UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended: March 31, 2018

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

ENDURANCE EXPLORATION GROUP, INC.

(Name of Small Business Issuer in its Charter)

Nevada	**333-141817**	**03-0611187**
(State or jurisdiction of incorporation)	(Commission File No.)	(I.R.S. Employer Identification No.)

15500 Roosevelt Blvd Suite 301, Clearwater, FL 33760
(Address number principal executive offices)

(727)-289-0010
(Issuer's telephone number)

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 such shorter period that the registrant was 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 whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of “accelerated filer”, “large 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]
Emerging growth company [X]

If an emerging growth company indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act [X]

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

As of May 15, 2018, the registrant had 43,410,324 shares of common stock outstanding.

PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

INDEX TO CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS

ENDURANCE EXPLORATION GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

		March 31, 2018 (Unaudited)		December 31, 2017
ASSETS				
Current Assets				
Cash and cash equivalents	$	618	$	5,120
Inventory		32,963		-
Prepaid expenses		-		350,000
Total Current Assets		33,581		355,120
Fixed Assets				
Equipment, furniture and fixtures		693,221		693,221
Accumulated depreciation		(549,365)		(537,726)
Total Fixed Assets - net		143,856		155,495
Other assets		350,000		-
TOTAL ASSETS	**$**	**527,437**	**$**	**510,615**
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current Liabilities				
Accounts payable and accrued expenses	$	46,004	$	60,014
Loans and notes payable to related parties		454,000		344,000
Total Current Liabilities		500,004		404,014
TOTAL LIABILITIES		500,004		404,014
Stockholders' Equity				
Preferred stock: 10,000,000 authorized, $.001 par value, 0 and 0 issued and outstanding		-		-
Common stock: 100,000,000 authorized; $0.01 par value 43,410,324 and 43,410,324 shares issued and outstanding at March 31, 2018 and December 31, 2017, respectively		434,104		434,104
Additional paid in capital		7,026,209		7,026,209
Accumulated deficit		(7,432,880)		(7,353,712)
TOTAL STOCKHOLDERS' EQUITY		27,433		106,601
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$**	**527,437**	**$**	**510,615**

The accompanying notes are an integral part of these financial statements

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

	For the Three Months Ended March 31, 2018 (Unaudited)	For the Three Months Ended March 31, 2017 (Unaudited)
Revenues	$ -	$ -
Operating Expenses		
Operations and research	8,669	14,846
Marketing and promotion	11,226	12,388
General and administrative	43,156	47,445
Depreciation	11,639	25,621
Total operating expenses	74,690	100,300
Net loss from operations	(74,690)	(100,300)
Non-operating activity		
Interest expense	(4,478)	-
Net loss	$ (79,168)	$ (100,300)
Basic and diluted loss per share	$ (0.00)	$ (0.00)
Weighted average number of shares outstanding	43,134,637	43,024,369

The accompanying notes are an integral part of these financial statements

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

	For the Three Months Ended March 31, 2018 (Unaudited)	For the Three Months Ended March 31, 2017 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (79,168)	$ (100,300)
Adjustments to reconcile net loss to net cash used by operating activities		
Depreciation expense	11,639	25,621
Changes in operating assets and liabilities:		
Capitalization of salvage costs	(32,963)	-
Accounts payable and accrued expenses	(14,010)	(771)
Net Cash Used by Operating Activities	(114,502)	(75,450)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Advances from related parties	110,000	77,000
Net Cash Provided by Financing Activates	110,000	77,000
Net increase (decrease) in cash and cash equivalents	(4,502)	1,550
Cash and cash equivalents, beginning of period	5,120	2,523
Cash and cash equivalents, end of period	$ 618	$ 4,073
Cash paid for Interest	$ -	$ -
Cash paid for taxes	$ -	$ -

The accompanying notes are an integral part of these financial statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018 (UNAUDITED)

NOTE A – ORGANIZATION, OPERATIONS AND 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. (the "Company") was originally incorporated as Tecton Corporation ("Tecton") 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.

Prior to June 2008, Tecton was engaged in the exploration and acquisition of uranium properties. On or about June 1, 2008, Tecton ceased/discontinued operations of its uranium exploration activities and began to restructure the company and find suitable business opportunities. Between June 2008 and December 2013, it:

- Elected a new slate of directors and appointed a new management team focused on finding a suitable business opportunity;
- Attempted to reorganize its balance sheet through the US bankruptcy courts by filing a chapter 11 bankruptcy petition that was subsequently withdrawn per the court's request;
- Brought current its filings with the State of Nevada;
- Brought current its financial reporting and disclosure filings with the SEC;
- Effected a 1 for 40 reverse stock split of its common stock;
- Amended and restated its Articles of Incorporation to increase the total authorized capital stock to 110,000,000 shares, 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 and acquired the ownership interest of Endurance Exploration Group, LLC. ("Endurance LLC"), for 20,550,539 shares of common stock on December 31, 2013.

Endurance LLC was formed in 2009 to explore, from an operational and financial perspective, the feasibility and potential economic return of recovering bullion, precious metals, numismatic-grade coinage, high-value non-ferrous metals, and other valuable cargos from both historic and modern shipwrecks throughout the world.

Following Tecton's acquisition of 100% of the membership interests of Endurance LLC, on January 2, 2014, Tecton changed its name to Endurance Exploration Group, Inc.

Endurance LLC is a wholly owned subsidiary of the Company, and its exploration and recovery operations are the Company's primary focus.

On January 6, 2017, the Company formed EXPL Swordfish, LLC, a Florida limited liability company, as a wholly owned subsidiary for the purpose of pursuing a number of shipwreck and suspected shipwreck targets located in international waters off the Southeast coast of the United States, in a joint-venture with Deep Blue Exploration, LLC d/b/a Marex ("Marex"), which is further described in Note B.

The Company's corporate headquarters is located in Clearwater, Florida.

Fiscal Year

The Company's fiscal year was changed from January 31 to December 31 in November 2013.

Principles of consolidation and basis of presentation

These consolidated financial statements include the assets and liabilities of the Endurance Exploration Group, Inc. (formerly Tecton Corporation) and its subsidiaries as of March 31, 2018. The acquisition of the membership interests of Endurance LLC and its wholly owned Panamanian subsidiary formed to hold the registry of a research vessel occurred as of the close of its business on December 31, 2013. The formation of EXPL SWORDFISH LLC, occurred on January 6, 2017.

The unaudited interim consolidated financial statements have been prepared pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (the "SEC"). Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to such SEC rules and regulations, although the Company believes that the disclosures made are adequate to make the information not misleading. It is suggested that these consolidated financial statements be read in conjunction with the consolidated financial statements and the notes thereto, included in the Company's latest Annual Report on Form 10-K.

In the opinion of management, all adjustments consisting of normal recurring adjustments necessary for a fair statement of the financial position as of March 31, 2018 and the results of operations for the three months ended March 31, 2018 and 2017 and cash flows for the three months ended March 31, 2018 and 2017 have been made. 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-Q, 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 life which is normally between three to 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 March 31, 2018, and 2017, there were no impairment losses recognized for long-lived assets.

Inventory

Our inventory consists of artifacts recovered from the *Steamship Pulaski*. Inventoried costs of recovered artifacts include the costs of recovery and conservation. The capitalized recovery costs include direct costs such as vessel and related equipment operations and maintenance, crew and technical labor, fuel, provisions, supplies, port fees and depreciation. Conservation costs include fees paid to conservators for cleaning and preserving the artifacts. We continually monitor the recorded aggregate costs of the artifacts in inventory to ensure these costs do not exceed the net realizable value. Historical sales, publications or available public market data are used to assess net realizable value.

Packaging materials and merchandise are recorded at average cost. We record our inventory at the lower of cost or market.

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 March 31, 2018, there were 4,459,180 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 March 31, 2018, 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

In May 2014, ASU 2014-09 was issued related to revenue from contracts with customers. The ASU was further amended in August 2015, March 2016, April 2016, and May 2016 by ASU 2015-14, 2016-08, 2016-10 and 2016-12.

The new standard provides a five-step approach to be applied to all contracts with customers and also requires expanded disclosures about revenue recognition.

In August 2015, the effective date was deferred to reporting periods, including interim periods, beginning after December 31, 2017, and will be applied retrospectively. Early adoption is not permitted.

The Company has completed its assessment of the impact of the new revenue standard on the Company's financial position and believes the new standard will not have a material impact. The Company will adopt the standard using the modified retrospective method of adoption. The Company's revenue arises from contracts with customers in which the sale of doré is the single performance obligation under the customer contract. Accordingly, revenue will continue to be recognized at a point in time when control of the asset is transferred to the customer, which is generally consistent with the Company's current accounting policies.

ASU 2014-09 provides presentation and disclosure requirements which are more detailed than under current GAAP.

In February 2016, FASB issued ASC 842 that requires lessees to recognize lease assets and corresponding lease liabilities on the balance sheet for all leases with terms of more than 12 months. The update, which supersedes existing lease guidance, will continue to classify leases as either finance or operating, with the classification determining the pattern of expense recognition in the income statement.

The ASU will be effective for annual and interim periods beginning January 1, 2019, with early adoption permitted, and is applicable on a modified retrospective basis with various optional practical expedients. The Company is assessing the impact of this standard.

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 March 31, 2018 through the date these financial statements were issued.

NOTE B – JOINT VENTURE

Effective January 9, 2017, the Company, through a newly formed, wholly owned subsidiary, EXPL Swordfish, LLC ("EXPL Swordfish"), entered into a joint-venture agreement ("Agreement") with Deep Blue Exploration, LLC, d/b/a Marex ("Marex"). The joint venture between EXPL Swordfish and Marex is referred to as Swordfish Partners.

Marex's contribution to Swordfish Partners includes 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 Swordfish 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 Original Agreement called for EXPL Swordfish to provide the funding for the further inspection, salvage and operations of the joint venture. Any revenues from the joint venture will be split 90% first to EXPL Swordfish and 10% to Marex until EXPL Swordfish receives 2 times its costs and investments returned, and then a 50% split to both EXPL and Marex respectively.

On August 10, 2017, EXPL Swordfish executed a Second Amendment to Joint Venture with Marex, whereby Marex agreed to decrease its 50% share of revenues from the salvage operations of the steamship off the coast of North Carolina in exchange for $10,000 and 250,000 shares in the Company. Net proceeds of our recovery efforts will be split 30% to us, 30% to Blue Water (Independent Salvager), and 40% to Marex, after we have recovered 2 times the amount of our costs, which will be split 50/50 with Blue Water.

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

Swordfish Partners meets the definition of a Variable Interest Entity ("VIE") under ASC 810. The subsections of ASC 810-10 provide that a party that controls a VIE is considered to be its primary beneficiary. The primary beneficiary of a VIE is required to consolidate the financial results. EXPL SWORDFISH LLC has determined it is the primary beneficiary of Swordfish Partners. All of the expenses incurred to date for Swordfish Partners have been funded by EXPL Swordfish. Deep Blue Exploration LLC has not paid any expenses on behalf of Swordfish Partners. The financial statements of Swordfish Partners has been consolidated in the reporting entities financials via EXPL Swordfish LLC. On April 12, 2018, the parties extended the agreement to December 31, 2018.

The results of operations for Swordfish Partners for the three months ended March 31, 2018 is as follows:

		For the Three Months March 31, 2018
Revenues	$	-
Operating Expenses		
Operations and research		6,629
Marketing and promotion		9,446
General and administrative		4,039
Total operating expenses		20,111
Net loss	$	(20,111)

NOTE C - GOING CONCERN MATTERS

The Company's financial statements are prepared using the generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. At March 31, 2018 and December 31, 2017, the Company had $618 and $5,120 in cash, respectively, and $466,243 and $48,894 in negative working capital, respectively. For the three months ended March 31, 2018 and 2017, the Company had a net loss of $79,168 and $100,300, respectively. Continued losses may adversely affect the liquidity of the Company in the future. Therefore, the factors noted above raise substantial doubt about our ability to continue as a going concern. The recoverability of a major portion of the recorded asset amounts shown in the accompanying balance sheet is dependent upon continued operations of the Company, which in turn is dependent upon the Company's ability to raise additional capital, obtain financing and to succeed in its future operations. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The Company's existence is dependent upon management's ability to develop profitable operations and resolve its liquidity problems.

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 2015, Eclipse rendered $150,000 of the services outlined in this agreement. As of March 31, 2018, 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 March 31, 2018 and December 31, 2017:

	March 31, 2018	December 31, 2017
Vessels and equipment	$ 679,129	$ 679,129
Computers and peripherals	14,092	14,092
	693,221	693,221
Less: Accumulated depreciation	(549,365)	(537,726)
Fixed Assets - net	$ 143,856	$ 155,495

Depreciation expense was $11,639 and $25,621 for the three months ended March 31, 2018 and 2017, respectively.

NOTE F – ADVANCES FROM RELATED PARTIES AND RELATED PARTY TRANSACTIONS

Loans and notes payable to related parties at March 31, 2018 and December 31, 2017 as detailed below are summarized as follows:

	March 31, 2018	December 31, 2017
Notes payable – related parties	$ 447,000	$ 337,000
Advances from related parties	7,000	7,000
	$ 454,000	$ 344,000

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 Connect X Capital Markets, LLC (“Connect X”), to serve as its transfer agent. Connect X is owned by Micah Eldred and Carl Dilley. It did not charge the Company for its services during the quarter ended March 31, 2018 or the year ended December 31, 2017.

The Company has entered into a contract with Proxy & Printing, LLC, which is owned and controlled by Island Stock Transfer, Inc, 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 quarter ended March 31, 2018 or the year ended December 31, 2017.

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

On April 7, 2014, the Company entered into a Debt Conversion Agreement with Island, a company owned and controlled by Connect X, 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 Connect X relating to the conversion of indebtedness to Connect X in the amount of $85,000. This amount represents the related party debt payable to Connect X as of that date. The terms of the agreement allowed for Connect X to convert this debt into common stock at $0.25 per share. Connect X converted all of such debt into shares, as a result of which we issued 340,000 shares to Connect X.

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, Connect X 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.

During the year ended December 31, 2017, Connect X Capital Markets, LLC made net advances to the Company in the aggregate amount of $337,000. Additionally, the Company's CEO made net advances to the Company of $7,000. The advances were 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. The Company did impute interest on these notes for the three months ended March 31, 2018 and recorded interest expense in the amount of $3,817. Beginning on April 2, 2018 these advances bear interest at 5% per annum and are payable on demand. See NOTE J.

During the three months March 31, 2018, Connect X Capital Markets, LLC made net advances to the Company in the aggregate amount of $60,000. Additionally, the Company's CEO made net advances to the Company of $50,000. The advances were to provide the Company with funds to carry on its operations. The Company did impute interest on these notes for the three months ended March 31, 2018 and recorded interest expense in the amount of $661. Beginning on April 2, 2018 these advances bear interest at 5% per annum and are payable on demand. See NOTE J.

NOTE G – PREFERRED AND COMMON STOCK TRANSACTIONS AND REVERSE SPLIT

The Company has 10,000,000 shares of preferred stock authorized with a par value of $0.001. As of the periods ended March 31, 2018 and December 31, 2017 there are no shared issued or outstanding.

The Company has 100,000,000 shares of common stock authorized with a par value of $0.01. As of the periods ended March 31, 2018 and December 31, 2017 there are 43,410,324 and 43,410,324 shares issued and outstanding, respectively.

On August 16, 2017, the Company issued 250,000 common shares at $.21 per share as consideration for amending a joint venture agreement.

On August 24, 2017, the Company issued 30,000 common shares at $.2231 per share for services.

On December 29, 2017, the Company issued 105,955 common shares in exchange for the exercise of warrants.

NOTE H – OPTIONS

Our Board of Directors adopted the 2014 Non-qualified Stock Option Plan on December 31, 2013. The Plan had an original termination date of December 31, 2017. However, on December 29, 2017 the Board of Directors extended the termination date to December 31, 2020. 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.

As of March 31, 2018, the Company had outstanding non-qualified options to purchase 3,800,000 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 three months ended March 31, 2018:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value
Options Outstanding - December 31, 2016	5,000,000	$ 0.25	1.0 year	$ (0.05)
Granted / Vested	-			-
Exercised				
Forfeited/expired/cancelled	(1,200,000)			
Options Outstanding – December 31, 2017	3,800,000	$ 0.25	3.0 years	$ 0.45
Granted / Vested	-			-
Exercised	-			
Forfeited/expired/cancelled	-			
Options Outstanding – March 31, 2018	3,800,000	$ 0.25	3.0 years	$ 0.08
Outstanding Exercisable – December 31, 2017	3,800,000	$ 0.25	3.0 years	$ 0.45
Outstanding Exercisable – March 31, 2018	3,800,000	$ 0.25	2.8 years	$ 0.08

NOTE I – WARRANTS

As of March 31, 2018, the Company had 659,180 warrants outstanding. On December 29, 2017, 164,820 warrants were exercised via cashless exercise into 105,955 shares of our common stock.

The following table represents stock option activity as of and for the three months ended March 31, 2018:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value
Warrants Outstanding – January 1, 2017	824,000	$ 0.25	6.9 years	$ (0.05)
Issued	-			-
Exercised	(164,820)	$ 0.25	8.0 years	$ 0.45
Expired	-			-
Warrants Outstanding – December 31, 2017	659,180	$ 0.25	5.5 years	$ 0.45
Issued	-			-
Exercised	-			
Expired	-			-
Warrants Outstanding – March 31, 2018	659,180	$ 0.25	5.2 years	$ 0.08
Outstanding Exercisable – December 31, 2017	659,180	$ 0.25	6.9 years	$ 0.45
Outstanding Exercisable – March 31, 2018	659,180	$ 0.25	5.5 years	$ 0.08

We measured the warrants at their issue date using a Black-Scholes option pricing model. 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%

NOTE J – SUBSEQUENT EVENTS

In April 2, 2018, the Company's CEO agreed to provide a line of credit in the amount of $500,000 to the Company so that it will have the liquidity and funds to carry out its operations. The Company executed a Demand Note – Line of Credit, whereby it agreed to pay 5% interest on any advances made, which are secured by a Security Agreement on the Company's assets. The interest accrues beginning on April 2, 2018. During the three months ended March 31, 2018, the Company's CEO made $50,000 in advances. See NOTE F.

In April 2, 2018, the Company's entered into an agreement with Connect X Capital Markets, LLC, where by past advances totaling $337,000 are due on demand. Additionally, the Company agreed to pay 5% interest on any advances made. In accordance with the executed agreement, the interest accrues beginning on April 2, 2018. During the three months ended March 31, 2018, the Connect X made $60,000 in advances. See NOTE F.

On April 12, 2018, the Joint Venture Agreement (referred to as "Swordfish Partners") between EXPL Swordfish and with Deep Blue Exploration, LLC, d/b/a Marex ("Marex") was extended to December 31, 2018.

On May 10, 2018, the Company's BOD authorized the issuance of up to 750,500 shares to investors who had invested in a private offering in 2015, in a good faith effort to obtain releases of any potential issues or claims relating to their offering registration rights. The Company has offered each investor one additional share for each dollar invested. As of the date of this filing, the Company has executed agreements for the issuance of 200,000 shares to several of these investors." There were no make-whole provisions contained in the Original 2015 Private Placement.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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.

This discussion should be read in conjunction with the condensed consolidated financial statements and notes included elsewhere in this report and the consolidated financial statements and notes in the Annual Report of the Company on Form 10-K for the year ended December 31, 2017, as filed with the Securities and Exchange Commission ("SEC").

Our discussion and analysis may contain forward-looking statements (within the meaning of the Private Securities Litigation Reform Act of 1995) that are based on current expectations, estimates, forecasts, and projections about the Company, our beliefs, and assumptions made by us. In addition, we may make other written or oral statements, which constitute forward-looking statements, from time to time. Words such as "believe," "estimate," "project," "expect," "intend," "may," "anticipate," "plan," "seek," variations of such words, and similar expressions are intended to identify such forward-looking statements. Similarly, statements that describe our future plans, objectives, or goals also are forward-looking statements. These statements are not guarantees of future performance and are subject to a number of risks and uncertainties, including those discussed below and elsewhere in this report. Our actual results may differ materially from what is expressed or forecasted in such forward-looking statements, and undue reliance should not be placed on such statements. All forward-looking statements are made as of the date hereof, and we undertake no obligation to update any such forward-looking statements, whether as a result of new information, future events or otherwise.

Factors that could cause actual results to differ materially from what is expressed or forecasted in such forward-looking statements include, but are not limited to the risk factors which are identified in our most recent Annual Report on Form 10-K, including factors identified under the headings "Business," "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

All dollar amounts refer to US dollars unless otherwise indicated.

Plan of Operation

Salvage operations of *Steamship Pulaski* began in December 2017, and are currently underway to recover the cargo of what we believe to be the *Steamship Pulaski*. It is anticipated that the cost of this salvage operation will be approximately \$300,000 - \$500,000. To date we have recovered dozens of silver and gold coins, dishware, and components of the vessel. This salvage operation is expected to continue throughout 2018 and into early 2019. We need additional working capital to continue the recovery of cargo from this steamship. There can be no assurances that we will be successful in securing additional working capital and therefore cannot represent we will ever be in a position to complete the recovery of cargo of what we believe to be the *Steamship Pulaski*.

Side-scan sonar survey operations on Project *Connaught* began in July 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 2014, we positively identified the target of Project "Sailfish," as that of the Steamship *Connaught* via video and sonar imagery. The cost of recovering the cargo of the *Connaught* is estimated to be \$1,000,000 to \$1,500,000. We need additional working capital to recover the cargo of the *Connaught*. There can be no assurances that we will be successful in securing additional working capital and therefore cannot represent we 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 but there are no assurances that we will be granted a contract extension. Net proceeds of our recovery efforts, after payment of the costs to recover, 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. We need additional working capital to undertake the search for the *"Black Marlin."* There can be no assurances that we will be successful in securing additional working capital and therefore cannot represent we 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 three months ended March 31, 2018 and 2017.

Three Months Ended March 31, 2018 Compared to 2017

Increase/(Decrease)			**2018 vs. 2017**	
	2018	**2017**	**$**	**%**
Total revenue	$ -	$ -	$ -	$ -
Operations and research	8,669	14,846	(6,177)	(42%)
Marketing and promotion	11,226	12,388	(1,162)	(9%)
General and administrative	43,156	47,445	(4,289)	(9%)
Depreciation	11,639	25,621	(13,982)	(55%)
Total operating expenses	$ 74,690	$ 100,300	$ (25,610)	(115%)
Other income (expense)	$ (4,478)			
Net income (loss)	$ (79,168)	$ (100,300)	$ 21,132	21%

Revenue

Since inception through March 31, 2018, 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

Operations and research expenses

Operations and research expenses primarily include all costs within Research, which include costs for travel and consultants, and Salvage and Marine Operations, which include marina fees, repairs and maintenance, fuel, boat expenses and contract crew services. We incurred operations and research expenditures of $41,632 for the three months ended March 31, 2018. However, we only expensed $8,669 of the expenditures. The remaining $32,963 was capitalized in inventory as it related directly to the recovery of coins in the Steamship Pulaski. For the three months ended March 31, 2017 we incurred $14,846 of operations and research expenses.

Marketing and promotion expenses

Marketing and promotion expenses include all costs associated with advertising, printing and travel expenses. We incurred marketing and promotion expenses of $11,226 for the three months ended March 31, 2018 as compared to $12,388 for the three months ended March 31, 2017, a decrease of $1,162.

General and administrative expenses

General and administrative expenses include all costs associated with professional, legal fees, insurance, rent, dues and subscriptions and other administrative expenses. Also, included in this category are any costs associated with stock-based compensation. We incurred general and administrative expenses of $43,156 the three months ended March 31, 2018 as compared to $47,445 for the three months ended March 31, 2017, a decrease of $4,289.

Depreciation

We incurred depreciation expense of $11,639 the three months ended March 31, 2018 as compared to $25,621 for the three months ended March 31, 2017, a decrease of $13,982. The decrease was due to multiple assets being fully depreciated in the year ended December 31, 2017.

Net Losses

For the three months ended March 31, 2018, we incurred a net loss of $79,168 as compared to $100,300 for the three months ended March 31, 2017.

Current Liquidity and Capital Resources for the three months ended March 31, 2018 versus 2017

	2018	**2017**
Summary of Cash Flows:		
Net cash (used) by operating activities	$ (114,502)	$ (75,450)
Net cash provided by financing activities	110,000	77,000
Net decrease in cash and cash equivalents	(4,502)	1,550
Beginning cash and cash equivalents	5,120	2,523
Ending cash and cash equivalents	$ 618	$ 4,073

Discussion of Cash Flows

Operating Activities

Cash used in operations of $114,502 during the three months ended March 31, 2018 was primarily a result of our $79,168 net loss reconciled with our net non-cash expenses relating to depreciation expense, inventory, accounts payable and accrued liabilities. Cash used in operations of $77,450 during the three months ended March 31, 2017 was primarily a result of our $100,300 net loss reconciled with our net non-cash expenses relating to depreciation expense, accounts payable, accrued liabilities and other assets.

Financing Activities

Net cash provided by financing activities was $110,000 for the three months ended March 31, 2018, which consisted completely of funds advanced from related parties to facilitate operations for the period. Net cash provided by financing activities was $77,000 for the three months ended March 31, 2017, which consisted completely of funds advanced from related parties to facilitate operations for the period.

Other Recent Financings

During the three months March 31, 2018, Connect X Capital Markets, LLC made net advances to the Company in the aggregate amount of $60,000. Additionally, the Company's CEO made net advances to the Company of $50,000. The advances were to provide the Company with funds to carry on its operations. Beginning on April 2, 2018 these advances bear interest at 5% per annum and are payable on demand.

Future Capital Requirements

Our current available cash and cash equivalents are insufficient to satisfy our liquidity requirements. Our capital requirements for 2018 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 three months ended March 31, 2018 and 2017, we incurred expenses for research consultants and travel of $875 and $127.

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.

Inventory

Our inventory consists of artifacts recovered from the *Steamship Pulaski*. Inventoried costs of recovered artifacts include the costs of recovery and conservation. The capitalized recovery costs include direct costs such as vessel and related equipment operations and maintenance, crew and technical labor, fuel, provisions, supplies, port fees and depreciation. Conservation costs include fees paid to conservators for cleaning and preserving the artifacts. We continually monitor the recorded aggregate costs of the artifacts in inventory to ensure these costs do not exceed the net realizable value. Historical sales, publications or available public market data are used to assess net realizable value.

Packaging materials and merchandise are recorded at average cost. We record our inventory at the lower of cost or market.

Off-Balance Sheet Arrangements

As of March 31, 2018, 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.

Going concern

The Company's financial statements are prepared using the generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. At March 31, 2018 and December 31, 2017, the Company had $618 and $5,120 in cash, respectively, and $466,243 and $48,894 in negative working capital, respectively. For the three months ended March 31, 2018 and 2017, the Company had a net loss of $79,168 and $100,300, respectively. Continued losses may adversely affect the liquidity of the Company in the future. Therefore, the factors noted above raise substantial doubt about our ability to continue as a going concern. The recoverability of a major portion of the recorded asset amounts shown in the accompanying balance sheet is dependent upon continued operations of the Company, which in turn is dependent upon the Company's ability to raise additional capital, obtain financing and to succeed in its future operations. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The Company's existence is dependent upon management's ability to develop profitable operations and resolve its liquidity problems.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 4. CONTROLS AND PROCEDURES

As of March 31, 2018, under the direction of our Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rule 15d-15(e) under the Securities Exchange Act of 1934, as amended. Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed in our SEC reports is recorded, processed, summarized and reported within the time period specified by the SEC's rules and forms, and is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. We concluded that, as of March 31, 2018, our disclosure controls and procedures were not effective at the reasonable assurance level.

There were no changes in our internal controls over financial reporting during the quarter ended March 31, 2018 that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are not a party to any legal proceedings, and we are not aware of any legal proceedings contemplated by any governmental authority against us. However, from time to time, certain officers, directors or control persons, are subject to regulatory audits, investigations or subpoenas by the Securities Exchange Commission ("SEC") and/or the Financial Regulatory Authority ("FINRA") as a result of their positions as registered investment professionals and/or as officers or control persons of registered SEC transfer agencies. These audits, investigations or subpoenas may have an adverse effect on the Company if these officers, directors or control persons must dedicate substantial time and effort in their response to the regulatory authorities or if these regulatory inquiries result in sanctions or fines.

ITEM 1A. RISK FACTORS

Not applicable.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCCEDS

There were no sales of equity securities during the three months ended March 31, 2018.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit Number	Exhibit Description
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Chief Financial Officer pursuant to 18 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

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Endurance Exploration Group, Inc.
(Registrant)

Date: May 15, 2018

/s/ Christine Zitman
Christine Zitman
Director, Principal Accounting Officer, Secretary, Treasurer
(Authorized Officer and Chief Financial Officer)