



Condensed interim consolidated financial statements - 1st quarter  
March 31, 2016 and 2015

The condensed interim consolidated financial statements of Robex Resources Inc. for the first quarter ended March 31, 2016 as well as the corresponding comparative data were not subject to a review by the Company's auditor.

**CONSOLIDATED STATEMENTS OF INCOME (LOSS)**  
(unaudited)

**First quarters  
ended March 31,**

(all amounts are in Canadian dollars unless otherwise indicated)

	<b>2016</b>	2015
	\$	\$
<b>INCOME</b>		
Interest	---	75
	---	75
<b>EXPENSES (OTHER INCOME)</b>		
Administration expenses - note 8	<b>225,538</b>	172,276
Operating expenses - note 8	<b>(22,714)</b>	9,902
Professional expenses	<b>517,977</b>	336,522
Financial expenses - note 7	<b>95,323</b>	195,117
Foreign exchange loss (gains)	<b>(37,743)</b>	(473,738)
Change in fair value of financial liabilities - note 26	<b>7,446,043</b>	(1,650,765)
Depreciation of property, plant and equipment and amortization of intangible assets	<b>151,621</b>	171,311
	<b>8,376,045</b>	(1,239,375)
<b>Income (loss) before incomes tax</b>	<b>(8,376,045)</b>	1,239,450
<b>NET INCOME (LOSS)</b>	<b>(8,376,045)</b>	1,239,450
<b>NET INCOME (LOSS) ATTRIBUTABLE TO:</b>		
Common shareholders	<b>(8,335,849)</b>	1,272,185
Non-controlling interests	<b>(40,196)</b>	(32,735)
	<b>(8,376,045)</b>	1,239,450
<b>NET EARNINGS (LOSS) PER SHARE, BASIC AND DILUTED - note 23</b>	<b>(0.014)</b>	0.002

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

**CONSOLIDATED STATEMENTS OF  
COMPREHENSIVE INCOME (LOSS)**  
(unaudited)

(all amounts are in Canadian dollars unless otherwise indicated)

	<b>First quarters ended March 31,</b>	
	<b>2016</b>	2015
	<b>\$</b>	<b>\$</b>
<b>NET INCOME (LOSS)</b>	<b>(8,376,045)</b>	1,239,450
Other comprehensive income (loss) - Items that may be reclassified subsequently to profit or loss		
Exchange difference	<b>(925,123)</b>	(1,924,855)
<b>COMPREHENSIVE INCOME (LOSS)</b>	<b>(9,301,168)</b>	(685,405)
<b>COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:</b>		
Common shareholders	<b>(9,271,677)</b>	(718,140)
Non-controlling interests	<b>(29,491)</b>	32,735
	<b>(9,301,168)</b>	(685,405)

## ROBEX RESOURCES INC.

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY****Quarter ended March 31, 2016**

(all amounts are in Canadian dollars unless otherwise indicated)

	Share capital	Reserve - Stock options	Deficit	Accumulated other compren- hensive income (note 21)	Total	Non- controlling interests	Total equity
Balance as at December 31, 2015	66,734,172	2,411,647	(31,978,581)	4260,491	41,427,729	(555,851)	40,871,878
Net loss	---	---	(8,335,849)	---	(8,335, 849)	(40,196)	(8,376,045)
Exchange difference	---	---	---	(935,828)	(935,828)	10,705	(925,123)
Comprehensive loss for the period	---	---	(8,335,849)	(935,828)	(9,271,677)	(29,491)	(9,301,168)
<b>Balance as at March 31, 2016</b>	<b>66,734,172</b>	<b>2,411,647</b>	<b>(40,314,430)</b>	<b>3,324,663</b>	<b>32,156,052</b>	<b>(585,342)</b>	<b>31,570,710</b>

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

## ROBEX RESOURCES INC.

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

Quarter ended March 31, 2015

(all amounts are in Canadian dollars unless otherwise indicated)

	Share capital	Reserve - Stock options	Deficit	Accumulated other compren- hensive income (note 21)	Total	Non- controlling interests	Total equity
Balance as at December 31, 2014	47,944,090	2,392,111	(33,109,989)	513,848	17,740,060	(392,801)	17,347,259
Net income (loss)	---	---	1,272,186	---	1,272,186	(32,735)	1,239,451
Exchange difference	---	---	---	(1,924,855)	(1,924,855)	---	(1,924,855)
Comprehensive income (loss) for the period	---	---	1,272,186	(1,924,855)	(652,669)	(32,735)	(685,404)
Share issue - note 20	18,854,082	---	---	---	18,854,082	---	18,854,082
Share issue expenses	(64,000)	---	---	---	(64,000)	---	(64,000)
<b>Balance as at March 31, 2015</b>	<b>66,734,172</b>	<b>2,392,111</b>	<b>(31,837,803)</b>	<b>(1,411,007)</b>	<b>35,877,473</b>	<b>(425,536)</b>	<b>35,451,937</b>

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

**CONSOLIDATED BALANCE SHEETS**  
**(unaudited)**
**March 31,** December 31,  
**2016** 2015  
**(unaudited)**  
**\$** **\$**

(all amounts are in Canadian dollars unless otherwise indicated)

**ASSETS****CURRENT**

Cash and cash equivalents	<b>2,658,468</b>	278,580
Inventories - note 9	<b>3,890,820</b>	3,797,184
Accounts receivable - note 10	<b>268,130</b>	42,396
Prepaid expenses	<b>188,825</b>	29,253

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**7,006,243** 4,147,413
**DEPOSITS PAID**
**930,629** 602,509
**MINING PROPERTIES - notes 11 and 12**
**10,507,279** 10,243,274
**PROPERTY, PLANT AND EQUIPMENT - note 13**
**75,432,951** 73,200,349
**INTANGIBLE ASSETS - note 14**
**148,214** 161,297

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**94,025,316** 88,354,842
**LIABILITIES****CURRENT**

Accounts payable - note 15	<b>12,518,907</b>	15,649,860
Current portion of long-term debt - note 16	<b>7,756,287</b>	5,793,135
Lines of credit - note 16	<b>5,586,959</b>	7,108,525

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**25,862,153** 28,551,520
**CONVERTIBLE DEBENTURES - note 19**

Conversion rights at fair value	<b>9,344,791</b>	4,233,809
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Debt components at amortized cost	<b>13,487,770</b>	13,026,682
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**WARRANTS - note 17**
**3,381,973** 1,318,215
**LONG-TERM DEBT - note 16**
**10,058,522** ---
**ENVIRONMENTAL LIABILITIES - note 18**
**319,396** 352,738

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**62,454,606** 47,482,964
**EQUITY**

Share capital - note 20	<b>66,734,172</b>	66,734,172
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Reserve - stock options - note 20	<b>2,411,647</b>	2,411,647
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Deficit	<b>(40,314,430)</b>	(31,978,581)
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Accumulated other comprehensive income - note 21	<b>3,324,663</b>	4260,491
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**32,156,052** 41,427,729

Non-controlling interests	<b>(585,342)</b>	(555,851)
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**31,570,710** 40,871,878

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**94,025,316** 88,354,842

Going concern (note 1)

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

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(unaudited)

**First quarters  
ended March 31,**

(all amounts are in Canadian dollars unless otherwise indicated)

	<b>2016</b>	2015
	\$	\$
<b>CASH FLOWS FROM THE FOLLOWING ACTIVITIES :</b>		
<b>Operating</b>		
Net income (loss)	<b>(8,376,045)</b>	1,239,450
Adjustments for :		
Changes in fair value of financial liabilities	<b>7,446,043</b>	(1,650,765)
Exchange difference	<b>(96,810)</b>	(306,578)
Financial expenses	<b>95,323</b>	195,042
Depreciation of property, plant and equipment and amortization of intangible assets	<b>151,621</b>	171,311
Environnemental liabilities	<b>(27,337)</b>	9,902
Net changes in non-cash working capital items - note 22	<b>(1,657,500)</b>	(2,325,026)
Interest paid	<b>(36,926)</b>	(30,481)
Interest received	---	75
	<b>(2,501,631)</b>	(2,697,070)
<b>Investing</b>		
Variation in deposits paid	<b>(337,884)</b>	---
Acquisition of mining properties	<b>(88,040)</b>	(160,959)
Acquisition of property, plant and equipment	<b>(5,422,223)</b>	(2,133,459)
	<b>(5,848,147)</b>	(2,294,418)
<b>Financing</b>		
Long-term debt contracted	<b>15,439,892</b>	---
Repayment of long-term debt	<b>(3,377,998)</b>	(1,419,479)
Variation of line of credit	<b>(1,400,558)</b>	---
Issue and subscription of common shares	---	10,000,000
Share issue expenses	---	(34,000)
	<b>10,661,336</b>	8,546,521
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>68,330</b>	224,340
<b>Increase in cash and cash equivalents</b>	<b>2,379,888</b>	3,779,373
<b>Cash and cash equivalents - Beginning of year</b>	<b>278,580</b>	546,950
<b>Cash and cash equivalents - End of period</b>	<b>2,658,468</b>	4,326,323
Cash and cash equivalents are composed of:		
Cash and cash equivalents	<b>2,658,468</b>	4,326,323

Additional information (note 22)

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

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**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
**Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

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**1 - NATURE OF OPERATIONS AND GOING CONCERN****Nature of activities**

Robex Resources Inc. (the "Company") is a junior Canadian exploration and mining development company, which currently holds five exploration licenses, all located in Mali, in West Africa. These permits all demonstrate a favourable geology with a potential for the discovery of gold deposits. In addition to its exploration activities, the Company is notably developing the Nampala deposit located on the Mininko permit, for which a feasibility study was conducted and demonstrates profitability for the operation of a mine. The Company is currently working on developing its "doré" production facilities, in order to achieve the level of commercial production planned. The head office address is 437, Grande-Allée Est, Québec (Quebec) G1R 2J5, Canada.

**Going concern**

These condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards (IFRS) applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. Management is aware in making its assessment of material uncertainties related to events and conditions that lend a significant doubt upon the Company's ability to continue as a going concern and accordingly, the appropriateness of the use of IFRS applicable to a going concern, as described in the following paragraph. These condensed interim consolidated financial statements do not reflect the adjustment to the carrying values of assets and liabilities, expenses and consolidated balance sheet classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

As long as the Company is not in operation, the continuation of its activities will depend on its ability to raise additional financing through the issue of debt or equity instruments. While management has been successful in securing financing in the past, there can be no assurance it will be able to do so in the future, that such sources of funding or initiatives will be available to the Company or that they will be available on terms acceptable to the Company. If management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets might be less than amounts reflected in these condensed interim consolidated financial statements.

Although the Company has taken steps to verify the title to mining properties in which it has an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and may not be in compliance with regulatory requirements.

For several years, Mali has been affected by the armed conflict in the northern area. Although geopolitical conditions have improved, especially since the presidential elections that were held on August 11, 2013, and despite the fact that the licenses held by the Company are located in the southern and western part of Mali, there is always a risk that the Company cannot cover its assets or assume liabilities, or continue its activities, including the operation of its Nampala mine in the event that the geopolitical context deteriorates.



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**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)****Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

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**2 - BASIS OF PRESENTATION**

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), applicable to the preparation of condensed interim consolidated financial statements, including IAS 34, "Interim Financial Reporting", and using the same accounting policies and methods of computation as our most recent annual consolidated financial statements. The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2015, which have been prepared in accordance with IFRS as issued by the IASB. These condensed interim consolidated financial statements were approved by the Board of Directors for issue on May 26, 2016.

**3 - SIGNIFICANT ACCOUNTING POLICIES****Basis of preparation**

These condensed interim consolidated financial statements have been prepared on a going concern basis, under the historical cost convention, except for financial instruments classified at fair value through profit or loss.

**Basis of consolidation**

The condensed interim consolidated financial statements include the financial statements of the Company, its subsidiaries and those of African Peak Trading House Limited, in which Robex Resources Inc. has made a significant investment and whose all after-tax earnings are redistributed to the Company in the form of preferred dividends. The Company's subsidiaries are Robex N'Gary SA in which the Company holds an 85% interest, Robex Resource Mali SARL, which is wholly-owned and Nampala SA, in which the Company holds a 90% interest. These three subsidiaries are all located in Mali. All intercompany transactions and balances are eliminated.

Non-controlling interests in the net assets of consolidated subsidiaries are presented within equity but separate from the Company's equity. Non-controlling interests consist of the non-controlling interests at the date of the original business combination plus the non-controlling interests' share of recognized changes in equity since the date of acquisition.

Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

**Functional and presentation currency**

The Canadian dollar is the presentation currency. The Company's functional currency is the CFA franc. These condensed interim consolidated financial statements are translated into the presentation currency as follows: assets and liabilities are translated into Canadian dollars at the exchange rate in effect on the date of the balance sheet. The foreign currency translation adjustment arising from such translation is included in accumulated other comprehensive income under equity. Income and expenses are translated at the exchange rate in effect on the date of the transaction.

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**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
**Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

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**4 - CHANGES IN ACCOUNTING POLICIES**

The Company have adopted, since January 1, 2016, the amendments to IAS 1, "*Presentation of Financial Statements*". These amendments clarify guidance on how to exercise professional judgment in determining the extent and structure of disclosures in financial statements. Since IAS 1 is a presentation standard, the amendments thereto, have no impact on the Company's profit or loss or financial position.

During the year ended December 31, 2014, the Company adopted the new accounting standard IFRIC 21, "*Rights and duties*" and amendments to IAS 36, "*Impairment of assets*". The adoption of this standard and amendments did not have a significant impact on the Company's condensed interim consolidated financial statements.

**5 - FUTURE ACCOUNTING CHANGES**

The Company has not yet adopted certain standards and amendments which have been issued but have an effective date of later than March 31, 2016.

(IFRS 15), *Revenue from contracts with customers*

In May 2014, the IASB issued IFRS 15 "*Revenue from Contracts with Customers*". The objective of this new standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability. This new standard contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. This new standard is effective for annual periods beginning on or after January 1, 2018. Early adoption is permitted. The Company has not yet assessed the impact that the new standard will have on its consolidated financial statements or whether or not to early adopt the new standard.

(IFRS 9), *Financial Instruments*

In July 2014, the IASB issued the final version of IFRS 9, "*Financial Instruments*", and will replace IAS 39, "*Financial Instruments: Recognition and Measurement*". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. Requirements relating to hedge accounting representing a new hedge accounting model have also been added to IFRS 9. The new standard is effective for annual periods beginning on or after January 1, 2018, and must be applied retrospectively. The Company has not yet assessed the impact that the new standard will have on its consolidated financial statements.

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
**Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**6 - SEGMENTED INFORMATION**

- A) Operating segments - The Company's operations are directed towards the acquisition, exploration and pre-production of gold in the West Africa area. As a result, the Company is organized as a single sector.
- B) Geographic segments - The Company's assets by geographic areas are as follows :

	March 31, 2016			
	\$			
	(unaudited)			
	Europe	West Africa	Canada	Total
<b>Cash and cash equivalents</b>	49,005	2,571,686	37,777	2,658,468
<b>Inventories</b>	---	3,890,820	---	3,890,820
<b>Mining properties</b>	---	10,507,279	---	10,507,279
<b>Property, plant and equipment</b>	---	75,382,042	50,909	75,432,951
<b>Intangible assets</b>	---	148,214	---	148,214
<b>Deposits</b>	---	901,698	28,931	930,629
<b>Other assets</b>	3,153	427,177	26,625	456,955
	<b>52,158</b>	<b>93,828,916</b>	<b>144,242</b>	<b>94,025,316</b>

	December 31, 2015			
	\$			
	Europe	West Africa	Canada	Total
Cash and cash equivalents	26,764	96,693	155,123	278,580
Inventories	---	3,797,184	---	3,797,184
Mining properties	---	10,243,274	---	10,243,274
Property, plant and equipment	---	73,145,211	55,138	73,200,349
Intangible assets	---	161,297	---	161,297
Deposits	---	573,578	28,931	602,509
Other assets	4,493	52,359	14,797	71,649
	<b>31,257</b>	<b>88,069,596</b>	<b>253,989</b>	<b>88,354,842</b>

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**

Three month periods ended March 31, 2016 and 2015

(all amounts are in Canadian dollars unless otherwise indicated)

**7 - FINANCIAL EXPENSES**

	<b>First quarters ended March 31,</b>	
	<b>2016</b>	2015
	\$	\$
Real interest debt component of convertible debentures - note 19	<b>502,837</b>	294,411
Imputed interest debt component of convertible debentures - note 19	<b>461,088</b>	364,139
Interest on lines of credit	<b>160,544</b>	155,301
Interest on long-term debt	<b>177,915</b>	141,463
Bank charges	<b>62,071</b>	6,392
	<b>1,364,455</b>	961,706
Capitalized financial expenses - note 13	<b>1,269,132</b>	766,589
	<b>95,323</b>	195,117

**8 - ADMINISTRATION EXPENSES AND OPERATING EXPENSES**

	<b>First quarters ended March 31,</b>	
	<b>2016</b>	2015
	\$	\$
<b>ADMINISTRATION EXPENSES</b>		
Salaries and fringe benefits	<b>112,539</b>	84,706
Travel expenses	<b>47,512</b>	30,572
Congress	<b>636</b>	---
Insurance	<b>13,581</b>	12,701
Rent	<b>17,181</b>	16,865
Financial reporting and stock exchange fees	<b>17,663</b>	12,022
Marketing	<b>378</b>	650
Telecommunications	<b>4,304</b>	3,236
Office expenses	<b>3,126</b>	4,310
General expenses	<b>8,618</b>	7,214
	<b>225,538</b>	172,276
<b>OPERATING EXPENSES</b>		
Change in environmental liabilities	<b>(27,337)</b>	9,902
Mining royalties	<b>4,623</b>	---
	<b>(22,714)</b>	9,902

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)****Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**9 - INVENTORIES**

	<b>March 31, 2016 (unaudited)</b>	December 31, 2015
	\$	\$
Silver (metals)	759	519
Ore stockpiles	526,078	587,917
Work in progress inventory ("doré")	577,462	---
Parts and supplies	2,786,521	3,208,748
	<b>3,890,820</b>	<b>3,797,184</b>

**10 - ACCOUNTS RECEIVABLE**

	<b>March 31, 2016 (unaudited)</b>	December 31, 2015
	\$	\$
Commodity taxes receivable	26,625	14,797
Other receivables	241,505	27,599
	<b>268,130</b>	<b>42,396</b>

## ROBEX RESOURCES INC.

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

Quarter ended March 31, 2016

(all amounts are in Canadian dollars unless otherwise indicated)

## 11 - MINING PROPERTIES

	Diangounté (A)	Kolomba (B)	Mininko (C)	Sanoula (D)	N'Golopène (E)	Properties pending renewal (F)	
Undivided interest	85%	100%	100%	100%	100%		<b>Total</b>
<b>Mining rights and titles</b>							<b>\$</b>
Balance as at December 31, 2015	1,164,682	64,897	103,666	197,559	1,141	---	<b>1,531,945</b>
Acquisition costs	---	11,260	---	---	---	---	<b>11,260</b>
Exchange rate changes	(19,851)	(1,105)	1,969	(3,363)	---	---	<b>(22,350)</b>
<b>Balance as at March 31, 2016</b>	<b>1,144,831</b>	<b>75,052</b>	<b>105,635</b>	<b>194,196</b>	<b>1,141</b>	---	<b>1,520,855</b>
<b>Exploration costs</b>							
Balance as at December 31, 2015	4,515,683	908,846	1,603,339	943,378	740,083	---	<b>8,711,329</b>
Expenses incurred	72	18,585	18,585	18,585	20,953	---	<b>76,780</b>
Depreciation and amortization	1,547	9,281	9,281	9,281	9,281	---	<b>38,671</b>
Exchange rate changes	(76,910)	(16,138)	282,730	(16,723)	(13,315)	---	<b>159,644</b>
<b>Balance as at March 31, 2016</b>	<b>4,440,392</b>	<b>920,574</b>	<b>1,913,935</b>	<b>954,521</b>	<b>757,002</b>	---	<b>8,986,424</b>
<b>Total as at March 31, 2016</b>	<b>5,585,223</b>	<b>995,626</b>	<b>2,019,570</b>	<b>1,148,717</b>	<b>758,143</b>	---	<b>10,507,279</b>

## ROBEX RESOURCES INC.

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

Year ended December 31, 2015

(all amounts are in Canadian dollars unless otherwise indicated)

## 11 - MINING PROPERTIES - (continued)

	Diangounté (A)	Kolomba (B)	Mininko (C)	Sanoula (D)	N'Golopène (E)	Properties pending renewal (F)	Total
Undivided interest	85%	100%	100%	100%	100%		
<b>Mining rights and titles</b>							\$
Balance as at December 31, 2014	1,087,885	60,619	638,205	183,436	---	---	<b>1,970,145</b>
Acquisition costs	---	---	1,146	1,146	1,141	---	<b>3,433</b>
Reclassified into property, plant and equipment (1)	---	---	(560,806)	---	---	---	<b>(560,806)</b>
Exchange rate changes	76,797	4,278	25,121	12,977	---	---	<b>119,173</b>
<b>Balance as at December 31, 2015</b>	<b>1,164,682</b>	<b>64,897</b>	<b>103,666</b>	<b>197,559</b>	<b>1,141</b>	---	<b>1,531,945</b>
<b>Exploration costs</b>							
Balance as at December 31, 2014	4,091,224	724,247	8,528,445	758,680	611,590	---	<b>14,714,186</b>
Expenses incurred	186,873	184,775	184,649	183,602	64,226	---	<b>804,125</b>
Reclassified into property, plant and equipment (1)	---	---	(7,172,774)	---	---	---	<b>(7,172,774)</b>
Depreciation and amortization	48,178	48,178	48,178	48,178	16,763	---	<b>209,475</b>
Exchange rate changes	189,408	(48,354)	14,841	(47,082)	47,504	---	<b>156,317</b>
<b>Balance as at December 31, 2015</b>	<b>4,515,683</b>	<b>908,846</b>	<b>1,603,339</b>	<b>943,378</b>	<b>740,083</b>	---	<b>8,711,329</b>
<b>Total as at December 31, 2015</b>	<b>5,680,365</b>	<b>973,743</b>	<b>1,707,005</b>	<b>1,140,937</b>	<b>741,224</b>	---	<b>10,243,274</b>

(1) During the year ended December 31, 2015, an amount of \$7,733,580 was reclassified to property, plant and equipment under "deferred development costs" concerning rights and titles as well as exploration costs in relation to Nampala mine's operation permit (see note 13).

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)****Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**11 - Mining properties - (continued)**

- (A) The mining title of Diangounté is 100% owned by Robex N'Gary SA, a Malian rights Company, of which Robex Resources Inc. holds 85% of the issued shares and N'Gary Transport, an unrelated Company, owns 15%. The license was awarded on May 18, 2009 and expires on May 17, 2016. The license received the first renewal on October 9, 2012 and the second, on May 5, 2015.

The Company is subject to certain minimal requirements in terms of exploration work to be carried out over the validity of the permit. The Company has met these requirements.

- (B) The Company holds the license, through its wholly-owned subsidiary, Robex Resources Mali SARL. This license was granted on January 17, 2013. The permit is valid for three years, renewable twice for two years, for a total of seven years. This permit expires on January 17, 2020.

The Company is subject to certain minimal requirements in terms of exploration work to be carried out over the validity of the permit. The Company has met these requirements.

- (C) Since April 30, 2007, the Company holds 100% of the mining titles of these properties and the seller benefited from a 2% NSR (Net Smelter Return) royalty on which the Company has a right of first refusal. During the year ended December 31, 2012, the Company completed the acquisition of half of the royalties for a cash consideration of \$250,000. Now, the seller will receive a 1% NSR on which the Company still has a right of first refusal.

On November 8, 2011, the Company released a feasibility study confirming a possible profitable exploitation on the Mininko site.

On March 1, 2012, a wholly-owned subsidiary, Robex Resources Mali SARL, was granted a license for research and exploration. The permit is valid for three years and is renewable twice. The duration of each renewal period is two years, for a total of seven years. This permit expires on February 28, 2019.

On March 21, 2012, the subsidiary Nampala S.A., 90% owned by the Company, received its gold mining and mineral substances permit regarding a portion of the Mininko property. This mining permit is valid for thirty years.

In addition, when assigning the mining permit, the Malian government has been awarded 10% of the Nampala SA shares, for free. The Malian government could decide to acquire an additional 10% for a fee, which has not been done at the date of these financial statements.

The Company is subject to certain minimal requirements in terms of exploration work to be carried out over the validity of the permit. The Company has met these requirements.



**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)****Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**11 - Mining properties - (continued)**

- (D) Since May 30, 2008, the Company holds 100% of mining titles through the subsidiary Robex Resources Mali SARL, a wholly-owned subsidiary. The seller will receive NSR royalties of 2% on which Robex Resources Inc. will have a right of first refusal.

The research and mining permit was granted on February 2, 2012. The permit is valid for three years and is renewable twice. The duration of each renewal period is two years, for a total of seven years. This permit expires in February 2019.

The Company is subject to certain minimal requirements in terms of exploration work to be carried out over the validity of the permit. The Company has met these requirements.

- (E) In July 2011, the Company entered into a partnership agreement with Resolute Mining Limited permitting the latter to acquire up to a 70% interest in the N'Golopene permit. Under the terms of this agreement, Resolute Mining Limited could acquire an initial interest of 51% in the joint venture once certain conditions have been met. In February 2015, the agreement entered into with the company Resolute Mining Limited was canceled due to the latter's decision. Robex has recovered all of the undivided rights of the mining property and now owns 100% of this property.

An NSR of 2% will be retained by the seller, which can be repurchased by the Company.

The research and mining permit was assigned in May 2010 and is valid for three years, renewable twice, for a total of seven years. The permit was renewed in August 2013 and another time in August 2015. This permit expires in May 2017.

The Company is subject to certain minimal requirements in terms of exploration work to be carried out over the validity of the permit. The Company has met these requirements.

- (F) In the past, the Company has invested in exploration on two other mining properties in Mali whose permits, as at March 31, 2016, were not renewed by the Malian government. Although the Company is currently taking steps to obtain the renewal of these permits and since it cannot assume the success of these renewals, it recognized provision for impairment on these permits during the year ended December 31, 2014.

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
**Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**12 - ACQUISITION COST OF MINING PROPERTIES AND EXPLORATION AND DEVELOPMENT EXPENSES**

**MINING RIGHTS AND TITLES**

	<b>2016</b>	2015
	\$	\$
	<b>(3 months)</b>	(12 months)
<b>Balance at beginning</b>	<b>1,531,945</b>	1,970,145
Acquisition cost	<b>11,260</b>	3,433
Reclassification into property, plant and equipment	---	(560,806)
Impact of exchange rate changes	<b>(22,350)</b>	119,173
<b>Balance at end</b>	<b>1,520,855</b>	1,531,945

**EXPLORATION AND DEVELOPMENT EXPENSES**

<b>Balance at beginning</b>	<b>8,711,329</b>	14,714,186
<u>Add:</u>		
Management fees	---	42,724
Exploration expenses	<b>63,852</b>	675,058
Equipment	<b>1,706</b>	20,853
Development fees	<b>63</b>	---
Travel expenses	<b>1,411</b>	15,028
Supplies and other	<b>9,749</b>	50,462
	<b>76,781</b>	804,125
Depreciation of property, plant and equipment and amortization of intangible assets	<b>38,670</b>	209,475
Reclassification into property, plant and equipment	---	(7,172,774)
Impact of exchange rate changes	<b>159,644</b>	156,317
	<b>275,095</b>	(6,002,857)
<b>Balance at end</b>	<b>8,986,424</b>	8,711,329
<b>TOTAL BALANCE</b>	<b>10,507,279</b>	10,243,274

## ROBEX RESOURCES INC.

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)****Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**13 - PROPERTY, PLANT AND EQUIPMENT**

	Mining development costs	Buildings and office development	Equipment related to mining operations	Tools, equipment and vehicles	Exploration equipment	<b>Total</b>
<b>Cost</b>						<b>\$</b>
<b>Balance as at December 31, 2014</b>	<b>6,525,351</b>	<b>3,427,941</b>	<b>32,503,369</b>	<b>1,901,917</b>	<b>1,869,365</b>	<b>46,227,943</b>
Additions						
Assets acquired	2,558,367	7,738	15,492,757	718	---	<b>18,059,580</b>
Reclassification of mining properties	7,733,580	---	---	---	---	<b>7,733,580</b>
Exchange rate changes	1,166,009	242,346	2,754,664	137,422	128,691	<b>4,429,132</b>
<b>Balance as at December 31, 2015</b>	<b>17,983,307</b>	<b>3,678,025</b>	<b>50,750,790</b>	<b>2,040,057</b>	<b>1,998,056</b>	<b>76,450,235</b>
Additions						
Assets acquired	1,106,442	---	2,940,537	---	---	<b>4,046,979</b>
Exchange rate changes	(685,739)	(62,611)	(863,924)	(34,728)	(34,013)	<b>(1,681,015)</b>
<b>Balance as at March 31, 2016</b>	<b>18,404,010</b>	<b>3,615,414</b>	<b>52,827,403</b>	<b>2,005,329</b>	<b>1,964,043</b>	<b>78,816,199</b>

During the year ended December 31, 2015, an amount of \$7,733,580 from mining properties (note 11) was reclassified into property, plant and equipment under "mining development costs" concerning mining rights and titles as well as exploration costs in relation to the Nampala mine's operating permit.

For the quarter ended March 31, 2016, an amount of \$9,726 for the depreciation of certain items of property, plant and equipment was recorded in "equipment related to mining operations" (\$47,461 for the year ended December 31, 2015). Also, during the quarter ended March 31, 2016, financial expenses of \$1,269,132 were capitalized to "mining development costs" and "equipment related to mining operations" (\$3,947,091 during the year ended December 31, 2015).

## ROBEX RESOURCES INC.

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

Three month periods ended March 31, 2016 and 2015

(all amounts are in Canadian dollars unless otherwise indicated)

## 13 - PROPERTY, PLANT AND EQUIPMENT - (continued)

	Mining development costs	Buildings and office development	Equipment related to mining operations	Tools, equipment and vehicles	Exploration equipment	Total
<b>Accumulated depreciation</b>						\$
<b>Balance as at December 31, 2014</b>	---	<b>549,206</b>	---	<b>447,035</b>	<b>1138,604</b>	<b>2,134,845</b>
Depreciation for the year	---	427,094	---	326,249	166,572	<b>919,915</b>
Exchange rate changes	---	58,146	---	46,475	90,505	<b>195,126</b>
<b>Balance as at December 31, 2015</b>	---	<b>1,034,446</b>	---	<b>819,759</b>	<b>1,395,681</b>	<b>3,249,886</b>
Depreciation for the year	---	93,474	---	64,866	31,163	<b>189,503</b>
Exchange rate changes	---	(17,632)	---	(14,013)	(24,496)	<b>(56,141)</b>
<b>Balance as at March 31, 2016</b>	---	<b>1,110,288</b>	---	<b>870,612</b>	<b>1,402,348</b>	<b>3,383,248</b>
<b>Net amount:</b>						
as at December 31, 2015	17,983,307	2,643,579	50,750,790	1,220,298	602,375	<b>73,200,349</b>
<b>as at March 31, 2016</b>	<b>18,404,010</b>	<b>2,505,126</b>	<b>52,827,403</b>	<b>1,134,717</b>	<b>561,695</b>	<b>75,432,951</b>

Property, plant and equipment with a carrying amount of \$71,231,413 are not depreciated because they are either under construction or being installed as at March 31, 2016 (\$68,734,097 as at December 31, 2015).

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**

Three month periods ended March 31, 2016 and 2015

(all amounts are in Canadian dollars unless otherwise indicated)

**14 - INTANGIBLE ASSETS****Software****COST****Balance at the beginning**Additions:

Assets acquired

Impact of exchange rate changes

**Balance at the end****ACCUMULATED AMORTIZATION****Balance at the beginning**

Amortization for the period

Impact of exchange rate changes

**Balance at the end****Net amount:**

	<b>2016</b>	2015
	\$	\$
	<b>(3 months)</b>	(12 months)
<b>Balance at the beginning</b>	<b>346,584</b>	323,742
<u>Additions:</u>		
Assets acquired	---	---
Impact of exchange rate changes	<b>(5,900)</b>	22,842
<b>Balance at the end</b>	<b>340,684</b>	346,584
<b>ACCUMULATED AMORTIZATION</b>		
<b>Balance at the beginning</b>	<b>185,287</b>	114,222
Amortization for the period	<b>10,515</b>	59,631
Impact of exchange rate changes	<b>(3,332)</b>	11,434
<b>Balance at the end</b>	<b>192,470</b>	185,287
<b>Net amount:</b>	<b>148,214</b>	161,297

**15 - ACCOUNTS PAYABLE**

Accrued interest

Payables to related parties

Other payables

	<b>March 31,</b>	December 31,
	<b>2016</b>	2015
	<b>(unaudited)</b>	
	\$	\$
Accrued interest	<b>2,217,722</b>	2,540,266
Payables to related parties	<b>2,136,896</b>	2,040,508
Other payables	<b>8,164,289</b>	11,069,086
	<b>12,518,907</b>	15,649,860

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)****Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**16 - LONG-TERM DEBT**

	<b>March 31, 2016 (unaudited) \$</b>	December 31, 2015 \$
Loan from a supplier, annual interest rate of 10 %, payable in monthly instalments of \$218,448 (97,001,777 CFA francs), principal and interest, until December, 2016.	<b>2,374,918</b>	2,356,638
Loan from a supplier, maximum amount of \$3,436,497 (1,500,000,000 CFA francs), annual interest of 10.1%. This loan was fully repaid March 25, 2016.	---	3,436,497
Loan from a shareholder of the Company, in the amount of EUR 1,000,000 (\$1,477,500), annual interest of 8%, repayable by June 30, 2016.	<b>1,477,500</b>	---
Bank loan in the amount of \$2,702,398 (1.2 billion CFA francs), annual interest of 7%, secured by a pledge of \$5,404,797 (2.4 billion CFA francs) on equipment and material located at the Nampala mine. This loan is repayable in monthly installments of \$ 300,266 (133,333,333 CFA francs) plus interest until May 2017 inclusively.	<b>2,702,398</b>	---
Bank loan in the amount of \$ 4,503,997 (2,000,000,000 CFA francs), annual interest of 7%, secured by a second mortgage land on the operating license for gold and minerals in the region of Nampala. This loan is repayable in monthly installments of \$115,487 (51,282,051 CFA francs) plus interest until February 2020 inclusively.	<b>4,503,997</b>	---
Bank loan in the amount of \$ 6,755,996 (3,000,000,000 CFA francs), annual interest of 8%, secured by a first mortgage land on the operating license for gold and minerals in the region of Nampala. This loan is repayable in monthly installments of \$168,340 (74,751,318 CFA francs) including capital and interest, until April 2020 inclusively.	<b>6,755,996</b>	---
	<b>17,814,809</b>	5,793,135
Current portion of long-term debt	<b>7,756,287</b>	5,793,135
	<b>10,058,522</b>	---

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
**Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**16 - LONG-TERM DEBT - (continued)**

<b>Lines of credit</b>	<b>March 31, 2016 (unaudited) \$</b>	December 31, 2015 \$
Authorized line of credit from a bank in Mali, for a maximum amount of 500,000,000 CFA francs. Annual interest rate of 9%.	<b>938,915</b>	1,203,939
Authorized line of credit from a bank in Mali, for a maximum amount of 2,500,000,000 CFA francs. Annual interest rate of 8%.	<b>4,648,044</b>	5,904,586
	<b>5,586,959</b>	7,108,525

**17 - WARRANTS**

The warrants that were granted varied as follows :

	<b>First quarter ended March 31, 2016 (3 months)</b>		Year ended December 31, 2015 (12 months)	
	<b>Number</b>	<b>Weighted average exercise price</b>	Number	Weighted average exercise price
Outstanding at the beginning	<b>80,000,000</b>	<b>\$0.25</b>	80,000,000	\$0.25
Cancelled or expired	---	---	---	---
Outstanding at the end	<b>80,000,000</b>	<b>\$0.25</b>	80,000,000	\$0.25
Exercisable	<b>80,000,000</b>	<b>\$0.25</b>	80,000,000	\$0.25

The following table summarizes information about the Company's warrants as at March 31, 2016

<u>Number</u>	<u>Exercise price</u>	<u>Remaining Life (years)</u>
<u>80,000,000</u>	\$0.25	1.58
<u>80,000,000</u>		

Since these instruments are payable in Canadian dollars, which is not the functional currency of the Company, stock purchase warrants do not respect the criteria defined by the IFRS for classification as equity instruments. They are thus considered as derivative instruments initially and subsequently valued at fair value and presented as financial liability. Any subsequent change in the fair value is recognized in profit or loss.

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)****Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**17 - WARRANTS - (continued)**

Fair values as at March, 31, 2016 and as at December 31, 2015 have been estimated using the Black-Scholes option-pricing model with the following assumptions:

	<b>March 31, 2016 (unaudited)</b>	December 31, 2015
Risk-free interest rate	<b>0.54 %</b>	0.48 %
Expected volatility	<b>124.05 %</b>	111.2 %
Dividend yield	<b>0 %</b>	0 %
Expected life	<b>1.58 year</b>	1.83 year

The fair value of warrants is presented in note 26 hereinafter.

**18 - ENVIRONMENTAL LIABILITIES**

	<b>March 31, 2016 (unaudited)</b>	December 31, 2015
Provision related to the subsequent dismantling of the facilities being built on the Nampala site	<b>\$ 319,396</b>	\$ 352,738

The Company's activities are subject to various laws and regulations regarding environmental restoration and closure provisions for which the Company estimates future costs. These provisions may be revised on the basis of amendments to such laws and regulations and the availability of new information, such as changes in reserves corresponding to a change in the mine life and discount rates, changes in estimated costs of reclamation activities and acquisition or construction of a new mine. The Company makes a provision based on a best estimate of the future cost of rehabilitating mine sites and related production facilities on a discounted basis.

**19 - CONVERTIBLE DEBENTURES****Debentures issued on November 21, 2013**

The Company issued, on November 21, 2013, convertible debentures in the amount of \$11,940,000, unsecured, whose initial maturity date was November 20, 2016. This amount was convertible into 79,600,000 common shares of the Company until November 20, 2016 at a price of \$0.15 per share. The debentures bore interest at 10% annually and could be paid in cash on each anniversary date. Interest was not convertible into shares of the Company, but could be settled in shares of the Company based on the share price at that time, and subject to pre-approval of the Exchange. In certain situations, the Company had the possibility to make a redemption offer equal to 105% of the principal amount and accrued and unpaid interest to the holders prematurely.



**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
**Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**19 - CONVERTIBLE DEBENTURES - (continued)**

**Debentures issued on November 21, 2013 - (continued)**

On November 21, 2015, the Company changed the terms of some of these debentures. The amendments consist in extending the maturity date of some debentures from November 21, 2016 to November 21, 2018, entitling the Company to defer interest payment till the amended maturity date, subject to 10 % annual interest and entitling the Company to repay the said Debentures at any time before November 21, 2018. The principal outstanding on the debentures amended as of the date of the extension is \$11,790,000. All the other terms of the debentures remain unchanged.

The convertible debentures are divided into two components, the debt portion and the conversion right. Concerning the debentures whose maturity date is November 21, 2016, the conversion right component was initially measured at fair value at the date of issuance of the debentures, on November 21, 2013, and the debt component was initially measured at residual value. Concerning the debentures whose maturity date was modified on November 21, 2015, the conversion right component was revalued at fair value at the date of the modification of the debentures, on November 21, 2015, and the debt component was measured at residual value. For the quarter ended March 31, 2016, an amount of \$326,183 has been recorded as accrued interest (\$294,411 for the quarter ended March 31, 2015) and an amount of effective interest of \$229,932 has been recorded on the debt portion of these debentures (\$364,139 for the quarter ended March 31, 2015). The carrying values of the components of these debentures are presented on the next page.

Fair values of conversion rights measured as at March 31, 2016 and December 31, 2015 have been estimated using the weighted Black-Scholes option-pricing model with the following weighted assumptions:

	<b>March 31, 2016 (unaudited)</b>	December 31, 2015
Weighted risk-free interest rate	<b>0.54 %</b>	0.48 %
Weighted expected volatility	<b>101.41 %</b>	94.69 %
Weighted expected dividend yield	<b>0 %</b>	0 %
Weighted remaining life	<b>2.62 years</b>	2.87 years

**Debentures issued on July 2, 2015**

The Company issued, on July 2, 2015, convertible debentures in the amount of \$7,105,000, unsecured, maturing on July 1, 2018. This amount is convertible into 71,050,000 common shares of the Company until July 1, 2018 at a price of \$0.10 per share. The debentures bear interest at 10% annually and are payable in cash on each anniversary date. Interest is not convertible into shares of the Company, but may be settled in shares of the Company based on the share price at that time, and subject to pre-approval of the Exchange.

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
**Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**19 - CONVERTIBLE DEBENTURES (continued)**

**Debentures issued on July 2, 2015 (continued)**

The convertible debentures are divided into two components, the debt portion and the conversion right. The conversion right component was initially measured at fair value at the date of issuance of the debentures, on July 2, 2015, and the debt component was initially measured at residual value. For the quarter ended March 31, 2016, an amount of \$176,654 has been recorded as accrued interest (nil for the quarter ended March 31, 2015) and an amount of effective interest of \$231,156 has been recorded on the debt portion of this debenture (nil for the quarter ended March 31, 2015). The carrying values of the components of these debentures are presented below.

Fair values of conversion rights measured as at March 31, 2016 and December 31, 2015 have been estimated using the Black-Scholes option-pricing model with the following assumptions:

	<b>March 31, 2016 (unaudited)</b>	December 31, 2015
Risk-free interest rate	<b>0.54 %</b>	0.48 %
Expected volatility	<b>108.75 %</b>	98.19 %
Expected dividend yield	<b>0 %</b>	0 %
Remaining life	<b>2.25 years</b>	2.5 years

The carrying values of the components of these debentures are:

	<b>March 31, 2016 (unaudited)</b>	December 31, 2015
<b>Conversion rights at fair value</b>	<b>\$</b>	<b>\$</b>
Debentures issued on November 21, 2013	<b>4,596,310</b>	2,065,618
Debentures issued on July 2, 2015	<b>4,748,481</b>	2,168,191
	<b>9,344,791</b>	4,233,809
<b>Debt component at amortized cost</b>		
Debentures issued on November 21, 2013	<b>9,160,635</b>	8,930,704
Debentures issued on July 2, 2015	<b>4,327,135</b>	4,095,978
	<b>13,487,770</b>	13,026,682
	<b>22,832,561</b>	17,260,491

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)****Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**20 - SHARE CAPITAL****Authorized :**

Unlimited number of shares without par value:

Common shares

Preferred shares, non-voting, variable non-cumulative dividend not exceeding 14%, non-participating in the remaining assets, redeemable at the purchase price

<b>March 31, 2016 (unaudited)</b>	December 31, 2015
\$	\$
<b>66,734,172</b>	<b>66,734,172</b>

**Issued and fully paid****579,509,566 common shares**

(December 31, 2015, - 310,165,539 common shares)

**Year 2016**

No operation on the Company's share capital was recorded in the quarter ended March 31, 2016.

**Year 2015**

On January 21, 2015, the Company closed a private placement consisting of 142,857,142 shares at a price of \$0.07 per share for gross proceeds of \$10,000,000. Share issue expenses amounted to \$34,000.

On January 21, 2015, the Company issued 126,486,885 shares at a price of \$0.07 per share in payment of a debt for gross proceeds of \$8,854,082. Share issue expenses amounted to \$30,000.

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
**Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**20 - SHARE CAPITAL (continued)**

**Stock option plan**

Pursuant to the stock option plan, the Company may award options to directors, officers, employees and consultants. The maximum number of common shares of the Company issuable under the plan is 10,000,000. The maximum number of common shares which may be reserved for issuance to any one optionee within a one-year period, other than a consultant or a person employed to provide investor relations activities to the Company, may not exceed 5% of the common shares issued and outstanding at the date of grant. Upon issuance of the options, the Board of Directors determines the expiry date and exercise price of options and establishes the terms and conditions regarding the vesting rules at the date of grant. The option term cannot exceed ten years and the exercise price can be a discounted price. The maximum number of common shares which may be reserved for issuance to a holder who is a consultant or a person employed to provide investor relations activities to the Company in any 12-month period, may not exceed 2% of the common shares issued and outstanding at the date of grant. Finally, options granted to a person retained to provide investor relations activities to the Company will vest over a period of 12 months, at a rate of 25% in any three month period.

The stock options granted by the Company are payable in equity instruments of the Company.

The stock options varied as follows:

	<b>First quarters ended March 31, 2016 (3 months)</b>		<b>Year ended December 31, 2015 (12 months)</b>	
	<b>Number</b>	<b>Weighted average exercise price</b>	<b>Number</b>	<b>Weighted average exercise price</b>
Oustanding at the beginning	<b>2,058,334</b>	<b>\$0.20</b>	3,355,000	\$0.19
Cancelled or expired	---	---	(1,296,666)	\$0.19
Oustanding at the end	<b>2,058,334</b>	<b>\$0.20</b>	2,058,334	\$0.20
Exercisable	<b>1,791,667</b>	<b>\$0.19</b>	1,791,667	\$0.19

For the quarter ended March 31, 2016, no stock options were exercised (no stock options were exercised for the year ended December 31, 2015).

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)****Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**20 - SHARE CAPITAL (continued)**

The total fair value of stock options granted for the quarter ended March 31, 2016 was nil (nil for the year ended December 31, 2015). For the quarter ended March 31, 2016, an amount of nil is included as stock-based compensation expense (\$19,536 for the year ended December 31, 2015). The total fair value was estimated on the grant dates using the Black-Scholes option pricing model with the following average assumptions:

Risk-free interest rate	1.09 %
Expected volatility	48.52 %
Expected dividend yield	0%
Expected life	2.6 years

The following table summarizes certain information on the Company's stock options as at March 31, 2016 and December 31, 2015 :

Exercise price	Outstanding options as at March 31, 2016		Exercisable options as at March 31, 2016	
	Weighted average remaining contractual life		Weighted average remaining contractual life	
	Number	Years	Number	Years
From \$0.10 to \$0.145	650,000	1.7	650,000	1.7
From \$0.15 to \$0.195	333,334	1.2	166,667	1.2
From \$0.20 to \$0.245	1,075,000	0.6	975,000	0.6
	<b>2,058,334</b>		<b>1,791,667</b>	

Exercise price	Outstanding options as at December 31, 2015		Exercisable options as at December 31, 2015	
	Weighted average remaining contractual life		Weighted average remaining contractual life	
	Number	Years	Number	Years
From \$0.10 to \$0.145	650,000	1.9	650,000	1.9
From \$0.15 to \$0.195	333,334	1.4	166,667	1.4
From \$0.20 to \$0.245	1,075,000	0.8	975,000	0.8
	<b>2,058,334</b>		<b>1,791,667</b>	

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**

Three month periods ended March 31, 2016 and 2015

(all amounts are in Canadian dollars unless otherwise indicated)

**21 - ACCUMULATED OTHER COMPREHENSIVE INCOME**

	<b>March 31, 2016</b>	December 31, 2015
	\$	\$
	<b>(3 months)</b>	(12 months)
<b>Exchange difference</b>		
<b>Balance at the beginning</b>	<b>4,233,059</b>	524,611
Exchange difference changes in period	<b>(925,123)</b>	3,708,448
<b>Balance at the end</b>	<b>3,307,936</b>	4,233,059
<b>Attributable to:</b>		
Common shareholders	<b>3,324,663</b>	4,260,491
Non-controlling interests	<b>(16,727)</b>	(27,432)
	<b>3,307,936</b>	4,233,059

**22 - ADDITIONAL INFORMATION ON THE CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>First quarters ended March 31,</b>	
	<b>2016</b>	2015
	\$	\$
<i>a) Net changes in non-cash working capital items</i>		
<b>Decrease (increase) in current assets</b>		
Accounts receivable	<b>(226,625)</b>	(1,443,765)
Inventories	<b>(158,275)</b>	(116,206)
Prepaid expenses	<b>(159,648)</b>	41,816
	<b>(544,548)</b>	(1,518,155)
<b>Increase (decrease) in current liabilities</b>		
Accounts payable	<b>(1,112,951)</b>	(806,871)
	<b>(1,657,500)</b>	(2,325,026)
<i>b) Items not affecting cash related to investing activities</i>		
Acquisition of mining properties and property, plant and equipment included in accounts payable	<b>5,529,290</b>	634,655

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)****Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**23 - NET EARNINGS (LOSS) PER SHARE**

The following table shows a reconciliation between the basic and the diluted earnings (loss) per share:

	<b>First quarters ended March 31,</b>	
	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Basic net earnings (loss)	<b>(8,335,849)</b>	1,272,185
Basic weighted average number of shares outstanding	<b>579,509,566</b>	564,750,989
Conversion rights related to convertible debentures (1)	---	---
Stock options (1)	---	---
Warrants (1)	---	---
Diluted weighted average number of shares outstanding	<b>579,509,566</b>	564,750,989
<b>Basic and diluted net earnings (loss) per share</b>	<b>(0.014)</b>	0.002

- (1) The calculation of the hypothetical conversions excludes all anti-dilutive conversion rights, options and warrants. Some options, warrants and conversion rights are anti-dilutive because their price is higher than the average market value of the Company's common shares for each of the periods shown in the table. For the quarter ended March, 31, 2016, 150,650,000 conversion rights ; 2,058,334 options and 80,000,000 warrants are not included in the diluted net earnings (loss) per share calculation (79,600,000 conversion rights ; 2,751,167 options and 81,333,333 warrants for the quarter ended March 31, 2015).

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**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
**Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

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## **24 - CONTINGENCY**

### *Environmental Protection*

The Company's activities are subject to governmental laws concerning the protection of the environment. The environmental consequences are difficult to identify, whether it is at the level of the results, of the term or its impact. To the best knowledge of management, the Company is operating in compliance with the laws and regulations currently in effect. Costs resulting from the restructuring of sites are recorded in the results for the year or included in the cost of the fixed assets concerned in the period in which it will be possible to make a reasonable estimate.

## **25 - CAPITAL DISCLOSURES**

The Company's objective when managing capital is to maintain adequate cash resources to support planned activities. The Company includes equity in the definition of capital. The Company's capital was respectively \$31,570,710 and \$40,871,878 as at March 31, 2016 and December 31, 2015, respectively.

The Company's objective when managing capital is to maintain financial flexibility in order to preserve its ability to meet financial obligations. The Company monitors capital in the light of its monthly burn rate and short-term obligations linked to its financial liabilities.

Other operations that affect equity are presented in the consolidated statement of changes in equity.



**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)****Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**26 - FINANCIAL INSTRUMENTS****Measurement categories**

Financial assets and liabilities have been classified into categories that determine their basis of measurement and, for items measured at fair value, whether changes in fair value are recognized in the consolidated statement of income (loss) or in the consolidated statement of comprehensive income (loss). These categories are: loans and receivables, financial liabilities at amortized cost and financial liabilities at fair value. The following table shows the carrying amounts of assets and liabilities for each of these categories as at March 31, 2016 and December 31, 2015 :

	<b>March 31, 2016 (unaudited) \$</b>	December 31, 2015 \$
<b>Loans and receivables</b>		
Cash and cash equivalents	<b>2,658,468</b>	278,580
Accounts receivable	<b>241,505</b>	27,599
Deposits paid	<b>930,629</b>	602,509
	<b>3,830,602</b>	908,688
<b>Financial liabilities at amortized cost</b>		
Accounts payable	<b>12,183,155</b>	15,268,089
Lines of credit	<b>5,586,959</b>	7,108,525
Long-term debt	<b>17,814,809</b>	5,793,135
Debt component of convertible debentures	<b>13,487,770</b>	13,026,682
	<b>49,072,693</b>	41,196,431
<b>Financial liabilities at fair value</b>		
Conversion rights of convertible debentures	<b>9,344,791</b>	4,233,809
Warrants	<b>3,381,973</b>	1,318,215
	<b>12,726,764</b>	5,552,024

**Financial risk factors**

Due to the nature of its activities, the Company is exposed to financial risks: market risk, credit risk and liquidity risk.

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**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
**Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

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**26 - FINANCIAL INSTRUMENTS - (continued)****a) Market risk****i) Fair value**

The Company considers that the carrying amount of all its financial liabilities at amortized cost in its consolidated financial statements approximates their fair value. Current financial assets and liabilities are valued at their carrying amounts, which are reasonable estimates of their fair value due to their near-term maturities; this includes cash and cash equivalents, accounts receivable, bank overdraft, accounts payable and lines of credit. The fair value of long-term debts has not been determined due to the related specific conditions negotiated between the Company and the third parties concerned. The fair value of warrants and conversion rights is determined based on the Black and Scholes option model.

The table below provides an analysis of the financial instruments which are measured at fair value following the initial measurement. Financial instruments are consolidated in levels 1 to 3, according to the degree to which fair value is observable.

- Level 1: measurement at fair value based on quoted prices (not subject to adjustment) in active markets for identical assets or liabilities;
- Level 2: measurement at fair value based on data, other than the quoted prices mentioned in Level 1, observable for asset or liability, directly (that is prices) or indirectly (that is derived from prices);
- Level 3: measurement at fair value based on valuation techniques including an important part of the data related to asset or liability and which are not based on observable market data (unobservable data).

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
**Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**26 - FINANCIAL INSTRUMENTS - (continued)**

**a) Market risk - (continued)**

i) Fair value - (continued)

				March 31, 2016 (unaudited) Total fair value financial liabilities
	Level 1	Level 2	Level 3	
<b>Financial liabilities</b>				
<b>Conversion rights</b>	---	---	9,344,791	9,344,791
<b>Warrants</b>	---	---	3,381,973	3,381,973
	---	---	<b>12,726,764</b>	<b>12,726,764</b>

				December 31, 2015 Total fair value financial liabilities
	Level 1	Level 2	Level 3	
Financial liabilities				
Conversion rights	---	---	4,233,809	4,233,809
Warrants	---	---	1,318,215	1,318,215
	---	---	5,552,024	5,552,024

During these years, there were no transfers of financial instruments between levels 1 and 2 or levels 2 and 3.

The table below presents changes in financial instruments recognized at fair value and measured according to Level 3 parameters:

	<b>March 31, 2016</b>	December 31, 2015
	\$	\$
	<b>(3 months)</b>	(12 months)
<b>Conversion rights</b>		
<b>Balance at the beginning</b>	<b>4,233,809</b>	3,028,967
Granted during the period	---	3,434,947
Changes in fair value recorded in profit or loss	<b>5,309,107</b>	(2,382,208)
Impact of exchange rate changes presented in profit or loss	<b>(73,824)</b>	245,609
Impact of exchange rate changes presented in other comprehensive income (loss)	<b>(124,301)</b>	(93,506)
<b>Balance at the end</b>	<b>9,344,791</b>	4,233,809

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
**Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**26 - FINANCIAL INSTRUMENTS - (continued)**

**a) Market risk - (continued)**

i) Fair value - (continued)

**Warrants**

**Balance at the beginning**

Changes in fair value recorded in profit or loss

Impact of exchange rate changes presented in profit or loss

Impact of exchange rate changes presented in other comprehensive income (loss)

**Balance at the end**

<b>March 31, 2016</b>	December 31, 2015
<b>\$</b>	\$
<b>(3 months)</b>	(12 months)
<b>1,318,215</b>	2,857,793
<b>2,136,936</b>	(1,640,896)
<b>(22,986)</b>	190,023
<b>(50,192)</b>	(88,705)
<b>3,381,973</b>	1,318,215

ii) Interest rate risk

The Company's current financial assets and financial liabilities are not significantly exposed to interest rate risk because either they are of a short-term nature or because they are non-interest bearing.

Lines of credit, convertible debentures and long-term debt bear interest at a fixed rate and are not exposed to interest rate risk.

iii) Foreign exchange risk

The Company is exposed to foreign exchange risk arising from currency exposures, primarily with respect to the Canadian dollar and the US dollar.

The Company holds balances in cash and cash equivalents, accounts payable, long-term debt, convertible debentures and warrants in Canadian dollars and cash in US Dollars. Accordingly, the Company is exposed to foreign exchange risk due to exchange rate fluctuations. The Company does not use any derivatives to mitigate its exposure to foreign exchange risk.

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
**Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**26 - FINANCIAL INSTRUMENTS - (continued)**

**a) Market risk - (continued)**

iii) Foreign exchange risk - (continued)

The balances in Canadian dollars are as follows as at December 31, 2015 and December 31, 2014 :

	<b>March 31, 2016 (unaudited) \$</b>	December 31, 2015 \$
Cash and cash equivalents	<b>34,849</b>	38,759
Accounts payable	<b>(2,898,028)</b>	(2,373,250)
<b>Net balance in Canadian dollars</b>	<b>(2,863,179)</b>	(2,334,491)
<b>Net balance in CFA francs</b>	<b>(1,271,394,616)</b>	(1,018,984,202)

Assuming that all other variables are constant, a 5 % weakening or strengthening of dollar exchange rate would generate an impact of \$132,982 on the net loss of the Company for the quarter ended March 31, 2016 (\$114,327 on the net earning for the year ended December 31, 2015).

**b) Credit risk**

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and accounts receivable. The Company offsets these risks by depositing its cash and cash equivalents with Canadian and international financial institutions with excellent credit rating. As at March 31, 2016, an amount of \$1,532,620 is held with banks in Africa, which have no credit rating (\$53,667 as at December 31, 2015). Advances to suppliers were involved in the manufacture of parts for the construction of the mine. The Company has been doing business with these suppliers for many years and believes that the credit risk associated with these advances is low.

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
**Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

**26 - FINANCIAL INSTRUMENTS - (continued)**

**c) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due.

The following table shows the contractual maturities of financial liabilities as at March 31, 2016 :

	Carrying amount	Less than a year	From 1 to 3 years	More than 3 years
<b>Accounts payable</b>	<b>12,518,907</b>	<b>12,518,907</b>	---	---
<b>Convertible debentures - Conversion rights (1-3-4)</b>	<b>9,344,791</b>	<b>19,427</b>	<b>9,325,364</b>	---
<b>Convertible debentures - Debt components (4)</b>	<b>13,487,770</b>	<b>150,000</b>	<b>18,895,000</b>	---
<b>Warrants (2-3)</b>	<b>3,381,973</b>	---	<b>3,381,973</b>	---
<b>Long-term debt</b>	<b>17,814,809</b>	<b>9,016,413</b>	<b>11,373,871</b>	---
<b>Lines of credit</b>	<b>5,586,959</b>	<b>5,586,959</b>	---	---
	<b>62,135,209</b>	<b>27,291,706</b>	<b>42,976,208</b>	---

The following table shows the contractual maturities of financial liabilities as at December 31, 2015:

	Carrying amount	Less than a year	From 1 to 3 years	More than 3 years
Accounts payable	15,649,860	15,649,860	---	---
Convertible debentures - Conversion rights (1-3-4)	4,233,809	3,278	4,230,531	---
Convertible debentures - Debt components (4)	13,026,682	150,000	18,895,000	---
Warrants (2-3)	1,318,215	---	1,318,215	---
Long-term debt	5,793,135	6,475,432	---	---
Lines of credit	7,108,525	7,108,525	---	---
	47,130,226	29,387,095	24,443,746	---

(1) Convertible into 1,000,000 common shares of the Company in November 2016, into 78,600,000 common shares of the Company in November 2018, and into 71,050,000 common shares of the Company in July 2018.

(2) All 80,000,000 warrants will expire in October 2017.

(3) The settlement of these liabilities does not entail any cash outflows. In addition, the exercise of warrants will result in cash inflows and the exercise of convertible debentures conversion rights will result in the elimination of outflows to the nominal value of the convertible debentures.

(4) As described in note 19.

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**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)****Three month periods ended March 31, 2016 and 2015**

(all amounts are in Canadian dollars unless otherwise indicated)

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**27 - RELATED PARTY TRANSACTIONS**

Results for the quarter ended March 31, 2016 include an amount of \$759,944 (\$443,243 for the quarter ended March 31, 2015) that was incurred with the directors and officers of companies controlled by them. These transactions occurred in the normal course of operations and are measured at the exchange amount which is the amount of consideration established by the related parties.

**28 - SUBSEQUENT EVENTS**

There are no subsequent events at the closing date of these condensed interim consolidated financial statements.