial statements

ENDURANCE EXPLORATION GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Year Ended December 31, 2016	For the Year Ended December 31, 2015
Revenues	$ -	$ -
Operating Expenses		
Operations and research	51,955	698,849
Marketing and promotion	18,680	52,737
General and administrative	202,524	184,539
Depreciation	102,485	99,031
Total operating expenses	375,644	1,035,156
Net loss from operations	(375,644)	(1,035,156)
Non-operating activity		
Other income	-	63,144
Interest expense	(2,996)	(1,500)
Net loss	$ (378,640)	$ (973,512)
Basic and diluted loss per share	$ (0.01)	$ (0.02)
Weighted average number of shares outstanding	43,024,369	40,381,644

The accompanying notes are an integral part of these financial statements

ENDURANCE EXPLORATION GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Preferred Stock		Common Stock				
	Shares	Amount	Shares	Amount	Additional Paid in Capital	Accumulated (Deficit)	Total
Balances, December 31, 2014	-	$ -	36,628,860	$ 366,289	$ 5,098,470	$ (5,624,328)	$ (159,569)
Issuance of common shares for debt			1,200,000	12,000	288,000		300,000
Sale of common shares net of offering cost			2,870,000	28,700	396,132		424,832
Issuance of common shares for services			2,325,509	23,255	558,122		581,377
Options issued as stock issuance costs					180,000		180,000
Net loss for the year ended December 31, 2015						(973,512)	(973,512)
Balances, December 31, 2015	-	$ -	43,024,369	$ 430,244	$ 6,520,724	$ (6,597,840)	$ 353,128
Contributed capital from related party debt forgiveness					406,598		406,598
Issuance of options for services					43,554		43,554
Net loss for the year ended December 31, 2016						(378,640)	(378,640)
Balances, December 31, 2016	-	$ -	43,024,369	$ 430,244	$ 6,970,876	$ (6,976,480)	$ 424,640

The accompanying notes are an integral part of these financial statements

ENDURANCE EXPLORATION GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Year Ended December 31, 2016	For the Year Ended December 31, 2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (378,640)	$ (973,512)
Adjustments to reconcile net loss to net cash used by operating activities		
Depreciation expense	102,485	99,031
Stock based compensation	43,554	581,377
Gain on cancelation of debt	-	(63,144)
Changes in operating assets and liabilities:		
Prepaid expenses	-	(350,000)
Other assets	1,100	-
Accounts payable and accrued expenses	(4,301)	42,135
Net Cash Used by Operating Activities	(235,802)	(664,113)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions of equipment	-	(54,944)
Net Cash Used by Investing Activities	-	(54,944)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Sale of Stock	-	717,500
Offering costs	-	(112,668)
Advances from related parties - net	237,500	114,000
Net Cash Provided by Financing Activates	237,500	718,832
Net increase (decrease) in cash and cash equivalents	1,698	(225)
Cash and cash equivalents, beginning of period	825	1,050
Cash and cash equivalents, end of period	$ 2,523	$ 825
Cash paid for Interest	$ -	$ -
Cash paid for taxes	$ -	$ -

Supplemental schedule of non-cash financing and investing activities:

- February 2015 – issued 1,200,000 common shares as satisfaction of $300,000 or related party debt
- May 2015 – issued 2,000,000 common shares as prepaid salvage expense of $500,000
- May 2016 – issued 250,000 options to purchase common shares, valued at $43,554
- December 2016 – related parties forgave debt of $393,000 and accrued interest of $13,598 for a total of $406,598 which has been treated as a capital contribution

The accompanying notes are an integral part of these financial statements

ENDURANCE EXPLORATION GROUP, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the accompanying consolidated financial statements follows.

Description of Business

Endurance Exploration Group, Inc. (formerly Tecton Corporation) (the "Company") was incorporated under the laws of the State of Nevada on January 19, 2006, as a wholly-owned subsidiary of Hemis Corporation. On December 1, 2006 Hemis declared a dividend of Tecton shares to all shareholders as of that date and concurrently cancelled its share ownership in the Company. The effect of this dividend declaration and share cancellation was that Tecton was spun off as an independent company.

On November 8, 2013, the Board of Directors approved a change of the Company's fiscal year from January 31, to December 31.

On December 31, 2013 the Company acquired 100% of the membership interests of Endurance Exploration Group LLC, a Florida Limited Liability Company, in exchange for 20,550,539 shares of the Company's Common Stock being issued to the former members. Endurance Exploration Group LLC is now a wholly owned subsidiary with its operations being the Company's primary focus.

Endurance Exploration Group LLC – is engaged in the archaeologically sensitive exploration and recovery of deep-ocean shipwrecks throughout the world. We intend to recover bullion precious metals, numismatic-grade coinage, high-value non-ferrous metals and other valuable cargos from both historic and modern shipwrecks.

On January 2, 2014 the Company changed its name to Endurance Exploration Group, Inc.

Our corporate headquarters are located in Clearwater, Florida.

Principles of consolidation and basis of presentation

These consolidated financial statements include the assets and liabilities of Endurance Exploration Group, Inc. (formerly Tecton Corporation) and its subsidiaries as of December 31, 2016.

All material intercompany transactions have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Company has evaluated subsequent events through the filing of this Form 10-K, to assess the need for potential recognition or disclosure in this report. Based upon this evaluation, management determined that all subsequent events that require recognition in the financial statements have been included.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Company considers all highly liquid debt instruments purchased with a maturity date of three months or less to be cash equivalents.

Fixed Assets

Fixed assets are stated at historical cost. Depreciation is provided using the straight-line method at rates based on the assets' estimated useful lives which are normally between three and ten years. When retired or otherwise disposed, the related carrying value and accumulated depreciation are removed from the respective accounts and the net difference less any amount realized from disposition, is reflected in earnings. Leasehold improvements are amortized over their estimated useful lives or lease term, if shorter. Equipment and Major overhaul items (such as engines or generators) that enhance or extend the useful life of vessel related assets qualify to be capitalized and depreciated over the useful life or remaining life of that asset, whichever is shorter. Certain major repair items required by industry standards to ensure a vessel's seaworthiness also qualify to be capitalized and depreciated over the period of time until the next scheduled planned major maintenance for that item. All other repairs and maintenance are accounted for under the direct-expensing method and are expensed when incurred.

Impairment of Long-Lived Assets

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Fair value is determined based on discounted cash flows or appraised values, depending on the nature of the assets. As of December 31, 2016 and 2015, there were no impairment losses recognized for long-lived assets.

Income Taxes

The Company uses the liability method to record income tax activity. Deferred taxes are determined based upon the estimated future tax effects of differences between the financial reporting and tax reporting bases of assets and liabilities given the provisions of currently enacted tax laws.

The accounting for uncertainty in income taxes recognized in an enterprise's financial statements uses the threshold of more-likely-than-not to be sustained upon examination for inclusion or exclusion. Measurement of the tax uncertainty occurs if the recognition threshold has been met.

Net Earnings (Losses) Per Common Share

The Company computes earnings (loss) per share by dividing net earnings (loss) by the weighted average number of shares of common stock and dilutive common stock equivalents outstanding during the year. Dilutive common stock equivalents may consist of shares issuable upon conversion of convertible preferred shares and the exercise of the Company's stock options (calculated using the treasury stock method). As of December 31, 2016, there were 5,824,000 common stock equivalents that were anti-dilutive and were not included in the calculation. Common stock issuable is considered outstanding as of the original approval date for purposes of earnings per share computations.

Fair Value of Financial Instruments

The fair value of financial instruments, which include cash, loans receivable, accounts payable and accrued expenses and advances from related parties were estimated to approximate their carrying values due to the immediate or short-term maturity of these financial instruments. Management is of the opinion that the Company is not exposed to significant interest, currency or credit risks arising from financial instruments.

Comprehensive Income

The Company records comprehensive income as the change in equity of a business during a period from transactions and other events and circumstances from non-owner sources. It includes all changes in equity during a period except those resulting from investments by owners and distributions to owners. Other comprehensive income (loss) includes foreign currency translation adjustments and unrealized gains and losses on available-for-sale securities. As of December 31, 2016, the Company had no items that represent comprehensive loss and, therefore, has not included a schedule of comprehensive loss in the financial statements.

Stock Based Compensation

Stock based compensation costs are measured at fair value on date of grant and recognition of compensation over the service period for awards expected to vest. The Company determines the fair value of awards using the Black - Scholes valuation model.

New Accounting Pronouncements

The Company reviews new accounting standards as issued. No new standards had any material effect on these financial statements. The accounting pronouncements issued subsequent to the date of these financial statements that were considered significant by management were evaluated for the potential effect on these consolidated financial statements. Management does not believe any of the subsequent pronouncements will have a material effect on these consolidated financial statements as presented and does not anticipate the need for any future restatement of these consolidated financial statements because of the retro-active application of any accounting pronouncements issued subsequent to December 31, 2016 through the date these financial statements were issued.

NOTE B – GOING CONCERN MATTERS

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. As shown in the accompanying financial statements for the period January 19, 2006 (date of inception) to December 31, 2016, the Company incurred losses of $6,976,480. The Company has minimal liquid assets. These factors, among others, indicate that the Company will be unable to continue as a going concern for a reasonable period of time.

The Company’s existence is dependent upon management’s ability to develop profitable operations and resolve its liquidity problems. The accompanying financial statements do not include any adjustments that might result should the Company be unable to continue as a going concern.

NOTE C – ACQUISITION OF ENDURANCE EXPLORATION GROUP LLC MEMBERSHIP INTERESTS

On December 31, 2013 the Company acquired 100% of the membership interests of Endurance Exploration Group LLC, a Florida Limited Liability Company by issuing 20,550,539 shares of its common stock.

The majority shareholders of Endurance Exploration Group, Inc. (formerly Tecton Corporation) also held a majority interest in Endurance Exploration Group LLC, and maintained controlling interests in both entities both before and after the transaction. Accordingly, the acquisition has been accounted for as a corporate re-organization because of the common control. The book value of Endurance Exploration Group LLC at the time of the acquisition was as follows:

Cash	$	1,940
Fixed assets - net		448,980
Other assets		3,805
Total assets	$	454,725
Accounts payable assumed	$	8,927
Accrued expenses assumed		4,625
Shareholder loans assumed		60,000
Equity acquired		381,173
Total liabilities and equity	$	454,725

NOTE D – PREPAID EXPENSES

On May 15, 2015, the Company entered into an agreement with Eclipse Group, Inc., a related party, to provide services, equipment and/or personnel in support of anticipated Endurance salvage projects, to inspect and recover one or more shipwreck cargoes located by Endurance. The Company issued 2,000,000 common shares at $.25 per share with a value of $500,000. These shares represent a prepayment for Eclipse services pursuant to a schedule of agreed upon costs and rates. Eclipse will invoice the Company on a monthly basis as services are rendered. During the year ended December 31, 2015, Eclipse rendered $150,000 of the services outlined in this agreement. As of December 31, 2016, the Company has not received any additional invoices for services outlined in this agreement, and consequently the remaining balance of $350,000 is included in other assets.

NOTE E – FIXED ASSETS

Fixed assets consist of the following at December 31, 2015 and 2014:

	December 31, 2016		December 31, 2015	
Vessels and equipment	$	665,323	$	665,323
Computers and peripherals		14,092		14,092
		679,415		679,415
Less: Accumulated depreciation		(458,285)		(355,800)
Fixed Assets - net	$	221,130	$	323,615

Depreciation expense was $102,485 and $99,031 for the years ended December 31, 2016 and 2015 respectively.

NOTE F – ADVANCES FROM RELATED PARTIES AND RELATED PARTY TRANSACTIONS

Loans and notes payable to related parties at December 31, 2016 and 2015 as detailed below are summarized as follows:

	December 31, 2016	December 31, 2015
Notes payable – related parties	$ -	$ 60,000
Advances from related parties	-	95,500
	$ -	$ 155,500

On December 31, 2013, the Company completed the purchase of 100% of the membership interests of Endurance Exploration Group, LLC ("Endurance LLC"), from its members, Micah Eldred and Carl Dilley, in exchange for 20,550,539 shares of the Company's common stock, valued at $0.0186 per share, based upon the net book value of the assets of Endurance LLC, $381,173 as of December 31, 2013.

On December 31, 2013, as a consequence of acquiring the membership interests of Endurance LLC, the Company assumed a liability of Endurance LLC to Micah Eldred under a demand promissory note, dated June 19, 2012, in the original principal amount of $60,000, bearing interest at 5%. As of December 31, 2016, the full balance of the note plus accrued interest, totaling $73,598 was forgiven by Micah Eldred as additional contributed capital.

The Company has entered into a contract with Island Capital Management LLC, which is owned and controlled by Micah Eldred and Carl Dilley, to serve as its transfer agent. It did not charge the Company for its services during the years ended December 31, 2016 or 2015.

The Company has entered into a contract with Proxy & Printing, LLC, which is owned and controlled by Micah Eldred and Carl Dilley, to provide the Company with EDGAR, XBRL and Proxy services relating to its filings with the SEC. It did not charge the Company for its services during the years ended December 31, 2016 or 2015.

On April 7, 2014, the Company entered into a Debt Conversion Agreement with Endeavour relating to the conversion of indebtedness to Endeavour in the amount of $35,000. This amount represents advances received from Endeavour during 2014 and constitutes the balance of the related party debt payable to Endeavour as of that date. The terms of the agreement allowed for Endeavour to convert this debt into common stock at $0.25 per share. Endeavour converted all of such debt into shares, as a result of which the Company issued 140,000 shares to Endeavour.

On April 7, 2014, the Company entered into a Debt Conversion Agreement with Island, a company owned and controlled by Endeavour, relating to the conversion of indebtedness to Island in the amount of $70,000. This amount represents advances received from Island during 2014 and constitutes the balance of the related party debt payable to Island as of that date. The terms of the agreement allowed for Island to convert this debt into common stock at $0.25 per share. Island converted all of such debt into shares, as a result of which the Company issued 280,000 shares to Island.

On June 23, 2014, the Company entered into a contract with Eclipse Group Inc. ("Eclipse") for Eclipse to provide personnel and services to the Company in connection with the operation and monitoring of a remotely operated vehicle ("ROV") in connection with our investigation of a suspected shipwreck located off the coast of New England. Steven Saint Amour, who serves as a member of the Company's Board of Directors, and Joan Saint Amour are the principal shareholders and officers of Eclipse. The contract provides that Eclipse will provide 2 people, including Mr. Saint Amour, for approximately four 12-hour days to operate and monitor the ROV, which will be provided by the Company. The Company will issue 100,000 shares of common stock to Mr. Saint Amour, with an agreed value of $25,000, under the contract, and reimburse Eclipse in cash for its cost for the second ROV technician. The Company will also pay Eclipse in cash its cost plus 15% for all third party costs incurred by Eclipse, and provide Mr. Saint Amour and the second technician with food and lodging during the assignment.

On September 3, 2014, the Company entered into a contract with Overseas Marine Vessel Corp, LLC ("OMVC") pursuant to which it will provide the Marine Vessel Manisee in support of an estimated 10-day mission to investigate, identify and recovery artifacts from one or more shipwrecks located in our search area off the coast of New England. We will reimburse OMVC in cash for all its out-of-pocket expenses only, including but not limited to, mooring, food, fuel, normal maintenance, satellite communications and crew costs. Toni Eldred, the spouse of Micah Eldred, is a fifty percent owner of OMVC, and Micah Eldred is the co-manager of OMVC.

On February 12, 2015, the Company entered into a Debt Conversion Agreement with Endeavour Cooperative Partners, LLC ("Endeavour") relating to the conversion of indebtedness to Endeavour in the amount of $85,000. This amount represents the related party debt payable to Endeavour as of that date. The terms of the agreement allowed for Endeavour to convert this debt into common stock at $0.25 per share. Endeavour converted all of such debt into shares, as a result of which we issued 340,000 shares to Endeavour.

On February 12, 2015, the Company entered into a Debt Conversion Agreement with Micah Eldred relating to the conversion of indebtedness to Micah Eldred in the amount of $143,333. This amount represents the related party debt payable to Micah Eldred as of that date. The terms of the agreement allowed for Micah Eldred to convert this debt into common stock at $0.25 per share. Micah Eldred converted all of such debt into shares, as a result of which we issued 573,333 shares to Micah Eldred.

On February 12, 2015, the Company entered into a Debt Conversion Agreement with Carl & Heather Dilley relating to the conversion of indebtedness to Carl & Heather Dilley in the amount of $45,867 and $25,800 respectively. This amount represents the related party debt payable to Carl & Heather Dilley as of that date. The terms of the agreement allowed for Carl & Heather Dilley to convert this debt into common stock at $0.25 per share. Carl & Heather Dilley converted all of such debt into shares, as a result of which we issued 183,467 and 103,200 shares to Carl & Heather Dilley respectively.

During the year ended December 31, 2016, Endeavour Cooperative Partners, LLC made net advances to the Company in the aggregate amount of $237,500, in order to provide the Company with funds to carry on its operations. These advances do not bear interest, are unsecured and have no specific terms of repayment. As of December 31, 2016, the full amount of these advances totaling 333,000 was forgiven as additional contributed capital.

NOTE G – PREFERRED AND COMMON STOCK TRANSACTIONS AND REVERSE SPLIT

On February 12, 2015, the Company entered into a Debt Conversion Agreement with Endeavour Cooperative Partners, LLC ("Endeavour") relating to the conversion of indebtedness to Endeavour in the amount of $85,000. This amount represents the related party debt payable to Endeavour as of that date. The terms of the agreement allowed for Endeavour to convert this debt into common stock at $0.25 per share. Endeavour converted all of such debt into shares, as a result of which we issued 340,000 shares to Endeavour.

On February 12, 2015, the Company entered into a Debt Conversion Agreement with Micah Eldred relating to the conversion of indebtedness to Micah Eldred in the amount of $143,333. This amount represents the related party debt payable to Micah Eldred as of that date. The terms of the agreement allowed for Micah Eldred to convert this debt into common stock at $0.25 per share. Micah Eldred converted all of such debt into shares, as a result of which we issued 573,333 shares to Micah Eldred.

On February 12, 2015, the Company entered into a Debt Conversion Agreement with Carl & Heather Dilley relating to the conversion of indebtedness to Carl & Heather Dilley in the amount of $45,867 and $25,800 respectively. This amount represents the related party debt payable to Carl & Heather Dilley as of that date. The terms of the agreement allowed for Carl & Heather Dilley to convert this debt into common stock at $0.25 per share. Carl & Heather Dilley converted all of such debt into shares, as a result of which we issued 183,467 and 103,200 shares to Carl & Heather Dilley respectively.

During April 2015, the Company issued 600,000 common shares at $.25 per share to non-affiliated investors in fulfillment of stock subscriptions received.

During May 2015, the Company issued 200,000 common shares at $.25 per share to non-affiliated investors in fulfillment of stock subscriptions received.

On May 15, 2015, the Company issued 2,000,000 common shares to Eclipse Group, Inc. at $.25 per share as prepayment for certain salvage services pursuant to an agreement entered into on the same date. Steven Saint Amour, who serves as a member of our Board of Directors, and Joan Saint Amour are the principal shareholders and officers of Eclipse.

On June 29, 2015, the Company issued 8,184 common shares at $.25 per share for services.

During July 2015, the Company issued 200,000 common shares at $.25 per share to non-affiliated investors in fulfillment of stock subscriptions received.

During August 2015, the Company issued 1,670,000 common shares at $.25 per share to non-affiliated investors in fulfillment of stock subscriptions received.

During September 2015, the Company issued 200,000 common shares at $.25 per share to non-affiliated investors in fulfillment of stock subscriptions received.

On September 30, 2015, the Company issued 167,725 common shares at $.25 per share for services.

During November 2015, the Company issued 149,600 common shares at $.25 per share for services.

On May 25, 2016, the Company issued a three-year option to purchase 250,000 common shares at an exercise price of $0.25 per share.

NOTE H – WARRANTS AND OPTIONS

As of December 31, 2016, the Company had outstanding non-qualified options to purchase 5,824,000 shares of our common stock at any time prior to their expiration dates with an exercise price of $0.25 per share.

The following table represents stock option activity as of and for the year ended December 31, 2016:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value
Options Outstanding - January 1, 2016	5,574,000	$ 0.25	1.0 years	$ 0.10
Granted / Vested	250,000	0.25	3.0 years	-
Exercised	-			
Forfeited/expired/cancelled	-			
Options Outstanding – December 31, 2016	5,824,000	$ 0.25	2.0 years	$ 0.05
Outstanding Exercisable – January 1, 2016	5,574,000	$ 0.25	1.0 years	$ 0.10
Outstanding Exercisable – December 31, 2016	5,824,000	$ 0.25	2.0 years	$ 0.10

NOTE I – INCOME TAXES

Potential benefits of income tax losses are not recognized in the accounts until realization is more likely than not. The Company has net operating losses of $6,932,926 since inception on January 19, 2006. The Company computes tax asset benefits for net operating losses carried forward. Potential benefit of net operating losses have not been recognized in these financial statements because the Company cannot be assured it is more likely than not it will utilize the net operating losses carried forward in future years. The net operating loss will start to expire in the year ended January 31, 2026. Due to discontinuing operation in June 2008 and the change in ownership, restrictions may apply.

The components of the net deferred tax asset at December 31, 2015 and December 31, 2014 and the statutory tax rate, the effective tax rate and the elected amount of the valuation allowance are indicated below:

	December 31, 2016	December 31, 2015
Net Operating Losses	$ 6,976,480	$ 6,597,840
Statutory Tax Rate	35%	35%
Effective Tax Rate	-	-
Deferred Tax Asset	2,441,768	2,309,244
Valuation Allowance	(2,441,768)	(2,309,244)
Net Deferred Tax Asset	$ -	$ -

The tax years ended December 31, 2013, 2014 and 2015 are open for audit by both federal and state taxing authorities.

NOTE J – SUBSEQUENT EVENTS

Effective January 9, 2017, Endurance Exploration Group, Inc. (“EXPL”) through a newly formed, wholly owned subsidiary, EXPL SWORDFISH, LLC, has entered into a joint-venture agreement (“Agreement”)) with Deep Blue Exploration, LLC, dba Marex (“Marex”), a company controlled by veteran salvor, Hebert (“Herbo”) Humphreys.

Pursuant to the Agreement, Marex has agreed to contribute to the joint venture certain shipwreck research files, sonar and other subsea survey data, navigational data, artifacts, and assistance relating to a number of shipwreck and suspected shipwreck targets located in international waters off the Southeast coast of the United States. EXPL has agreed to further survey and inspect the shipwreck and suspected shipwreck targets, and if deemed appropriate, take actions necessary to salvage the shipwreck targets.

The economic terms of the Agreement call for EXPL to provide the funding for the further inspection, salvage and operations of the joint venture. Any revenues from the JV will be split 90% first to EXPL and 10% to Marex until EXPL receives 2 times its costs and investments returned, and then a 50% split to both EXPL and Marex respectively.

The joint venture is expected to terminate in two years, unless extended by mutual agreement between the parties.

ITEM 9 — CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There have been no disagreements on accounting and financial disclosures from the inception of our company through the date of this Report. Our audited consolidated financial statements have been included in this annual report in reliance upon Green & Company, CPAs, Independent Registered Public Accounting Firm, as experts in accounting and auditing.

ITEM 9A — CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our principal executive officer and the principal financial officer (our president), we have conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities and Exchange Act of 1934, as of the end of the period covered by this report. Based on this evaluation, our principal executive officer and principal financial officer concluded as of the evaluation date that our disclosure controls and procedures were not effective.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act.

Internal control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of its management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Management recognizes that there are inherent limitations in the effectiveness of any system of internal control, and accordingly, even effective internal control can provide only reasonable assurance with respect to financial statement preparation and may not prevent or detect material misstatements. In addition, effective internal control at a point in time may become ineffective in future periods because of changes in conditions or due to deterioration in the degree of compliance with our established policies and procedures.

Under the supervision and with the participation of our president, management conducted an evaluation of the effectiveness of our internal control over financial reporting, as of December 31, 2016, based on the framework set forth in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on our evaluation under this framework, management concluded that our internal control over financial reporting was not effective as of the evaluation date.

The following material weaknesses were noted:

1. We have no audit committee and none of our Directors were considered independent.
2. We have no financial expert on our Board of Directors who is able to detect a material misstatement.

Changes in Internal Controls over Financial Reporting

We have adopted a Code of Ethics for Directors, Officers, Employees and Contractors. A copy of these codes will be made available upon request from our corporate office.

We believe that the current members of our Board of Directors and the professional consulting relationships we have established over the last year provide us with the resources to properly review and determine financial impacts of contracts and agreements.

Management is in the process of establishing the necessary controls over financial reporting to address the above material weaknesses. There were no other changes in our internal control over financial reporting that occurred during the last fiscal quarter for our fiscal year ended December 31, 2016, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART III

ITEM 10 - DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Set forth below is the name, age and present principal occupation or employment, and material occupations, positions, offices or employments for the past five years of our current directors and executive officers:

Officers and Directors

Name	Age	Position
Micah Eldred	48	Director, President, Chief Executive Officer
Carl Dilley	61	Director and Vice President
Christine Zitman	48	Director, Chief Financial Officer, Secretary and Treasurer
Guy M. Zajonc	63	Director
Steve Saint Amour	51	Director
Ermanno Santilli	47	Director

Background of Executive Officers and Directors

Micah Eldred was appointed as Director, President, Chief Executive Officer, Secretary, Chief Financial Officer, and Treasurer on February 7, 2011. Mr. Eldred stepped down as Secretary, Chief Financial Officer and Treasurer in January 2013, when Christine Zitman was appointed to those positions. Mr. Eldred was appointed as Chairman of the Board in January 2013. Mr. Eldred has served as Chief Executive Officer ("CEO") of Endeavour Cooperative Partners, LLC, and its subsidiaries, Spartan Securities Group, Ltd., Island Capital Management, LLC, and Endeavour Insurance Partners, LLC, for over ten years. Island Stock Transfer, a division of Island Capital Management LLC, is our transfer agent. Mr. Eldred holds FINRA Series 24, 66, and 7 securities licenses and performs retail, investment banking and new listing services functions for Spartan. Mr. Eldred was a co-founder of Endurance Exploration Group, LLC.

Carl Dilley has served as a Director since January 2013, and was appointed as Vice President in January 2013. Mr. Dilley has served as president of Island Stock Transfer, a division of Island Capital Management, LLC, from 2003 to present and acts as senior executive officer responsible for oversight of day to day operations and is actively involved in the sales and marketing process. Island Stock Transfer is our transfer agent. He is also an employee of Spartan Securities Group and holds FINRA Series 24, 66, and 7 securities licenses and performs retail, investment banking and new listing services functions for Spartan. He is also president of Vacation Travel Corp, which operates an on-line travel agency and tour operations situated in Costa Rica and Panama. Carl Dilley was a co-founder of Endurance Exploration Group, LLC.

Christine Zitman has served as a Director, our Chief Financial Officer and Secretary/Treasurer since January 2013. Ms. Zitman has served as Chief Financial Officer of Endeavour Cooperative Partners, LLC and its subsidiaries since joining the company in March of 2006. Christine is responsible for oversight of day to day financial operations including but not limited to providing timely, accurate, and compliant financial data. She is responsible for all financial reporting functions of Endeavour and its subsidiaries. She is also involved in the marketing process to increase our client base of our affiliated financial services companies. Christine received a Bachelor of Science in Accounting from St Francis College in New York City in 1994.

Guy M. Zajonc has served as a Director since January 2014. He is currently President and CEO of Five by Five Media, Inc. (2008 to present). He served as Senior Manager and General Counsel to Odyssey Marine Exploration, Inc. (2003 to 2006). At Odyssey, he helped manage marine operations, helped build the research department, located and hired the researchers that were directly responsible for the location of the Mercedes, HMS Victory and the Gairsoppa. A graduate of Gonzaga University Law School and a member of the Washington State Bar since 1978, (retired 2010) Mr. Zajonc has participated in a number deep and shallow water projects since 1995, some of which are listed below:

1. Japanese Submarine I-52. The I-52 was sunk in the Atlantic Ocean in 1944 with 64,000 troy ounces of gold onboard. At 17,200 feet, the I-52 is the deepest shipwreck ever discovered and visited by humans. Mr. Zajonc was project manager and shareholder, and participated in the manned investigation of the wreck site. The project used the Russian Academy of Science's deep submersible program to film and photograph the site in 1998 for National Geographic TV and magazine.
2. Titanic. Mr. Zajonc dove to the Titanic in September 2000 as part of a mission conducted by Deep Ocean Expedition where he served as General Counsel and Project Manager.
3. Amelia's Earhart's Final Flight. As a principal in Howland Landing, LLC and co-coordinator of the project, Mr. Zajonc helped organize the first ever deep-water search for the lost airplane of Amelia Earhart off Howland Island in the Central Pacific. The mission mapped over 600 square miles in water up to 18,000 feet deep.
4. Battleship Bismarck. For Deep Ocean Expeditions, Mr. Zajonc helped organize the first manned dives on the Battleship Bismarck in 2001 and was part of the expedition.
5. The Atlantic Target. In 2001, Mr. Zajonc was part owner and a team member on the 16,000 foot discovery dive to the unidentified ship known as the Atlantic Target. Over 1,500 gold and silver coins and 65 artifacts were recovered from the deepest historic shipwreck ever excavated, a small merchant vessel that sank south of Bermuda some two hundred years ago.
6. SS Republic. In August 2003 Mr. Zajonc joined Odyssey Marine Exploration, Inc.'s senior management team as General Counsel and was initially responsible for onshore support of Marine Operations. In November 2003 gold was discovered on the wreck of the SS Republic in 1,600 feet of water. Over 51,000 gold and silver coins and 13,000 artifacts have been recovered with an estimated value of $75 million USD.
7. Washington Coast Dives. In 2006, Mr. Zajonc undertook manned submersible dives and 3-D filming off the coast of Washington State in partnership with Lightspeed Design Group of Seattle, using Nuytco Research, Ltd. submersibles that resulted in the 3-D, high definition documentary film Dive! Manned Submersibles and the New Explorers.

In addition to his work with technical experts, Mr. Zajonc has also worked with cinematographers from around the world during expeditions, including Emmy Award winner Mark Stouffer with National Geographic and IMAX film director and producer Stephen Low. He also met and drafted the ship charter agreements for James Cameron on his trips to Titanic for the IMAX movie "Ghosts of the Abyss", and the Bismarck for the high-definition television production "Jim Cameron's Expedition Bismarck" for Discovery Channel.

Steve Saint Amour has served as a Director since January 2014. He has been involved in the subsea industry for over 28 years and is recognized as an authority in the field of aviation and marine casualty investigations. He is an active member of the International Society of Air Safety Investigators (ISASI) and the Society of Naval Architects and Marine Engineers (SNAME) and routinely writes articles and conducts seminars on behalf of these and other professional organizations.

In 2009, Mr. Saint Amour and his wife, Joan Saint Amour, co-founded Eclipse Group Inc. (EGI). EGI is a marine operations service provider based in Annapolis, Maryland and provides turnkey subsea technical solutions to both commercial and government customers worldwide. EGI holds several multi-year contracts and subcontracts with the U.S. Navy, National Oceanographic Atmospheric Agency (NOAA) and several international commercial companies based both in the U.S. and abroad.

In 1999, Mr. Saint Amour accepted the position of Remote Operated Vehicle (ROV) Operations and Sales Manager at Phoenix International, Inc., an underwater services company based in Crystal City, VA.

Mr. Saint Amour was tasked with establishment of Phoenix International's deep-water ROV division whose accomplishments were instrumental in Phoenix award of the U.S. Navy's worldwide search and recovery contract in 2001.

While at Phoenix, Mr. Saint Amour initiated, and managed the design, engineering, build and operation of nine ROV systems including Phoenix's Remora, Medusa and XBot ROV systems. These systems routinely conducted operations worldwide for search and recovery, telecommunications, oil and gas, science and film projects.

These systems were built to operate in 6,000 meters water depth and have attained an impressive track record of high profile operations over the last eleven years, including:

2012 – Search and Recovery of a Turkish AF F-4	
2011 – Search and Recovery of Air France AB 330 Flight 447	Depth 3,900 meters
2011 – Inspection of the RMS TITANIC	Depth 3,700 meters
2010 – Search and Inspection of the AHS CENTUAR	Depth 1,200 meters
2010 – Search and Recovery of a USN E2-C Hawkeye	Depth 3,500 meters
2007 – Search and Recovery of Adam Air Flight 547 Boeing 737	Depth 1,400 meters
2009 – Search and Recovery of Yemeni Flight 626 Airbus 310	Depth 1,200 meters
2005 – Search and Recovery of Tuninter Flight 1153 ATR – 72	Depth 1,450 meters
2005 – Artifact Collection, RMS Titanic	Depth 3,700 meters
2004 – Search for JAMSTECH H-2 Rocket engine	Depth 5,900 meters
2003 – Search and Recovery of a USN F-14 Tomcat	Depth 3,200 meters
2003 – Search and Recovery of a USN SH-60 Helicopter	Depth 2,900 meters
2001 – Inspection of the RMS TITANIC	Depth 3,700 meters
2000 - Recovery of the INS/DAKAR forward sail section	Depth 3,000 meters
2000 – Search and Recovery of a Israeli AF F-16	Depth 1,400 meters
2000 – Search and Recovery for JAMS TECH-2 Rocket engine	Depth 3,400 meters
1999 – Discovery of the Israeli Submarine INS DAKAR	Depth 3,000 meters

Mr. Saint Amour's group at Phoenix was called upon to create innovative ROV systems for unique applications including feature film projects. The Medusa and XBot ROVs have been seen in several IMAX documentaries and TV Specials. Examples include:

"Ghosts of the Abyss" produced by IMAX and directed by James Cameron.

"Last Mysteries of the Titanic" produced by Discovery Channel and directed by James Cameron.

"Search for the USS Indianapolis" produced by Discovery Channel.

"USS Monitor" produced by the History Channel.

Over a 14-year period, Mr. Saint Amour was a voting shareholder and served on the Board of Directors of Phoenix International Inc. In 2007, Mr. Saint Amour sold his ownership interest of Phoenix International Holdings, Inc. to an Employee Stock Ownership Program (ESOP).

Mr. Saint Amour has worked in virtually every aspect of the subsea industry as a commercial diver, ROV technician, pilot and project manager for various major diving and ROV service providers including Taylor Diving, Subsea, Inc. Sonsub, Inc. Eastport International, Inc. and Oceaneering Technologies, a division of Oceaneering International, Inc.

Ermanno Santilli was appointed as Director on April 29, 2016. He has been the Chief Executive Officer of MagneGas (NASDAQ:MNGA) Corporation since June 15, 2012 and served as its Interim President from June 10, 2013 until April 19, 2016. Mr. Santilli served as an Executive Vice President of International Relations at MagneGas Corporation since March 2009 until June 15, 2012. Mr. Santilli oversees all international business development, including customer acquisition, marketing, public relations, contract negotiation and distributor relationship management. Mr. Santilli was employed by Ingersoll Rand Company from March 2008 to April 2009, he served as Vice President of Climate Control Business, Global Rail and Aftermarket. He managed sales, business development, product management, and warehousing and dealer development with indirect procurement, manufacturing and engineering. Mr. Santilli also drove development of new business and rail markets in Australia and India. From March 2006 to February 2008, Mr. Santilli served as Vice-President of Climate Control Aftermarket EMEA at Ingersoll Rand Company. He was responsible for business development, product management, warehousing, procurement, engineering and dealer development with indirect sales. From December 2003 to February 2006, Mr. Santilli served as Vice-President of Customer Relations for Climate Control EMEA at Ingersoll Rand Company. He had operational responsibility for customer satisfaction for customers with total sales aggregating over 1 billion dollars. He served as the Chairman of the Board at MagneGas Corporation and has been its Director since June 21, 2012. Mr. Santilli earned an MBA from Indiana University in 2007 and a B.S. degree in Operations and Strategic Management from Boston College in 1991. Current appointments: CEO & President MagneGas Corp (NASDAQ: MNGA), Executive Advisor QFactory33, Board Advisor Guardian Angels Catholic School and Board Advisor Posimoto Changing Faces.

Term of Office

Our directors are appointed for one year terms to hold office until the next annual meeting of our shareholders or until removed from office in accordance with our bylaws. Our executive officers are appointed by our Board of Directors and hold office pursuant to employment agreements or until removed by the Board.

Family Relationships

There are no family relationships between or among the directors or executive officers.

Director Independence

The Board had no independent Directors during 2016.

Involvement in Certain Legal Proceedings

During the past ten years there are no events that occurred related to an involvement in legal proceedings that are material to an evaluation of the ability or integrity of any of our directors, persons nominated to become directors or executive officers.

Code of Ethics

We have adopted a Code of Ethics within the meaning of Item 406(b) of Regulation S-K of the Securities Exchange Act of 1934. The Code of Ethics applies to directors and senior officers, such as the principal executive officer, principal financial officer, controller, and persons performing similar functions.

Nominations for Directors

We do not have a nominating committee. The Board of Directors, sitting as a Board, selects individuals to stand for election as members of the Board. Since the Board of Directors does not include a majority of independent directors, the decision of the Board as to director nominees is made by persons who have an interest in the outcome of the determination. The Board will consider candidates for directors proposed by security holders, although no formal procedures for submitting candidates have been adopted. Unless otherwise determined, not less than 90 days prior to the next annual Board of Directors' meeting at which the slate of Board nominees is adopted, the Board will accept written submissions of proposed nominees that include the name, address and telephone number of the proposed nominee; a brief statement of the nominee's qualifications to serve as a director; and a statement as to why the shareholder submitting the proposed nominee believes that the nomination would be in the best interests of shareholders. If the proposed nominee is not the same person as the shareholder submitting the name of the nominee, a letter from the nominee agreeing to the submission of his or her name for consideration should be provided at the time of submission. The letter should be accompanied by a résumé supporting the nominee's qualifications to serve on the Board of Directors, as well as a list of references.

The Board identifies director nominees through a combination of referrals from different people, including management, existing Board members and security holders. Once a candidate has been identified, the Board reviews the individual's experience and background and may discuss the proposed nominee with the source of the recommendation. If the Board believes it to be appropriate, Board members may meet with the proposed nominee before making a final determination whether to include the proposed nominee as a member of management's slate of director nominees submitted to shareholders for election to the Board.

Among the factors that the Board considers when evaluating proposed nominees are their knowledge of, and experience in business matters, finance, capital markets and mergers and acquisitions. The Board may request additional information from the candidate prior to reaching a determination. The Board is under no obligation to formally respond to all recommendations, although as a matter of practice, it will endeavor to do so.

Audit Committee

The functions of an audit committee are currently carried out by our Board of Directors. Our Board of Directors has determined that we do not have an audit committee financial expert on our Board of Directors. The Board of Directors has determined that the cost of hiring a financial expert to act as a Director and to be a member of an audit committee or otherwise perform audit committee functions outweighs the benefits of having a financial expert.

Section 16(a) Beneficial Ownership Compliance Reporting

Section 16(a) of the Securities Exchange Act of 1934 (the "Exchange Act") requires our officers and directors, as well as those persons who own more than 10% of our common stock, to file reports of ownership and changes in ownership with the SEC. These persons are required by SEC rule to furnish us with copies of all Section 16(a) forms they file.

Based solely on a review of copies of reports filed with the SEC and submitted to us and on written representations by certain of our directors and executive officers, we believe that all of our directors and executive officers complied on a timely basis during the fiscal year ended December 31, 2016 with the reporting requirements of Section 16(a) of the Exchange Act.

ITEM 11- EXECUTIVE COMPENSATION

The following table sets forth information concerning the annual and long-term compensation of our President and Chief Executive Officer, our Treasurer, and the three most highly compensated executive officers who served at the end of the fiscal years December 31, 2016 and 2015. The listed individuals shall be hereinafter referred to as the "Named Executive Officers."

Summary Compensation

Name and principal position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)[1]	Non-Equity Incentive Plan Compensation ($)	Non-Qualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Micah Eldred President and CEO	2016	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
	2015	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Carl Dilley Vice President	2016	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
	2015	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Christine Zitman Secretary and Treasurer	2016	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
	2015	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Guy M. Zajonc Vice President – Business Development	2016	0	-0-	-0-	-0-	-0-	-0-	-0-	60,000
	2015	60,000	-0-	-0-	-0-	-0-	-0-	-0-	60,000

[1] This column represents the aggregate grant date fair value of stock options granted, in accordance with SEC rules. These amounts reflect our accounting expense and do not correspond to the actual value that will be realized by the recipients. Assumptions used in determining the fair value of these stock options is discussed under "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations - Critical Accounting Estimates - Stock Based Compensation." Stock option awards to Messrs. Eldred and Dilley and Ms. Zitman consist of immediately exercisable options to purchase 1,000,000 shares of common stock each at an exercise price of $0.25. The options expire December 31, 2017.

Outstanding Equity Awards at Fiscal Year-End

The following table provides information about equity awards held by the named executive officers and outstanding at December 31, 2016. All of the options listed were granted on December 31, 2013, and were exercisable in full as of the date of grant.

	Option Awards					Stock Awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock that Have Not Vested (#)	Market Value Of Shares Of Units Of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Micah Eldred	1,000,000	-0-	-0-	$0.25	12/31/17	-0-	-0-	-0-	-0-
Carl Dilley	1,000,000	-0-	-0-	$0.25	12/31/17	-0-	-0-	-0-	-0-
Christine Zitman	1,000,000	-0-	-0-	$0.25	12/31/17	-0-	-0-	-0-	-0-
Guy M. Zajonc	500,000	-0-	-0-	$0.25	12/31/17	-0-	-0-	-0-	-0-

Compensation of Directors

During 2016, our Directors, who also served as our officers, were not separately compensated for their service as Directors. Their compensation is reflected in the Summary Compensation Table above. Our directors currently serve without compensation. All travel and lodging expenses associated with corporate matters are reimbursed by us, if and when incurred. Management deemed the value of these services to be immaterial. Cash or equity compensation for our directors may be authorized in the future.

Board of Directors and Committees

As of December 31, 2016, our Board of Directors consisted of Micah Eldred, Carl Dilley, Christine Zitman, Guy M. Zajonc, Steve Saint Amour and Ermano Santilli. The Board has not appointed any committees.

Employment Agreements

As of December 31, 2016, we had no employment agreements with any of our Directors or Officers. Mr. Zajonc has acted as a consultant to Endurance since its original incorporation in January of 2006 until January 1, 2014 without compensation. On December 31, 2013, Mr. Zajonc was granted an option to purchase 500,000 shares of our common stock prior to December 15, 2015, at an exercise price of $.25 each. Commencing January 2014, we agreed to pay Mr. Zajonc a monthly consulting fee of $5,000 per month. In connection with his appointment as Vice President of Business Development in September 2014, it was agreed that Mr. Zajonc would serve in such capacity for no additional compensation.

Pension, Retirement or Similar Benefit Plans

There are no arrangements or plans under which we provide pension, retirement or similar benefits for directors or executive officers.

Compensation Committee

We currently do not have a compensation committee of the Board of Directors. The Board of Directors as a whole determines executive compensation.

ITEM 12—SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following tables set forth information concerning the beneficial ownership of shares of our common stock with respect to stockholders who were known by us to be beneficial owners of more than 5% of our common stock as of December 31, 2016, and our officers and directors, individually and as a group. Unless otherwise indicated, the beneficial owner has sole voting and investment power with respect to such shares of common stock.

Security Ownership of Certain Beneficial Owners and Management

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership [1]	Percent of Class
Micah Eldred, President, CEO, Director 15500 Roosevelt Blvd, Suite 301 Clearwater, FL 33760	20,915,815 (2)	43.04%
Carl Dilley, Director, Vice President 15500 Roosevelt Blvd, Suite 301 Clearwater, FL 33760	11,500,924 (2)	23.67%
Christine Zitman, Secretary, Treasurer, CFO, Director 15500 Roosevelt Blvd, Suite 301 Clearwater, FL 33760	2,003,092 (2)	4.12%
Guy Zajonc 15500 Roosevelt Blvd, Suite 301 Clearwater, FL 33760	1,069,751 (3)	2.20%
Steven Saint Amour 15500 Roosevelt Blvd, Suite 301 Clearwater, FL 33760	2,450,000 (4)	5.04%
Ermanno Santilli 15500 Roosevelt Blvd., Suite 301 Clearwater, FL 33760	250,000 (5)	0.51%
Keith Holloway 15500 Roosevelt Blvd., Suite 301 Clearwater, FL 33760	100,000 (6)	0.21%
All Directors and Officers as a Group (Seven persons)	38,289,588	78.79%

(1) Based upon 43,024,369 shares issued and outstanding as of December 31, 2016. Beneficial ownership is determined in accordance with Commission rules and generally includes voting or investment power with respect to securities. Shares of common stock subject to options, warrants and convertible preferred stock currently exercisable or convertible, or exercisable or convertible within sixty (60) days, would be counted as outstanding for computing the percentage of the person holding such options or warrants but not counted as outstanding for computing the percentage of any other person.

(2) Includes 1,000,000 stock options exercisable until December 31, 2017 at a price of $0.25 per share, for each of Micah Eldred, Carl Dilley and Christine Zitman.

(3) Includes 500,000 stock options exercisable until December 31, 2017 at a price of $0.25 per share.

(4) Includes 250,000 stock options exercisable until December 31, 2017 at a price of $0.25 per share.

(5) Includes Options to purchase 250,000 shares at $0.25 per share.

(6) Shares beneficially held by spouse, Susan Holloway.

ITEM 13 – CERTAIN RELATIONSHIPS, RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

On December 31, 2013, as a consequence of acquiring the membership interests of Endurance LLC, the Company assumed a liability of Endurance LLC to Micah Eldred under a demand promissory note, dated June 19, 2012, in the original principal amount of $60,000, bearing interest at 5%. As of December 31, 2016, the full balance of the note plus accrued interest, totaling $73,598 was forgiven by Micah Eldred as additional contributed capital.

The Company has entered into a contract with Island, which is owned and controlled by Endeavour, to serve as its transfer agent. It did not charge the Company for its services during the years ended December 31, 2016 or 2015.

The Company has entered into a contract with Proxy & Printing, LLC, which is owned and controlled by Micah Eldred and Carl Dilley, to provide the Company with printing and other services relating to its filings with the SEC. It did not charge the Company for its services during the years ended December 31, 2016 or 2015.

During the year ended December 31, 2015, Endeavour Cooperative Partners, LLC made net advances to the Company in the aggregate amount of $67,500, and Micah Eldred made net advances to the Company in the aggregate amount of $25,000 in order to provide the Company with funds to carry on its operations. These advances do not bear interest, are unsecured and have no specific terms of repayment. As of December 31, 2015, the aggregate amount of such advances outstanding was $95,500. Interest has not been imputed on this balance as management has deemed it to be immaterial.

Other than as described above, we have not entered into any transactions with our officers, promoters, directors, persons nominated for these positions, beneficial owners of 5% or more of our common stock, or family members of these persons since January 1, 2012, wherein the amount involved in the transaction or a series of similar transactions exceeded the lesser of $120,000 or 1% of the average of our total assets for the last two fiscal years. It is anticipated that we will continue to borrow from Endeavour Cooperative Partners and its subsidiaries in 2016 and 2017 to meet our cash needs. It is anticipated that the terms of such borrowings will be more favorable than we could obtain from independent third parties, and that we may enter into additional agreements with Endeavour to allow us to repay such indebtedness in shares of common stock.

As stated in Item 4 – Security Ownership of Certain Beneficial Owners and Management, Micah Eldred beneficially controls 43.74% of the Company. The basis for this beneficial control includes the direct ownership of 19,913,356 common shares, the joint ownership with his spouse of 2,459 common shares, indirect ownership of 340,000 common shares through a controlling interest in Endeavour Cooperative Partners and the direct ownership of 1,000,000 stock options exercisable through December 31, 2017.

Review and Approval of Related Person Transactions

In order to ensure that material transactions and relationships involving a potential conflict of interest for any of our executive officers or directors are in our best interests, all such conflicts of interest are required to be reported to the Board of Directors, and the approval of the Board of Directors must be obtained in advance for us to enter into any such transaction or relationship.

Any member of the Board who has a conflict of interest with respect to a transaction under review may not participate in the deliberations or vote respecting approval of the transaction, provided, however, that such director may be counted in determining the presence of a quorum.

On December 31, 2013, as a consequence of acquiring the membership interests of Endurance LLC, we assumed a liability of Endurance LLC to Micah Eldred under a demand promissory note, dated June 19, 2012, in the original principal amount of $60,000, bearing interest at 5%. As of December 31, 2016, the full balance of the note plus accrued interest, totaling $73,598 was forgiven by Micah Eldred as additional contributed capital.

We have entered into a contract with Island Capital Management LLC, which is owned and controlled by Micah Eldred and Carl Dilley, to serve as our transfer agent. It did not charge us for its services during 2016 or 2015.

We have entered into a contract with Proxy & Printing LLC, which is owned and controlled by Micah Eldred and Carl Dilley, to provide us with printing and other services relating to our filings with the SEC. It did not charge us for its services during 2016 or 2015.

Other than as described above, we have not entered into any transactions with our officers, Directors, persons nominated for these positions, beneficial owners of 5% or more of our common stock, or family members of these persons since January 1, 2012, wherein the amount involved in the transaction or a series of similar transactions exceeded the lesser of $120,000 or 1% of the average of our total assets for the last two fiscal years. It is anticipated that we will continue to borrow from Endeavour Cooperative Partners and its subsidiaries in 2017 to meet our cash needs. It is anticipated that the terms of such borrowings will be more favorable than we could obtain from independent third parties, and that we may enter into additional agreements with Endeavour to allow us to repay such indebtedness in shares of common stock.

Director Independence

The Board had no independent Directors during 2016.

ITEM 14 PRINCIPAL ACCOUNTANT FEES AND SERVICES

Audit and Non-Audit Fees

The following table represents fees for the professional audit services and fees billed for other services rendered by our auditors, and any other fees billed for other services rendered by them during these periods.

	Year Ended December 31, 2016	Year Ended December 31, 2015
Audit fees	$24,000	$24,500
Audit-related fees	3,750	3,750
Tax fees	-	-
All other fees	-	-
Total	$27,750	$28,250

Since our inception, our Board of Directors, performing the duties of an audit committee, reviews all audit and non-audit related fees at least annually. The Board of Directors pre-approved all audit related services in fiscal years 2016 and 2015.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) (1) Financial Statements

See "Index to Consolidated Financial Statements" set forth on page 27.

(a) (2) Financial Statement Schedules

None. The financial statement schedules are omitted because they are inapplicable or the requested information is shown in our consolidated financial statements or related notes thereto.

Exhibits

Exhibit No.	Exhibit Description
10.5*	2014 Non-Qualified Stock Option Plan
10.6*	Form of Stock Option Agreement
21	Subsidiaries of the Registrant
31	Certification of the Chief Executive Officer and Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification of Chief Executive Officer and Chief Financial Officer pursuant to18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Indicates management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Exchange Act, the Registrant has duly caused this Report to be signed on its behalf by the undersigned thereunto duly authorized, this 17th day of April 2017.

ENDURANCE EXPLORATION GROUP, INC.

By: /s/ Micah Eldred
Micah Eldred
Chairman, Chief Executive Officer and President
By: /s/ Christine Zitman
Christine Zitman
Director, Chief Financial Officer, Secretary, Treasurer

Pursuant to the requirements of the Exchange Act this Report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ Micah Eldred Micah Eldred Director, Chief Executive Officer and President	Date: April 17, 2017
/s/ Christine Zitman Christine Zitman Director, Chief Financial Officer, Secretary, Treasurer	Date: April 17, 2017
/s/ Carl Dilley Carl Dilley Director and Vice President	Date: April 17, 2017
/s/ Guy Zajonc Guy Zajonc Director	Date: April 17, 2017