



Condensed Interim Consolidated Financial Statements (unaudited)  
First quarter ended March 31, 2021

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## INTERIM CONSOLIDATED STATEMENTS OF INCOME

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

First quarters  
ended March 31,

|   | 2021<br>\$        | 2020<br>\$ |
|---|-------------------|------------|
| <b>REVENUE - GOLD SALES</b>   | <b>26,240,707</b> | 30,863,771 |
| <b>COSTS OF OPERATIONS</b>  |                   |            |
| Mining operation expenses - note 6  | 9,843,747         | 8,205,883  |
| Administrative expenses - note 7  | 3,714,406         | 3,018,593  |
| Depreciation of property, plant and equipment and amortization of intangible assets | 2,647,637         | 7,403,106  |
| <b>OPERATING INCOME</b>   | <b>10,034,917</b> | 12,236,189 |
| <b>OTHER EXPENSES (INCOME)</b>  |                   |            |
| Financial expenses  | 189,030           | 326,321    |
| Foreign exchange loss (gain)  | (105,728)         | 372,782    |
| Other income  | (18,331)          | (10,354)   |
| <b>INCOME BEFORE INCOME TAX EXPENSE</b>   | <b>9,969,946</b>  | 11,547,440 |
| <b>Income tax expense (recovery)</b>  |                   |            |
| Current   | 540,614           | 223,095    |
| Deferred  | (393,671)         | 1,610,011  |
|   | <b>146,943</b>    | 1,833,106  |
| <b>NET INCOME FOR THE PERIOD</b>  | <b>9,823,003</b>  | 9,714,334  |
| <b>ATTRIBUTABLE TO</b>  |                   |            |
| Common shareholders   | 9,709,587         | 9,666,234  |
| Non-controlling interest  | 113,416           | 48,100     |
|   | <b>9,823,003</b>  | 9,714,334  |
| <b>EARNINGS PER SHARE - note 16</b>   |                   |            |
| Basic   | 0.016             | 0.017      |
| Diluted   | 0.016             | 0.016      |

## INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

Firsts quarters  
ended March 31,

|  | 2021<br>\$         | 2020<br>\$ |
|--|--------------------|------------|
| <b>NET INCOME FOR THE PERIOD</b>                         | <b>9,823,003</b>   | 9,714,334  |
| <b>Other comprehensive income (loss)</b>                 |                    |            |
| Item that may be reclassified subsequently to net income |                    |            |
| Exchange difference                                      | <b>(5,892,419)</b> | 6,219,231  |
| <b>COMPREHENSIVE INCOME</b>                              | <b>3,930,584</b>   | 15,933,565 |
| <b>COMPREHENSIVE INCOME ATTRIBUTABLE TO</b>              |                    |            |
| Common shareholders                                      | <b>3,850,206</b>   | 15,846,434 |
| Non-controlling interest                                 | <b>80,378</b>      | 87,131     |
|  | <b>3,930,584</b>   | 15,933,565 |

## 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 | Retained earnings (deficit) | Accumulated other comprehensive income |                   |                          |                     |
| <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                  | ---                 | ---                     | 9,666,234                   | ---                                    | 9,666,234         | 48,100                   | <b>9,714,334</b>    |
| Other comprehensive income                 | ---                 | ---                     | ---                         | 6,180,200                              | 6,180,200         | 39,031                   | <b>6,219,231</b>    |
| Comprehensive income for the period        | ---                 | ---                     | 9,666,234                   | 6,180,200                              | 15,846,434        | 87,131                   | <b>15,933,565</b>   |
| Dividend                                   | ---                 | ---                     | (11,605,191)                | ---                                    | (11,605,191)      | ---                      | <b>(11,605,191)</b> |
| <b>Balance as at March 31, 2020</b>        | <b>66,850,704</b>   | <b>4,185,214</b>        | <b>(2,798,245)</b>          | <b>7,958,694</b>                       | <b>76,196,367</b> | <b>811,475</b>           | <b>77,007,842</b>   |
| <b>Balance as at December 31, 2020</b>     | <b>71,269,402</b>   | <b>3,081,586</b>        | <b>8,211,833</b>            | <b>7,576,935</b>                       | <b>90,139,756</b> | <b>1,099,763</b>         | <b>91,239,519</b>   |
| Net income for the period                  | ---                 | ---                     | 9,709,587                   | ---                                    | 9,709,587         | 113,416                  | <b>9,823,003</b>    |
| Other comprehensive loss                   | ---                 | ---                     | ---                         | (5,859,381)                            | (5,859,381)       | (33,038)                 | <b>(5,892,419)</b>  |
| Comprehensive income (loss) for the period | ---                 | ---                     | 9,709,587                   | (5,859,381)                            | 3,850,206         | 80,378                   | <b>3,930,584</b>    |
| Stock options exercised during the period  | 84,452              | (34,452)                | ---                         | ---                                    | 50,000            | ---                      | <b>50,000</b>       |
| <b>Balance as at March 31, 2021</b>        | <b>71,353,854</b>   | <b>3,047,134</b>        | <b>17,921,420</b>           | <b>1,717,554</b>                       | <b>94,039,962</b> | <b>1,180,141</b>         | <b>95,220,103</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<br>March 31, 2021 | As at<br>December 31, 2020 |
|--|-------------------------|----------------------------|
|  | \$                      | \$                         |
| <b>ASSETS</b>                                  |                         |                            |
| <b>CURRENT ASSETS</b>                          |                         |                            |
| Cash   | 8,219,159               | 8,895,854                  |
| Inventories - note 8                           | 12,696,604              | 13,316,488                 |
| Accounts receivable - note 9                   | 4,211,175               | 3,754,189                  |
| Prepaid expenses                               | 364,914                 | 175,943                    |
| Deposits paid                                  | 1,421,701               | 2,012,030                  |
|  | <b>26,913,553</b>       | <b>28,154,504</b>          |
| <b>VAT RECEIVABLE</b>                          | <b>3,919,168</b>        | <b>3,346,714</b>           |
| <b>MINING PROPERTIES - note 10</b>             | <b>8,296,075</b>        | <b>7,935,245</b>           |
| <b>PROPERTY, PLANT AND EQUIPMENT - note 11</b> | <b>80,056,716</b>       | <b>77,259,852</b>          |
| <b>INTANGIBLE ASSETS</b>                       | <b>69,592</b>           | <b>77,882</b>              |
|  | <b>119,255,104</b>      | <b>116,774,197</b>         |
| <b>LIABILITIES</b>                             |                         |                            |
| <b>CURRENT LIABILITIES</b>                     |                         |                            |
| Line of credit - note 13                       | ---                     | 1,086,599                  |
| Accounts payable - note 12                     | 14,716,270              | 13,765,622                 |
| Current portion of long-term debt - note 13    | 4,063,042               | 4,288,403                  |
| Current portion of lease obligations           | 136,973                 | 202,056                    |
|  | <b>18,916,285</b>       | <b>19,342,680</b>          |
| <b>LONG-TERM DEBT - note 13</b>                | <b>1,816,006</b>        | <b>2,211,700</b>           |
| <b>ENVIRONMENTAL LIABILITIES</b>               | <b>357,466</b>          | <b>423,702</b>             |
| <b>LEASE OBLIGATIONS</b>                       | <b>57,256</b>           | <b>99,495</b>              |
| <b>DEFERRED INCOME TAX</b>                     | <b>2,887,988</b>        | <b>3,457,101</b>           |
|  | <b>24,035,001</b>       | <b>25,534,678</b>          |
| <b>EQUITY</b>                                  |                         |                            |
| Share capital - note 14                        | 71,353,854              | 71,269,402                 |
| Reserve - stock options                        | 3,047,134               | 3,081,586                  |
| Retained earnings                              | 17,921,420              | 8,211,833                  |
| Accumulated other comprehensive income         | 1,717,554               | 7,576,935                  |
|  | <b>94,039,962</b>       | <b>90,139,756</b>          |
| Non-controlling interest                       | 1,180,141               | 1,099,763                  |
|  | <b>95,220,103</b>       | <b>91,239,519</b>          |
|  | <b>119,255,104</b>      | <b>116,774,197</b>         |

Subsequent events (note 18)

## INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

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

Firsts quarters  
ended March 31,

|   | 2021<br>\$          | 2020<br>\$         |
|---|---------------------|--------------------|
| <b>CASH FLOWS FROM THE FOLLOWING ACTIVITIES</b>                                     |                     |                    |
| <b>Operating</b>  |                     |                    |
| Net income for the period   | 9,823,003           | 9,714,334          |
| Adjustments for   |                     |                    |
| Financial expenses  | 189,030             | 326,321            |
| Depreciation of property, plant and equipment and amortization of intangible assets | 2,647,637           | 7,403,106          |
| Deferred income tax expense (recovery)  | (393,671)           | 1,610,011          |
| Net changes in non-cash working capital items - note 15                             | 653,150             | (742,681)          |
| Variation in VAT receivable   | (572,454)           | ---                |
| Paid interest - note 15   | (167,255)           | (304,467)          |
|   | <b>12,179,440</b>   | <b>18,006,624</b>  |
| <b>Investing</b>  |                     |                    |
| Variation in deposits paid  | 707,737             | (361,666)          |
| Acquisition of mining properties  | (812,159)           | (122,250)          |
| Acquisition of property, plant and equipment  | (10,598,789)        | (5,657,331)        |
|   | <b>(10,703,211)</b> | <b>(6,141,247)</b> |
| <b>Financing</b>  |                     |                    |
| Long-term debt contracted   | 742,049             | ---                |
| Repayment of long-term debt   | (1,023,468)         | (2,517,927)        |
| Variation in line of credit   | (1,027,495)         | 41,378             |
| Payments of lease obligations   | (39,390)            | (62,388)           |
| Issue of common shares  | 50,000              | ---                |
|   | <b>(1,298,304)</b>  | <b>(2,538,937)</b> |
| <b>Effect of exchange rate changes on cash</b>                                      | <b>(854,620)</b>    | <b>2,336,360</b>   |
| <b>Increase (decrease) in cash</b>  | <b>(676,695)</b>    | <b>11,662,800</b>  |
| <b>Cash at the beginning of the period</b>  | <b>8,895,854</b>    | <b>13,599,000</b>  |
| <b>Cash at the end of the period</b>  | <b>8,219,159</b>    | <b>25,261,800</b>  |
| <b>Tax paid</b>   | <b>691,194</b>      | <b>155,041</b>     |

Additional information (note 15)

# 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

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 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.

## 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 audited financial statements for the year ended December 31, 2020. These condensed interim consolidated financial statements should be read in conjunction with the Company's annual audited financial statements for the year ended December 31, 2020, which have been prepared in accordance with IFRS as issued by the IASB.

These consolidated financial statements have been prepared in accordance with IFRS and were approved by the Board of Directors for issue on May 28, 2021.

## 3 - SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are described in our annual audited consolidated financial statements for the year ended December 31, 2020.

## 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 March 31, 2021  |                        |                         |                    |
|--|-------------------------------|------------------------|-------------------------|--------------------|
|  | Operations<br>(Nampala, Mali) | Explorations<br>(Mali) | Corporate<br>management | Total<br>\$        |
| <b>REVENUE - GOLD SALES</b>  | <b>26,240,707</b>             | ---                    | ---                     | <b>26,240,707</b>  |
| Mining operation expenses - note 6   | 9,187,521                     | ---                    | ---                     | 9,187,521          |
| Mining royalties - note 6  | 656,226                       | ---                    | ---                     | 656,226            |
| Administrative expenses - note 7   | 2,243,738                     | 4,364                  | 1,466,304               | 3,714,406          |
| Depreciation of property, plant and equipment<br>and amortization of intangible assets | 2,631,845                     | ---                    | 15,792                  | 2,647,637          |
| <b>OPERATING INCOME (LOSS)</b>   | <b>11,521,377</b>             | <b>(4,364)</b>         | <b>(1,482,096)</b>      | <b>10,034,917</b>  |
| <b>TOTAL ASSETS AS AT MARCH 31, 2021</b>   | <b>107,052,035</b>            | <b>8,509,918</b>       | <b>3,693,151</b>        | <b>119,255,104</b> |

|  | Quarter ended March 31, 2020  |                        |                         |                    |
|--|-------------------------------|------------------------|-------------------------|--------------------|
|  | Operations<br>(Nampala, Mali) | Explorations<br>(Mali) | Corporate<br>management | Total<br>\$        |
| REVENUE - GOLD SALES   | 30,863,771                    | ---                    | ---                     | 30,863,771         |
| Mining operation expenses - note 6   | 7,435,566                     | ---                    | ---                     | 7,435,566          |
| Mining royalties - note 6  | 770,317                       | ---                    | ---                     | 770,317            |
| Administrative expenses - note 7   | 1,649,893                     | 2,574                  | 1,366,126               | 3,018,593          |
| Depreciation of property, plant and equipment<br>and amortization of intangible assets | 7,387,121                     | ---                    | 15,985                  | 7,403,106          |
| <b>OPERATING INCOME (LOSS)</b>   | <b>13,620,874</b>             | <b>(2,574)</b>         | <b>(1,382,111)</b>      | <b>12,236,189</b>  |
| <b>TOTAL ASSETS AS AT DECEMBER 31, 2020</b>  | <b>103,091,813</b>            | <b>8,167,877</b>       | <b>5,514,507</b>        | <b>116,774,197</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

|   | Firsts quarters<br>ended March 31, |             |
|---|------------------------------------|-------------|
|   | 2021                               | 2020        |
|   | \$                                 | \$          |
| Operating and maintenance supplies and service          | 8,812,611                          | 5,367,598   |
| Fuel  | 3,952,546                          | 3,074,719   |
| Reagents  | 1,226,120                          | 1,531,766   |
| Employee benefit expenses                               | 1,322,120                          | 1,139,278   |
| Inventory change  | 499,712                            | (631,566)   |
| Less: Production expenses capitalized as stripping cost | (6,841,932)                        | (3,254,464) |
| Delivery costs  | 216,344                            | 208,235     |
| Total production costs                                  | 9,187,521                          | 7,435,566   |
| Mining royalties  | 656,226                            | 770,317     |
|   | 9,843,747                          | 8,205,883   |

### 7 - ADMINISTRATIVE EXPENSES

|                             | Firsts quarters<br>ended March 31, |           |
|-----------------------------|------------------------------------|-----------|
|                             | 2021                               | 2020      |
|                             | \$                                 | \$        |
| Operations and explorations | 2,248,102                          | 1,652,467 |
| Corporation management      | 1,466,304                          | 1,366,126 |
|                             | 3,714,406                          | 3,018,593 |

Salary related amounts of \$396,258 and \$150,510, respectively, are included in the «Operations and explorations» item and in the «Corporate management» item for the quarter ended March 31, 2021 (\$337,898 and \$101,314, respectively, for the quarter ended March 31, 2020).

### 8 - INVENTORIES

|                          | As at March 31, | As at December 31, |
|--------------------------|-----------------|--------------------|
|                          | 2021            | 2020               |
|                          | \$              | \$                 |
| Doré bars in production  | 3,899,617       | 4,648,288          |
| Supplies and spare parts | 8,550,340       | 8,437,106          |
| Stacked ore              | 230,644         | 231,094            |
| Silver (metals)          | 16,003          | ---                |
|                          | 12,696,604      | 13,316,488         |

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

### 9 - ACCOUNTS RECEIVABLE

|                        | As at March 31,<br>2021<br>\$ | As at December 31,<br>2020<br>\$ |
|------------------------|-------------------------------|----------------------------------|
| VAT receivable         | 3,760,015                     | 3,355,503                        |
| Other taxes receivable | 375,517                       | 381,448                          |
| Other receivables      | 75,643                        | 17,238                           |
|                        | <b>4,211,175</b>              | <b>3,754,189</b>                 |

### 10 - MINING PROPERTIES

|  | Mininko        | Sanoula        | Kamasso       | Diangounté    | Total           |
|--|----------------|----------------|---------------|---------------|-----------------|
| Undivided interest                     | 100%           | 100%           | 100%          | 100%          |                 |
| <b>Mining rights and titles</b>        |                |                |               |               | \$              |
| <b>Balance as at December 31, 2020</b> | <b>147,080</b> | <b>240,645</b> | <b>23,944</b> | <b>51,288</b> | <b>462,957</b>  |
| Acquisition costs                      | ---            | ---            | 11,250        | 11,250        | <b>22,500</b>   |
| Exchange rate changes                  | (8,000)        | (13,090)       | (1,302)       | (3,150)       | <b>(25,542)</b> |
| <b>Balance as at March 31, 2021</b>    | <b>139,080</b> | <b>227,555</b> | <b>33,892</b> | <b>59,388</b> | <b>459,915</b>  |

#### Exploration costs

|  |                  |                  |                |               |                  |
|--|------------------|------------------|----------------|---------------|------------------|
| <b>Balance as at December 31, 2020</b> | <b>5,147,469</b> | <b>1,384,766</b> | <b>868,859</b> | <b>71,194</b> | <b>7,472,288</b> |
| Expenses incurred                      | 753,108          | 39,349           | ---            | ---           | <b>792,457</b>   |
| Amortization                           | 2,669            | 667              | ---            | ---           | <b>3,336</b>     |
| Exchange rate changes                  | (304,183)        | (76,604)         | (47,261)       | (3,873)       | <b>(431,921)</b> |
| <b>Balance as at March 31, 2021</b>    | <b>5,599,063</b> | <b>1,348,178</b> | <b>821,598</b> | <b>67,321</b> | <b>7,836,160</b> |

#### **Total:**

|                             |                  |                  |                |                |                  |
|-----------------------------|------------------|------------------|----------------|----------------|------------------|
| As at December 31, 2020     | 5,294,549        | 1,625,411        | 892,803        | 122,482        | 7,935,245        |
| <b>As at March 31, 2021</b> | <b>5,738,143</b> | <b>1,575,733</b> | <b>855,490</b> | <b>126,709</b> | <b>8,296,075</b> |

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(all amounts are in Canadian dollars unless otherwise indicated)

### 11 - PROPERTY, PLANT AND EQUIPMENT

|  | Mining<br>development<br>costs | Buildings<br>and office<br>development | Equipment<br>related to<br>mining<br>explorations | Tools,<br>equipment<br>and vehicles | Exploration<br>equipment | Total              |
|--|--------------------------------|--|---|-------------------------------------|--------------------------|--------------------|
| <b>Cost</b>                            |                                |  |   |                                     |                          | \$                 |
| <b>Balance as at December 31, 2020</b> | <b>25,681,948</b>              | <b>12,985,292</b>                      | <b>115,857,012</b>                                | <b>4,254,745</b>                    | <b>762,357</b>           | <b>159,541,354</b> |
| Acquisition costs                      | 966,751                        | 694,692                                | 7,935,885   | 478,051                             | ---                      | 10,075,379         |
| Changes in right-of-use asset          | ---                            | ---                                    | ---   | (116,087)                           | ---                      | (116,087)          |
| Exchange rate changes                  | (1,395,609)                    | (706,318)                              | (6,301,890)                                       | (231,432)                           | (41,468)                 | (8,676,717)        |
| <b>Balance as at March 31, 2021</b>    | <b>25,253,090</b>              | <b>12,973,666</b>                      | <b>117,491,007</b>                                | <b>4,385,277</b>                    | <b>720,889</b>           | <b>160,823,929</b> |
| <b>Accumulated depreciation</b>        |                                |  |   |                                     |                          |                    |
| <b>Balance as at December 31, 2020</b> | <b>9,242,146</b>               | <b>5,061,851</b>                       | <b>65,411,042</b>                                 | <b>1,868,079</b>                    | <b>698,384</b>           | <b>82,281,502</b>  |
| Depreciation                           | 273,368                        | 274,516                                | 2,301,816   | 166,656                             | 3,336                    | 3,019,692          |
| Changes in right-of-use asset          | ---                            | ---                                    | ---   | (58,044)                            | ---                      | (58,044)           |
| Exchange rate changes                  | (500,968)                      | (275,696)                              | (3,559,379)                                       | (101,807)                           | (38,087)                 | (4,475,937)        |
| <b>Balance as at March 31, 2021</b>    | <b>9,014,546</b>               | <b>5,060,671</b>                       | <b>64,153,479</b>                                 | <b>1,874,884</b>                    | <b>663,633</b>           | <b>80,767,213</b>  |
| <b>Net amounts:</b>                    |                                |  |   |                                     |                          |                    |
| As at December 31, 2020                | 16,439,802                     | 7,923,441                              | 50,445,970  | 2,386,666                           | 63,973                   | 77,259,852         |
| <b>As at March 31, 2021</b>            | <b>16,238,544</b>              | <b>7,912,995</b>                       | <b>53,337,528</b>                                 | <b>2,510,393</b>                    | <b>57,256</b>            | <b>80,056,716</b>  |
| Not depreciated                        |                                |  |   |                                     |                          |                    |
| as at March 31, 2021 <sup>(1)</sup>    | 7,764,587                      | 1,245,679                              | 3,233,809   | ---                                 | ---                      | 12,244,075         |

<sup>(1)</sup> Property, plant and equipment with a book value of \$12,244,075 are not depreciated because they are either under development or construction, or not installed as at March 31, 2021 (\$11,167,775 as at December 31, 2020).

### 12 - ACCOUNTS PAYABLE

|  | As at March 31,<br>2021 | As at December 31,<br>2020 |
|--|-------------------------|----------------------------|
|  | \$                      | \$                         |
| Suppliers  | 12,809,533              | 9,770,197                  |
| Accrued interest                                 | 11,706                  | 16,716                     |
| Due to the state                                 | 385,923                 | 365,640                    |
| Accounts payables to a shareholder-owned company | 243,524                 | 2,317,787                  |
| Other payables                                   | 1,265,584               | 1,295,282                  |
|  | <b>14,716,270</b>       | <b>13,765,622</b>          |

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

### 13 - LONG-TERM DEBT AND LINE OF CREDIT

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 \$269,514 (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 \$281,250 (125,000,000 CFA francs) plus interest, until October 2021 inclusively. <sup>(1)</sup>

Bank loan in the amount of \$701,937 (300,000,000 CFA francs), annual interest of 7.5%, secured with a pledge on the mobile equipment financed. This loan is repayable in monthly instalments of \$20,700 (9,199,798 CFA francs) including capital and interest, until March 2024 inclusively.

Bank loan in the amount of \$69,726 (29,800,000 CFA francs), annual interest of 7.5%, secured with a pledge on the mobile equipment financed. This loan is repayable in monthly instalments of \$2,056 (913,846 CFA francs) including capital and interest, until March 2024 inclusively.

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

Less: Current portion of long-term debt

| As at March 31,<br>2021<br>\$ | As at December 31,<br>2020<br>\$ |
|-------------------------------|----------------------------------|
| <b>4,349,838</b>              | 5,365,654                        |
| <b>843,749</b>                | 1,189,711                        |
| <b>658,389</b>                | ---                              |
| <b>65,400</b>                 | ---                              |
| <b>5,917,376</b>              | 6,555,365                        |
| <b>(38,328)</b>               | (55,262)                         |
| <b>5,879,048</b>              | 6,500,103                        |
| <b>(4,063,042)</b>            | (4,288,403)                      |
| <b>1,816,006</b>              | 2,211,700                        |

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

#### Line of credit

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 a renewal date of July 31, 2021.

| As at March 31,<br>2021<br>\$ | As at December 31,<br>2020<br>\$ |
|-------------------------------|----------------------------------|
| ---                           | 1,086,599                        |

After March 31, 2021, the Company obtained 2 additional lines of credit (see Note 18 - Subsequent events).

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

### 14 - SHARE CAPITAL

|   | As at March 31,<br>2021 | As at December 31,<br>2020 |
|---|-------------------------|----------------------------|
|   | \$                      | \$                         |
| <b>Issued and fully paid</b>                    |                         |                            |
| 599,119,403 common shares                       |                         |                            |
| (December 31, 2020 - 599,119,403 common shares) | <b>71,353,854</b>       | 71,269,402                 |

During the quarter ended March 31, 2021, the Company issued 500,000 shares following the exercise of stock options for a cash consideration of \$50,000. The value of options exercised that was reclassified to the share capital is \$84,452.

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

|   | 2021               | 2020        |
|---|--------------------|-------------|
|   | \$                 | \$          |
| <b>a) Net changes in non-cash working capital items</b>             |                    |             |
| <b>Decrease (increase) in current assets</b>                        |                    |             |
| Accounts receivable   | (876,172)          | (369,604)   |
| Inventories   | (104,449)          | 117,819     |
| Prepaid expenses  | (198,112)          | (139,774)   |
| Deposits paid   | (225,099)          | (794,829)   |
|   | <b>(1,403,832)</b> | (1,186,388) |
| <b>Increase in current liabilities</b>                              |                    |             |
| Accounts payable  | 2,056,982          | 443,707     |
|   | <b>653,150</b>     | (742,681)   |
| <b>b) Paid interest</b>   |                    |             |
| Line of credit  | (2,028)            | (3,119)     |
| Long-term debt  | (112,681)          | (248,098)   |
| Lease obligations   | (2,805)            | (3,701)     |
| Bank charges  | (49,741)           | (49,549)    |
|   | <b>(167,255)</b>   | (304,467)   |
| <b>c) Items not affecting cash related to investing activities</b>  |                    |             |
| Change in accounts payable related to property, plant and equipment | <b>469,100</b>     | 25,905      |

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

### 16 - EARNINGS PER SHARE

|  | First quarters<br>ended March 31, |             |
|--|-----------------------------------|-------------|
|  | 2021                              | 2020        |
|  | \$                                | \$          |
| Net earnings and diluted attributable to common shareholders         | <b>9,709,587</b>                  | 9,666,234   |
| Basic weighted average number of shares outstanding                  | <b>599,499,403</b>                | 580,259,566 |
| Stock options <sup>(1)</sup>   | <b>4,966,422</b>                  | 8,896,058   |
| Diluted weighted average number of shares outstanding <sup>(1)</sup> | <b>604,465,825</b>                | 589,155,624 |
| <b>Basic net earnings per share</b>                                  | <b>0.016</b>                      | 0.017       |
| <b>Diluted net earnings per share</b>                                | <b>0.016</b>                      | 0.016       |

<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 March 31, 2021, no stock option is excluded in the diluted net earnings per share calculation (no stock options for the quarter ended March 31, 2020).

### 17 - 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 March 31,<br>2021 | As at December 31,<br>2020 |
|--|-------------------------|----------------------------|
|  | \$                      | \$                         |
| <b>Financial assets at amortized cost</b>      |                         |                            |
| Cash   | <b>8,219,159</b>        | 8,895,854                  |
| Accounts receivable                            | <b>75,643</b>           | 17,238                     |
| Deposits paid                                  | <b>1,421,701</b>        | 2,012,030                  |
|  | <b>9,716,503</b>        | 10,925,122                 |
| <b>Financial liabilities at amortized cost</b> |                         |                            |
| Accounts payable                               | <b>14,330,347</b>       | 13,399,982                 |
| Line of credit                                 | ---                     | 1,086,599                  |
| Long-term debt                                 | <b>5,879,048</b>        | 6,500,103                  |
| Lease obligations                              | <b>194,229</b>          | 301,551                    |
|  | <b>20,403,624</b>       | 21,288,235                 |

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

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### 17 - FINANCIAL INSTRUMENTS - (continued)

#### 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 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.

### 18 - SUBSEQUENT EVENTS

On April 7, 2021, the Company obtained an authorized line of credit from a Malian bank for a maximum amount of \$2,274,387 (1,000,000,000 CFA francs), bearing interest at an annual rate of 8%, available until April 6, 2022.

On May 13, 2021, the Company obtained an authorized line of credit from a Malian bank for a maximum amount of \$2,232,168 (1,000,000,000 CFA francs), bearing interest at an annual rate of 8%, available until May 12, 2022.