



Condensed Interim Consolidated Financial Statements (unaudited)  
Third quarter ended September 30, 2020

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**INTERIM CONSOLIDATED STATEMENTS OF INCOME**

(all amounts are in Canadian dollars unless otherwise indicated - unaudited)

	Third quarters ended September 30,		Nine-month periods ended September 30,	
	2020 \$	2019 \$	2020 \$	2019 \$
<b>REVENUE - GOLD SALES</b>	<b>45,864,340</b>	25,478,314	<b>92,441,897</b>	64,789,386
<b>COSTS OF OPERATIONS</b>				
Mining operation expenses - note 6	12,278,716	8,170,026	24,582,885	23,918,317
Administrative expenses - note 7	5,160,633	2,631,947	12,203,177	8,782,973
Depreciation of property, plant and equipment and amortization of intangible assets	3,504,453	7,401,890	17,682,851	23,248,210
Stock-based compensation expense - note 17	---	---	573,791	---
<b>OPERATING INCOME</b>	<b>24,920,538</b>	7,274,451	<b>37,399,193</b>	8,839,886
<b>OTHER EXPENSES (INCOME)</b>				
Financial expenses - note 8	346,736	663,912	952,326	2,178,045
Foreign exchange loss (gain)	(103,840)	255,474	(44,815)	218,086
Other income	(16,735)	(20,646)	(46,470)	(163,794)
<b>INCOME BEFORE INCOME TAX EXPENSE</b>	<b>24,694,377</b>	6,375,711	<b>36,538,152</b>	6,607,549
<b>Income tax expense (recovery)</b>				
Current	161,895	189,785	594,601	529,137
Deferred	635,912	(497,397)	2,477,295	(2,193,159)
	<b>797,807</b>	<b>(307,612)</b>	<b>3,071,896</b>	<b>(1,664,022)</b>
<b>NET INCOME FOR THE PERIOD</b>	<b>23,896,570</b>	6,683,323	<b>33,466,256</b>	8,271,571
<b>ATTRIBUTABLE TO</b>				
Common shareholders	23,195,182	6,593,048	33,199,335	8,455,126
Non-controlling interest	701,388	90,275	266,921	(183,555)
	<b>23,896,570</b>	6,683,323	<b>33,466,256</b>	8,271,571
<b>EARNINGS PER SHARE - note 20</b>				
Basic	0.039	0.011	0.057	0.015
Diluted	0.039	0.011	0.056	0.015

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

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

(all amounts are in Canadian dollars unless otherwise indicated - unaudited)

	Third quarters ended September 30,		Nine-month periods ended September 30,	
	2020	2019	2020	2019
	\$	\$	\$	\$
<b>NET INCOME FOR THE PERIOD</b>	<b>23,896,570</b>	6,683,323	<b>33,466,256</b>	8,271,571
<b>Other comprehensive income (loss)</b>				
Item that may be reclassified subsequently to net loss				
Exchange difference	<b>1,896,387</b>	(1,682,273)	<b>6,362,486</b>	(4,949,288)
<b>COMPREHENSIVE INCOME</b>	<b>25,792,957</b>	5,001,050	<b>39,828,742</b>	3,322,283
<b>COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO</b>				
Common shareholders	<b>25,057,441</b>	4,571,965	<b>39,497,314</b>	3,539,581
Non-controlling interest	<b>735,516</b>	429,085	<b>331,428</b>	(217,298)
	<b>25,792,957</b>	5,001,050	<b>39,828,742</b>	3,322,283

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

## INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(all amounts are in Canadian dollars unless otherwise indicated - unaudited)

	Common shareholders				Total	Non-controlling interest	Total equity
	Share capital	Reserve - stock options	Deficit	Accumulated other comprehensive income - note 18			
<b>Balance as at December 31, 2018</b>	<b>66,734,172</b>	<b>3,352,295</b>	<b>(19,931,484)</b>	<b>6,066,553</b>	<b>56,221,536</b>	<b>695,217</b>	<b>56,916,753</b>
Net income (loss) for the period	---	---	8,455,126	---	8,455,126	(183,555)	<b>8,271,571</b>
Other comprehensive loss	---	---	---	(4,915,545)	(4,915,545)	(33,743)	<b>(4,949,288)</b>
Comprehensive income (loss) for the period	---	---	8,455,126	(4,915,545)	3,539,581	(217,298)	<b>3,322,283</b>
<b>Balance as at September 30, 2019</b>	<b>66,734,172</b>	<b>3,352,295</b>	<b>(11,476,358)</b>	<b>1,151,008</b>	<b>59,761,117</b>	<b>477,919</b>	<b>60,239,036</b>
<b>Balance as at December 31, 2019</b>	<b>66,850,704</b>	<b>4,185,214</b>	<b>(859,288)</b>	<b>1,778,494</b>	<b>71,955,124</b>	<b>724,344</b>	<b>72,679,468</b>
Net income for the period	---	---	33,199,335	---	33,199,335	266,921	<b>33,466,256</b>
Other comprehensive income	---	---	---	6,297,979	6,297,979	64,507	<b>6,362,486</b>
Comprehensive income for the period	---	---	33,199,335	6,297,979	39,497,314	331,428	<b>39,828,742</b>
Dividend - note 17 c)	---	---	(35,537,967)	---	(35,537,967)	(73,014)	<b>(35,610,981)</b>
Stock options exercised during the period - note 17 a)	4,341,010	(1,644,731)	---	---	2,696,279	---	<b>2,696,279</b>
Stock options charged to expense during the period - note 17 b)	---	573,791	---	---	573,791	---	<b>573,791</b>
<b>Balance as at September 30, 2020</b>	<b>71,191,714</b>	<b>3,114,274</b>	<b>(3,197,920)</b>	<b>8,076,473</b>	<b>79,184,541</b>	<b>982,758</b>	<b>80,167,299</b>

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

**INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(all amounts are in Canadian dollars unless otherwise indicated - unaudited)

	As at September 30, 2020	As at December 31, 2019
	\$	\$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	9,408,056	13,599,000
Inventories - note 9	13,589,877	10,055,138
Accounts receivable - note 10	4,954,125	1,715,666
Prepaid expenses	386,711	185,373
Deposits paid	2,299,928	1,330,412
	<b>30,638,697</b>	<b>26,885,589</b>
<b>MINING PROPERTIES - note 11</b>	<b>8,165,661</b>	<b>7,111,382</b>
<b>PROPERTY, PLANT AND EQUIPMENT - note 12</b>	<b>67,726,561</b>	<b>63,632,476</b>
<b>INTANGIBLE ASSETS</b>	<b>69,384</b>	<b>77,875</b>
	<b>106,600,303</b>	<b>97,707,322</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable - note 13	13,419,090	9,226,879
Current portion of long-term debt - note 14	4,647,228	7,186,918
Current portion of lease obligations - note 16	320,984	146,963
	<b>18,387,302</b>	<b>16,560,760</b>
<b>LONG-TERM DEBT - note 14</b>	<b>3,312,767</b>	<b>6,073,242</b>
<b>ENVIRONMENTAL LIABILITIES - note 15</b>	<b>412,869</b>	<b>736,272</b>
<b>LEASE OBLIGATIONS - note 16</b>	<b>164,699</b>	<b>182,488</b>
<b>DEFERRED INCOME TAX</b>	<b>4,155,367</b>	<b>1,475,092</b>
	<b>26,433,004</b>	<b>25,027,854</b>
<b>EQUITY</b>		
Share capital - note 17	71,191,714	66,850,704
Reserve - stock options - note 17	3,114,274	4,185,214
Deficit	(3,197,920)	(859,288)
Accumulated other comprehensive income - note 18	8,076,473	1,778,494
	<b>79,184,541</b>	<b>71,955,124</b>
Non-controlling interest	982,758	724,344
	<b>80,167,299</b>	<b>72,679,468</b>
	<b>106,600,303</b>	<b>97,707,322</b>

Going concern (note 1)

Subsequent events (note 24)

## INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(all amounts are in Canadian dollars unless otherwise indicated - unaudited)

Third quarters  
ended September 30,Nine-month periods  
ended September 30,

	2020 \$	2019 \$	2020 \$	2019 \$
<b>CASH FLOWS FROM THE FOLLOWING ACTIVITIES</b>				
<b>Operating</b>				
Net income for the period	23,896,570	6,683,323	33,466,256	8,271,571
Adjustments for				
Financial expenses	346,736	663,912	952,326	2,178,045
Depreciation of property, plant and equipment and amortization of intangible assets	3,504,453	7,401,890	17,682,851	23,248,210
Deferred income tax expense (recovery)	635,912	(497,397)	2,477,295	(2,193,159)
Stock-based compensation expense	---	---	573,791	---
Net changes in non-cash working capital items - note 19	3,910,316	(2,038,954)	(2,869,968)	(3,728,825)
Paid interest	(325,572)	(395,645)	(887,168)	(1,308,807)
	<b>31,968,415</b>	<b>11,817,129</b>	<b>51,395,383</b>	<b>26,467,035</b>
<b>Investing</b>				
Variation in deposits paid	(401,188)	737,198	(1,189,560)	(717,142)
Acquisition of mining properties	(190,035)	(135,240)	(507,044)	(2,026,557)
Acquisition of property, plant and equipment	(6,767,429)	(3,691,375)	(16,413,657)	(11,678,832)
Acquisition of intangible assets	---	(17,500)	---	(19,318)
	<b>(7,358,652)</b>	<b>(3,106,917)</b>	<b>(18,110,261)</b>	<b>(14,441,849)</b>
<b>Financing</b>				
Repayment of long-term debt	(1,822,836)	(2,404,239)	(6,267,697)	(6,975,614)
Repayment of non-convertible debentures	---	(3,881,000)	---	(3,881,000)
Dividends paid	(23,940,078)	---	(35,545,269)	---
Variation in line of credit	---	(538,681)	---	(105,020)
Payments of lease obligations	(89,549)	(18,560)	(235,945)	(57,544)
Issue of common shares	1,572,779	---	2,696,279	---
	<b>(24,279,684)</b>	<b>(6,842,480)</b>	<b>(39,352,632)</b>	<b>(11,019,178)</b>
<b>Effect of exchange rate changes on cash</b>	<b>48,023</b>	<b>282,372</b>	<b>1,876,566</b>	<b>102,447</b>
<b>Increase (decrease) in cash</b>	<b>378,102</b>	<b>2,150,104</b>	<b>(4,190,944)</b>	<b>1,108,455</b>
<b>Cash at the beginning of the period</b>	<b>9,029,954</b>	<b>6,380,809</b>	<b>13,599,000</b>	<b>7,422,458</b>
<b>Cash at the end of the period</b>	<b>9,408,056</b>	<b>8,530,913</b>	<b>9,408,056</b>	<b>8,530,913</b>
<b>Tax paid</b>	<b>507,689</b>	<b>153,645</b>	<b>1,468,607</b>	<b>583,024</b>

Additional information (note 19)

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(all amounts are in Canadian dollars unless otherwise indicated - unaudited)

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### 1 - NATURE OF OPERATIONS AND GOING CONCERN

#### Nature of Operations

Robex Resources Inc. (the "Company") is a junior Canadian operations and exploration mining company. The Company has entered into commercial operation on its Nampala deposit, located on the Mininko permit, on January 1, 2017. In addition to its operational mining activities, the Company currently holds four exploration permits, all located in Mali, West Africa. These permits all demonstrate a favourable geology with a potential for the discovery of gold deposits. The head office's address is 437 Grande Allée Est, Québec (Quebec), G1R 2J5, Canada.

#### Going Concern

The condensed interim consolidated financial statements attached have been prepared using International Financial Reporting Standards («IFRS») published by the International Accounting Standards Board («IASB») based on the going concern assumption, which contemplates the realization of assets and the 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 statement of financial position classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

If the Company's operations were to be interrupted due to COVID-19 (note 4), it could have difficulty ensuring a continuous supply from its mine and making sales. As at September 30, 2020, the Company had accumulated a deficit of \$3,197,920 and had working capital of \$12,251,395, of which \$9,408,056 was in cash. Should the mine cease operations, the Company may not have sufficient working capital and liquidity to continue operations for a minimum period of twelve months.

Although the Company has taken significant measures to ensure the safety of its mine and to continue as a going concern, there can be no assurance that the Company will not be obliged to cease operations. The continuing operations of the Company will also depend on its ability to continue to raise the necessary debt financing. While management has successfully obtained financing in the past, there can be no assurance that such sources of financing will be available on terms acceptable to the Company in the future.

Also, 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.



## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(all amounts are in Canadian dollars unless otherwise indicated - unaudited)

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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") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB").

The accounting policies followed in these condensed interim consolidated financial statements are consistent with those applied in the Company's annual financial statements for the year ended December 31, 2019. These condensed interim consolidated financial statements should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2019, which have been prepared in accordance with IFRS as issued by the IASB.

These condensed interim consolidated financial statements have been prepared in accordance with IFRS and were approved by the Board of Directors for issue on November 26, 2020.

### 3 - SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are described in our annual audited consolidated financial statements for the year ended December 31, 2019.

### 4 - CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

A global pandemic related to COVID-19 was declared by the World Health Organization in March 2020, resulting in adjustments to the Company's operating procedures. To date, its operations have not been significantly impacted. The current and expected repercussions on global commerce have been and will continue to be far-reaching. To date, there has been significant volatility in commodity prices and foreign exchange rates around the world. In addition, many restrictions have been implemented, including travel restrictions and supply chain disruptions. As of the date of publication of these condensed interim consolidated financial statements, there is significant ongoing global uncertainty surrounding COVID-19 and the extent and duration of the impact it may have. Thereby, it is not possible to reliably estimate either the length or the severity of these developments and their impact on the Company's financial results, financial situation and cash flows.

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(all amounts are in Canadian dollars unless otherwise indicated - unaudited)

### 5 - SEGMENTED INFORMATION

The Company conducts its operating and exploration activities in Mali. The operational sectors presented reflect the Company's management structure and how the Company's principal operational decision-maker assesses business performance. The Company evaluates the performance of its operating sectors primarily based on operating income (loss), as shown in the following tables.

	Quarter ended September 30, 2020			
	Operations (Nampala, Mali)	Explorations (Mali)	Corporate management	Total \$
<b>REVENUE - GOLD SALES</b>	<b>45,864,340</b>	---	---	<b>45,864,340</b>
Mining operation expenses - note 6	11,193,833	---	---	11,193,833
Mining royalties - note 6	1,084,883	---	---	1,084,883
Administrative expenses - note 7	2,095,211	4,289	3,061,133	5,160,633
Depreciation of property, plant and equipment and amortization of intangible assets	3,488,468	---	15,985	3,504,453
<b>OPERATING INCOME (LOSS)</b>	<b>28,001,945</b>	<b>(4,289)</b>	<b>(3,077,118)</b>	<b>24,920,538</b>

	Quarter ended September 30, 2019			
	Operations (Nampala, Mali)	Explorations (Mali)	Corporate management	Total \$
REVENUE - GOLD SALES	25,478,314	---	---	25,478,314
Mining operation expenses - note 6	7,488,841	---	---	7,488,841
Mining royalties - note 6	681,185	---	---	681,185
Administrative expenses - note 7	1,284,225	1,983	1,345,739	2,631,947
Depreciation of property, plant and equipment and amortization of intangible assets	7,383,653	---	18,237	7,401,890
<b>OPERATING INCOME (LOSS)</b>	<b>8,640,410</b>	<b>(1,983)</b>	<b>(1,363,976)</b>	<b>7,274,451</b>

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(all amounts are in Canadian dollars unless otherwise indicated - unaudited)

**5 - SEGMENTED INFORMATION - (continued)**

	Nine-month period ended September 30, 2020			
	Operations (Nampala, Mali)	Explorations (Mali)	Corporate management	\$ Total
<b>REVENUE - GOLD SALES</b>	<b>92,441,897</b>	---	---	<b>92,441,897</b>
Mining operation expenses - note 6	22,357,293	---	---	22,357,293
Mining royalties - note 6	2,225,592	---	---	2,225,592
Administrative expenses - note 7	6,295,451	7,226	5,900,500	12,203,177
Depreciation of property, plant and equipment and amortization of intangible assets	17,634,895	---	47,956	17,682,851
Stock-based compensation expense - note 17	---	---	573,791	573,791
<b>OPERATING INCOME (LOSS)</b>	<b>43,928,666</b>	<b>(7,226)</b>	<b>(6,522,247)</b>	<b>37,399,193</b>
<b>TOTAL ASSETS AS AT SEPTEMBER 30, 2020</b>	<b>94,974,287</b>	<b>8,407,183</b>	<b>3,218,833</b>	<b>106,600,303</b>

	Nine-month period ended September 30, 2019			
	Operations (Nampala, Mali)	Explorations (Mali)	Corporate management	\$ Total
REVENUE - GOLD SALES	64,789,386	---	---	64,789,386
Mining operation expenses - note 6	22,027,072	---	---	22,027,072
Mining royalties - note 6	1,891,245	---	---	1,891,245
Administrative expenses - note 7	4,625,574	7,158	4,150,241	8,782,973
Depreciation of property, plant and equipment and amortization of intangible assets	23,193,499	---	54,711	23,248,210
<b>OPERATING INCOME (LOSS)</b>	<b>13,051,996</b>	<b>(7,158)</b>	<b>(4,204,952)</b>	<b>8,839,886</b>
<b>TOTAL ASSETS AS AT DECEMBER 31, 2019</b>	<b>84,390,490</b>	<b>7,396,252</b>	<b>5,920,580</b>	<b>97,707,322</b>

The Company's proceeds come from one client. The Company does not economically depend on a limited number of buyers for the sale of gold, as gold can be sold through many commodity traders around the world.

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(all amounts are in Canadian dollars unless otherwise indicated - unaudited)

### 6 - MINING OPERATION EXPENSES

	Third quarters ended September 30,		Nine-month periods ended September 30,	
	2020 \$	2019 \$	2020 \$	2019 \$
Operating and maintenance supplies and service	7,425,089	4,521,529	17,237,031	13,135,135
Fuel	2,834,040	2,495,568	8,307,274	7,609,560
Reagents	1,222,562	1,532,440	4,018,332	4,436,087
Employee benefit expenses	1,486,364	894,650	4,010,841	2,673,723
Inventory change	2,493,164	(484,238)	(1,773,436)	(1,097,741)
Less: Production expenses capitalized as stripping cost	(4,672,772)	(1,660,435)	(10,220,412)	(5,240,564)
Delivery costs	405,386	189,327	777,663	510,872
Total production costs	11,193,833	7,488,841	22,357,293	22,027,072
Mining royalties	1,084,883	681,185	2,225,592	1,891,245
	12,278,716	8,170,026	24,582,885	23,918,317

### 7 - ADMINISTRATIVE EXPENSES

	Third quarters ended September 30,		Nine-month periods ended September 30,	
	2020 \$	2019 \$	2020 \$	2019 \$
Operations and explorations	2,099,500	1,286,208	6,302,677	4,632,732
Corporation management	3,061,133	1,345,739	5,900,500	4,150,241
	5,160,633	2,631,947	12,203,177	8,782,973

Salary related amounts of \$438,572 and \$91,798, respectively, are included in the «Operations and explorations» item and in the «Corporate management» item for the quarter ended September 30, 2020 (\$276,742 and \$82,610, respectively, for the quarter ended September 30, 2019) and of \$1,389,664 and \$296,727 for the nine-month period ended September 30, 2020 (\$844,120 and \$243,991, respectively, for the nine-month period ended September 30, 2019).

### 8 - FINANCIAL EXPENSES

	Third quarters ended September 30,		Nine-month periods ended September 30,	
	2020 \$	2019 \$	2020 \$	2019 \$
Interest on long-term debt	160,978	311,226	579,242	1,085,735
Effective interest on long-term debt	18,956	24,987	61,454	82,144
Interest on line of credit	599	11,118	3,880	33,734
Interest on lease obligations	7,715	2,254	19,928	6,291
Bank charges	135,436	43,464	222,045	141,904
Change in environmental liabilities	23,052	11,496	65,777	(8,346)
Interest on non-convertible debentures	---	259,367	---	836,583
	346,736	663,912	952,326	2,178,045

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(all amounts are in Canadian dollars unless otherwise indicated - unaudited)

### 9 - INVENTORIES

	As at September 30, 2020	As at December 31, 2019
	\$	\$
Gold in production	4,947,064	2,878,934
Supplies and spare parts	8,371,754	6,942,126
Stacked ore	260,967	217,731
Silver (metals)	10,092	16,347
	<b>13,589,877</b>	<b>10,055,138</b>

### 10 - ACCOUNTS RECEIVABLE

	As at September 30, 2020	As at December 31, 2019
	\$	\$
Taxes receivable	4,903,317	1,697,306
Other receivables	50,808	18,360
	<b>4,954,125</b>	<b>1,715,666</b>

### 11 - MINING PROPERTIES

	Mininko	Diangounté	Sanoula	Kamasso	Total
Undivided interest	100%	100%	100%	100%	
<b><u>Mining rights and titles</u></b>					<b>\$</b>
Balance as at December 31, 2019	137,423	47,920	224,842	22,372	432,557
Exchange rate changes	9,874	3,444	16,158	1,608	31,084
<b>Balance as at September 30, 2020</b>	<b>147,297</b>	<b>51,364</b>	<b>241,000</b>	<b>23,980</b>	<b>463,641</b>

#### **Exploration costs**

Balance as at December 31, 2019	4,651,388	22,645	1,233,932	770,860	6,678,825
Expenses incurred	205,825	104,066	102,742	102,742	515,375
Amortization	5,316	4,311	2,655	2,655	14,937
Exchange rate changes	339,381	4,337	91,222	57,943	492,883
<b>Balance as at September 30, 2020</b>	<b>5,201,910</b>	<b>135,359</b>	<b>1,430,551</b>	<b>934,200</b>	<b>7,702,020</b>

Total as at December 31, 2019	4,788,811	70,565	1,458,774	793,232	7,111,382
<b>Total as at September 30, 2020</b>	<b>5,349,207</b>	<b>186,723</b>	<b>1,671,551</b>	<b>958,180</b>	<b>8,165,661</b>

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(all amounts are in Canadian dollars unless otherwise indicated - unaudited)

### 12 - PROPERTY, PLANT AND EQUIPMENT

	Mining development costs	Buildings and office development	Equipment related to mining explorations	Tools, equipment and vehicles	Exploration equipment	Total
<b>Cost</b>						\$
Balance as at December 31, 2019	16,500,008	8,922,809	91,853,888	2,845,123	712,293	120,834,121
Acquisition costs	3,227,948	2,875,185	10,397,328	715,019	---	17,215,480
Exchange rate changes	1,209,348	654,267	6,665,581	208,521	51,188	8,788,905
<b>Balance as at September 30, 2020</b>	<b>20,937,304</b>	<b>12,452,261</b>	<b>108,916,797</b>	<b>3,768,663</b>	<b>763,481</b>	<b>146,838,506</b>
<b>Accumulated depreciation</b>						
Balance as at December 31, 2019	5,964,468	3,496,894	45,752,689	1,351,948	635,646	57,201,645
Depreciation for the period	2,528,074	1,088,374	13,526,111	476,547	13,282	17,632,388
Exchange rate changes	439,909	260,523	3,429,946	101,502	46,032	4,277,912
<b>Balance as at September 30, 2020</b>	<b>8,932,451</b>	<b>4,845,791</b>	<b>62,708,746</b>	<b>1,929,997</b>	<b>694,960</b>	<b>79,111,945</b>

#### Net amounts:

As at December 31, 2019	10,535,540	5,425,915	46,101,199	1,493,175	76,647	63,632,476
<b>As at September 30, 2020</b>	<b>12,004,853</b>	<b>7,606,470</b>	<b>46,208,051</b>	<b>1,838,666</b>	<b>68,521</b>	<b>67,726,561</b>
Not depreciated						
as at September 30, 2020 <sup>(1)</sup>	2,937,272	1,418,379	1,997,912	---	---	6,353,563

<sup>(1)</sup> Property, plant and equipment with a book value of \$6,353,563 are not depreciated because they are either under development or construction, or not installed as at September 30, 2020 (\$4,504,631 as at December 31, 2019).

### 13 - ACCOUNTS PAYABLE

	As at September 30, 2020	As at December 31, 2019
	\$	\$
Suppliers	9,779,293	6,893,886
Accrued interest	32,193	88,410
Due to the state	241,398	615,541
Accounts payables to a shareholder-owned company	1,805,382	218,745
Provision to a shareholder-owned company	386,868	656,236
Other payables	1,173,956	754,061
	<b>13,419,090</b>	<b>9,226,879</b>

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(all amounts are in Canadian dollars unless otherwise indicated - unaudited)

### 14 - LONG-TERM DEBT

Bank loan in the amount of \$4,403,996 (2,000,000,000 CFA francs), annual interest of 7.75%, secured by a first mortgage on land on the operating permit for gold and minerals in the region of Nampala. This loan is repayable in monthly instalments of \$116,593 (48,928,202 CFA francs) including capital and interest, until October 2020 inclusively.

Bank loan in the amount of \$4,603,143 (1,997,000,000 CFA francs), annual interest of 7.75%, secured by a pledge of \$5,762,573 (2,500,000,000 CFA francs) on equipment and material located at the Nampala mine. This loan is repayable in monthly instalments of \$158,149 (66,367,288 CFA francs) including capital and interest, until November 2020 inclusively.

Bank loan in the amount of \$11,549,531 (5,000,000,000 CFA francs), annual interest of 7%, secured by a first mortgage on land on the operating permit for gold and minerals in the region of Nampala. This loan is repayable in monthly instalments of \$285,438 (119,784,353 CFA francs) including capital and interest, until August 2022 inclusively.<sup>(1)</sup>

Bank loan in the amount of \$3,451,370 (1,500,000,000 CFA francs), annual interest of 7%, secured by a third mortgage on land on the operating permit for gold and minerals in the region of Nampala. This loan is repayable in quarterly instalments of \$297,867 (125,000,000 CFA francs) plus interest, until October 2021 inclusively.<sup>(1)</sup>

Loans entirely repaid during the period

Less: Capitalized financing fees in the amount of \$291,011 (122,263,500 CFA francs)

Less: Current portion of long-term debt

	As at September 30, 2020 \$	As at December 31, 2019 \$
	115,844	1,050,095
	300,032	1,488,108
	6,127,038	7,752,979
	1,489,333	2,223,166
	---	872,219
	<b>8,032,247</b>	<b>13,386,567</b>
	<b>(72,252)</b>	<b>(126,407)</b>
	<b>7,959,995</b>	<b>13,260,160</b>
	<b>(4,647,228)</b>	<b>(7,186,918)</b>
	<b>3,312,767</b>	<b>6,073,242</b>

<sup>(1)</sup> Under these obligations, the Company is committed to complying annually with certain conditions and financial ratios.

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(all amounts are in Canadian dollars unless otherwise indicated - unaudited)

### 15 - ENVIRONMENTAL LIABILITIES

	\$
<b>Balance as at December 31, 2019</b>	<b>736,272</b>
Change in the provision as a result of changes in estimates	<b>(442,627)</b>
Accretion expense of the period	<b>65,777</b>
Impact of exchange rate changes	<b>53,447</b>
<b>Balance as at September 30, 2020</b>	<b>412,869</b>

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.

### 16 - LEASE OBLIGATIONS

Right-of-use assets are included in property, plant and equipment, as described below :

	Buildings and office development	Tools, equipment and vehicles	Total \$
<b>Balance as at December 31, 2019</b>	<b>206,056</b>	<b>107,763</b>	<b>313,819</b>
Additions of right-of-use assets	---	381,885	381,885
Depreciation of the period	(54,477)	(186,846)	(241,323)
Effect in exchange rate changes	13,475	7,185	20,660
<b>Balance as at September 30, 2020</b>	<b>165,054</b>	<b>309,987</b>	<b>475,041</b>

Liabilities related to lease obligations are presented as follows:

	\$
<b>Balance as at December 31, 2019</b>	<b>329,451</b>
Additions of right-of-use assets	<b>381,885</b>
Payments during the period	<b>(235,945)</b>
Effect in exchange rate changes	<b>10,292</b>
<b>Balance as at September 30, 2020</b>	<b>485,683</b>
Less : Current portion of lease obligations	<b>(320,984)</b>
	<b>164,699</b>



## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(all amounts are in Canadian dollars unless otherwise indicated)

### 17 - EQUITY

#### a) Share capital

	As at September 30, 2020	As at December 31, 2019
	\$	\$
<b>Issued and fully paid</b>		
<b>598,619,403 common shares</b>		
(December 31, 2019 - 580,259,566 common shares)	<b>71,191,714</b>	66,850,704

During the nine-month period ended September 30, 2020, the Company issued 18,359,837 shares following the exercise of stock options for a cash consideration of \$2,696,279. The value of options exercised that was reclassified to the share capital is \$1,644,731.

#### b) Reserve - stock options

	As at September 30, 2020	As at December 31, 2019
	\$	\$
Current stock options	555,936	1,626,876
Matured or cancelled stock options	2,558,338	2,558,338
	<b>3,114,274</b>	4,185,214

The stock options varied as follows:

	Nine-month period ended September 30, 2020 (9 months)		Year ended December 31, 2019 (12 months)	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Outstanding at the beginning of the period	23,000,000	\$0.11	14,050,000	\$0.10
Granted	3,000,000	\$0.35	11,700,000	\$0.13
Exercised	(18,359,837)	\$0.15	(750,000)	\$0.09
Cancelled or expired	---	---	(2,000,000)	\$0.13
Outstanding at the end of the period	<b>7,640,163</b>	<b>\$0.12</b>	23,000,000	\$0.11
Exercisable	<b>7,640,163</b>	<b>\$0.12</b>	23,000,000	\$0.11

The total fair value of stock options granted during the nine-month period ended September 30, 2020 is \$573,791 (no stock option granted during the nine-month period ended September 30, 2019). 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	0.32%
Expected volatility	66.50%
Expected dividend yield	0%
Expected life	5 years
Stock price	\$0.35
Exercise price	\$0.35

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(all amounts are in Canadian dollars unless otherwise indicated)

### 17 - EQUITY - (continued)

#### b) Reserve - stock options - (continued)

The following table summarizes some information on the Company's stock options as at September 30, 2020:

Exercise price	Outstanding options as at September 30, 2020		Exercisable options as at September 30, 2020	
	Weighted average remaining contractual life		Weighted average remaining contractual life	
	Number	Years	Number	Years
\$0.09	1,950,000	1.8	1,950,000	1.8
\$0.115	400,000	3.0	400,000	3.0
\$0.13	5,290,163	4.2	5,290,163	4.2
	<b>7,640,163</b>		<b>7,640,163</b>	

#### c) Dividends

During the nine-month period ended September 30, 2020, the Company declared extraordinary dividends for the common shares of \$0.02 per common share on March 18, 2020 and \$0.04 per common share on September 10, 2020 for a total amount of \$35,537,967 (no dividend declared for the common shares during the nine-month period ended September 30, 2019).

### 18 - ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

	As at September 30, 2020 (9 months)	As at December 31, 2019 (12 months)
	\$	\$
<b>Exchange difference</b>		
Balance at the beginning of the period	1,723,032	6,041,257
Exchange difference changes during the period	6,362,486	(4,318,225)
<b>Balance at the end of the period</b>	<b>8,085,518</b>	<b>1,723,032</b>
<b>Attributable to</b>		
Common shareholders	8,076,473	1,778,494
Non-controlling interest	9,045	(55,462)
	<b>8,085,518</b>	<b>1,723,032</b>

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(all amounts are in Canadian dollars unless otherwise indicated)

### 19 - ADDITIONAL INFORMATION ON THE INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Third quarters ended September 30,		Nine-month periods ended September 30,	
	2020 \$	2019 \$	2020 \$	2019 \$
<i>a) Net changes in non-cash working capital items</i>				
<b>Decrease (increase) in current assets</b>				
Accounts receivable	(1,543,314)	(897,486)	(3,020,831)	261,573
Inventories	3,008,321	146,903	(2,688,627)	(2,738,846)
Prepaid expenses	167,274	167,330	(183,404)	(114,000)
Deposits paid	874,574	(143,131)	320,513	133,144
	2,506,855	(726,384)	(5,572,349)	(2,458,129)
<b>Increase (decrease) in current liabilities</b>				
Accounts payable	1,403,461	(1,312,570)	2,702,381	(1,270,696)
	3,910,316	(2,038,954)	(2,869,968)	(3,728,825)
<i>b) Items not affecting cash related to investing activities</i>				
Change in accounts payable related to property, plant and equipment	(784,016)	14,852	(862,565)	77,268

### 20 - EARNINGS PER SHARE

	Third quarters ended September 30,		Nine-month periods ended September 30,	
	2020 \$	2019 \$	2020 \$	2019 \$
Net earnings and diluted attributable to common shareholders	23,195,182	6,593,048	33,199,335	8,455,126
Basic weighted average number of shares outstanding	593,515,518	579,509,556	585,565,938	579,509,566
Stock options <sup>(1)</sup>	7,231,385	---	10,904,327	---
Diluted weighted average number of shares outstanding <sup>(1)</sup>	600,746,903	579,509,556	596,470,265	579,509,566
<b>Basic net earnings per share</b>	0.039	0.011	0.057	0.015
<b>Diluted net earnings per share</b>	0.039	0.011	0.056	0.015

<sup>(1)</sup> The calculation of the hypothetical conversions excludes options whose effect is anti-dilutive. Some stock options are anti-dilutive either because their price is higher than the average price of the Company's common shares for each of the periods presented or because the impact of the conversion of these elements on net income would result in diluted earnings per share exceeding the basic earnings per share for each of these periods. For the quarter ended September 30, 2020, no stock option is excluded in the diluted net earnings per share calculation (12,050,000 stock options for the quarter ended September 30, 2019). For the nine-month period ended September 30, 2020, no stock option is excluded in the diluted net earnings per share calculation (12,050,000 stock options for the nine-month period ended September 30, 2019).

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(all amounts are in Canadian dollars unless otherwise indicated - unaudited)

### 21 - 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 of 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 or included in the cost of the fixed assets concerned in the period in which it will be possible to make a reasonable estimate.

### 22 - FINANCIAL INSTRUMENTS

#### Measurement categories

Financial assets and financial 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 or in the consolidated statement of comprehensive income (loss). These categories are: assets and liabilities at FVTPL and financial assets and liabilities at amortized cost. The following table shows the carrying amounts of assets and liabilities for each of these categories:

	As at September 30, 2020	As at december 31, 2019
	\$	\$
<b>Financial assets at amortized cost</b>		
Cash	9,408,056	13,599,000
Accounts receivable	50,808	18,360
Deposits paid	2,299,928	1,330,412
	<b>11,758,792</b>	<b>14,947,772</b>
<b>Financial liabilities at amortized cost</b>		
Accounts payable	13,177,692	8,611,338
Long-term debt	7,959,995	13,260,160
Lease obligations	485,683	329,451
	<b>21,623,370</b>	<b>22,200,949</b>

#### Financial risk factors

##### a) Market risk

###### Fair value

The carrying amounts of financial assets at amortized cost approximate their fair value due to their short-term maturity and the prevailing interest rates of these instruments, which are comparable to those of the market.

The Company considers that the carrying amount of all its financial liabilities at amortized cost in its condensed interim consolidated financial statements approximates their fair value. Current financial assets and financial liabilities are valued at their carrying amounts, which are reasonable estimates of their fair value due to their near-term maturities. The fair value of long-term debt has not been determined due to the related specific conditions negotiated between the Company and the third parties concerned.

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(all amounts are in Canadian dollars unless otherwise indicated - unaudited)

### 22 FINANCIAL INSTRUMENTS - (continued)

#### b) 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 September 30, 2020:

	Carrying amount	Less than a year	From 1 to 3 years	More than 3 years
Accounts payable	13,177,692	13,177,692	---	---
Long-term debt <sup>(1)</sup>	7,959,995	5,120,227	3,442,898	---
Lease obligations <sup>(1)</sup>	485,683	340,849	169,007	---
	<b>21,623,370</b>	<b>18,638,768</b>	<b>3,611,905</b>	<b>---</b>

The following table shows the contractual maturities of financial liabilities as at December 31, 2019:

	Carrying amount	Less than a year	From 1 to 3 years	More than 3 years
Accounts payable	8,611,338	8,611,338	---	---
Long-term debt <sup>(1)</sup>	13,260,160	8,009,480	6,486,224	---
Lease obligations <sup>(1)</sup>	329,451	160,593	183,792	67,564
	<b>22,200,949</b>	<b>16,781,411</b>	<b>6,670,016</b>	<b>67,564</b>

<sup>(1)</sup> Future maturities relating to these liabilities exceed their carrying amount because they include both capital and interest payments.

### 23 - RELATED PARTY TRANSACTIONS

Results for the nine-month period ended September 30, 2020 include expenses of \$5,424,143 that were incurred with the directors and officers of companies controlled by them (\$3,897,566 for the nine-month period ended September 30, 2019). 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.

### 24 - SUBSEQUENT EVENTS

On October 1st, 2020, the Company obtained an authorized line of credit from a Malian bank for a maximum amount of \$1,191,466 (500,000,000 CFA francs), bearing interest at an annual rate of 8%, with an expiry date of July 31, 2021.

On October 26th, 2020, the Company issued 500,000 shares following the exercise of stock options for a cash consideration of \$45,000. The value of options exercised that was reclassified to the share capital is \$32,688.