Robex Resources Inc.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - 2nd QUARTER
(UNAUDITED)
June 30, 2014

The condensed consolidated financial statements of Robex Resources Inc. for the second quarter, which ended on June 30, 2014 as well as the corresponding comparative data were not subject to a review by the Company's auditor.

CONDENSED CONSOLIDATED STATEMENTS OF LOSS (unaudited)

(all amounts are in Canadian dollars unless otherwise indicated)

	Second quarter ended on June 30, 2014 $	2013 $	First half ended on June 30, 2014 $	2013 $
INCOME				
Interest	**116**	1,879	**198**	18,056
Others	**19,931**	2,600	**24,036**	12,230
	20,047	4,479	**24,234**	30,286
EXPENSES				
Administration fees - note 6	**671,125**	728,295	**1,257,525**	1,156,472
Stock-based compensation expense	**31,665**	48,196	**31,665**	48,196
Professional fees	**492,817**	217,763	**693,779**	346,463
Financial fees	**667,909**	203,284	**1,355,767**	297,321
Foreign exchange losses (gains)	**(536,109)**	12,929	**(227,437)**	(18,518)
Change in fair value of financial liabilities - note 24	**1,385,699**	(107,702)	**7,078,653**	(103,287)
Depreciation of fixed and intangible assets	**232,400**	745	**456,794**	1,462
	2,945,506	1,103,510	**10,646,746**	1,728,109
NET LOSS	**2,925,459**	1,099,031	**10,622,512**	1,697,823
LOSS ATTRIBUTABLE TO:				
Common shareholders	**2,854,920**	1,099,031	**10,472,339**	1,697,823
Non-controlling interests	**70,539**	---	**150,173**	---
	2,925,459	1,099,031	**10,622,512**	1,697,823
NET LOSS PER SHARE, BASIC AND DILUTED - note 21	**($0.010)**	$0.004	**$0.037**	$0.006

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS (unaudited)

(all amounts are in Canadian dollars unless otherwise indicated)

	Second quarter ended on June 30, 2014	Second quarter ended on June 30, 2013	First half ended on June 30, 2014	First half ended on June 30, 2013
	$	$	**$**	$
NET LOSS	**(2,925,459)**	(1,099,031)	**(10,622,512)**	(1,697,823)
Other comprehensive loss - Items that may be reclassified subsequently in net income				
Currency translation adjustments	**(1,605,307)**	1,083,263	**(99,093)**	878,098
COMPREHENSIVE LOSS	**(4,530,766)**	(15,768)	**(10,721,605)**	(819,725)
COMPREHENSIVE LOSS ATTRIBUTABLE TO:				
Common shareholders	**(4,460,227)**	(15,768)	**(10,571,432)**	(819,725)
Non-controlling interests	**(70,539)**	---	**(150,173)**	---
	(4,530,766)	(15,768)	**(10,721,605)**	(819,725)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(unaudited)
Six month period ended on June 30, 2014

(all amounts are in Canadian dollars unless otherwise indicated)

	Share capital	Reserve - Stock options	Deficit	Total shareholder's equity	Total accu-mulated other comprenhensive loss (Note 19)	Non-controlling interests	Total equity
Balance as at December 31, 2013	45,253,460	2,381,571	(22,560,505)	25,074,526	2,232,980	(23,584)	27,283,922
Net loss	---	---	(10,472,341)	(10,472,341)	---	(150,173)	(10,622,514)
Currency translation adjustments	---	---	593	593	(99,093)	66	(98,434)
Capital contribution	20,052	---	---	20,052	---	2,228	22,280
Share issue - note 18	---	---	---	---	---	---	---
Exercise of warrants - note 15	---	---	---	---	---	---	---
Share issue expense	---	---	---	---	---	---	---
Exercise of stock options - note 18	54,875	(21,125)	---	33,750	---	---	33,750
Stock options granted - note 18	---	31,665	---	31,665	---	---	31,665
Balance as at June 30, 2014	**45,328,387**	**2,392,111**	**(33,032,253)**	**14,688,245**	**2,133,887**	**(171,463)**	**16,650,669**

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(unaudited)
Six month period ended on June 30, 2013

(all amounts are in Canadian dollars unless otherwise indicated)

	Share capital	Reserve - Stock option	Deficit	Total shareholder's equity	Total accu-mulated other comprenhensive loss (Note 19)	Non-controlling interests	Total equity
Balance as at December 31, 2012	43,853,774	2,392,263	(18,736,982)	27,509,055	(1,673,991)	938	25,836,002
Net loss	---	---	(1,697,823)	(1,697,823)	---	---	(1,697,823)
Currency translation adjustments	---	---	---	---	878,098	---	878,098
Share issue - note 18	---	---	---	---	---	---	---
Exercise of warrants - note 15	282,536	---	---	282,536	---	---	282,536
Share issue expense	---	---	---	---	---	---	---
Exercise of stock options - note 18	58,150	(21,900)	---	36,250	---	---	36,250
Stock options granted - note 18	---	48,196	---	48,196	---	---	48,196
Stock options included in the share issue expenses	---	---	---	---	---	---	---
Balance as at June 30, 2013	**44,194,460**	**2,418,559**	**(20,434,805)**	**26,178,214**	**(795,893)**	**938**	**25,383,259**

CONSOLIDATED BALANCE SHEETS
(unaudited)

(all amounts are in Canadian dollars unless otherwise indicated)	June 30, 2014 (unaudited) $	December 31, 2013 $
ASSETS		
CURRENT		
Cash and cash equivalents	**1,282,000**	5,523,373
Inventories - note 7	**1,631,489**	19,526
Accounts receivable - note 8	**826,701**	1,521,961
	3,740,191	7,064,860
DEPOSITS PAID	**14,011**	13,611
MINING RIGHTS AND TITLES - notes 9 and 10	**21,397,897**	20,820,555
FIXED ASSETS - note 11	**35,719,221**	25,607,220
INTANGIBLE ASSETS - note 12	**2,960,261**	253,152
	63,831,580	53,759,399
LIABILITIES		
CURRENT		
Accounts payable - note 13	**6,063,404**	2,026,257
Short-term portion of long-term debt - note 14	**8,269,798**	3,239,964
Authorized line of credit - note 14	**6,662,238**	1,350,398
	20,995,440	6,616,619
CONVERTIBLE DEBENTURE - note 17		
Conversion rights at fair value	**8,218,116**	4,332,495
Debt component at amortized cost	**8,026,861**	7,393,378
WARRANTS - note 15	**6,000,278**	3,131,898
LONG-TERM DEBT - note 14	**3,577,872**	4,790,943
ENVIRONMENTAL LIABILITIES - note 16	**362,343**	210,143
	47,180,912	26,475,476
SHAREHOLDERS' EQUITY		
Share capital - note 18	**45,328,387**	45,253,460
Reserve - Stock options - note 18	**2,392,111**	2,381,571
Deficit	**(33,032,253)**	(22,560,505)
Total shareholders' equity	**14,688,245**	25,074,526
Accumulated other comprehensive loss - note 19	**2,133,887**	2,232,980
Non-controlling interests	**(171,463)**	(23,584)
Total equity	**16,650,669**	27,283,922
	63,831,580	53,759,399

CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)

(all amounts are in Canadian dollars unless otherwise indicated)

	Second quarter ended on June 30, 2014	Second quarter ended on June 30, 2013	First half ended on June 30, 2014	First half ended on June 30, 2013
	$	$	**$**	$
NET INFLOWS (OUTFLOWS) OF CASH RELATED TO THE FOLLOWING ACTIVITIES :				
Operating				
Net loss	**(2,925,459)**	(1,099,031)	**(10,622,512)**	(1,697,823)
Adjustments for :				
Changes in fair value of warrants	**1,385,699**	(107,702)	**7,078,653**	(103,287)
Exchange rate on financial liabilities at fair value	**(309,504)**	---	**(20,948)**	---
Net financial fees	**230,714**	201,405	**918,490**	279,265
Depreciation of fixed and intangible assets	**232,400**	745	**456,794**	1,462
Stock-based compensation expense	**31,665**	48,196	**31,665**	48,196
Changes in non-cash operating working capital items - note 20	**3,098,842**	(577,173)	**2,851,661**	115,260
Interest paid	**135,904**	(203,284)	**(285,204)**	(297,321)
Interest received	**116**	1,879	**198**	18,056
	1,880,376	(1,734,965)	**408,796**	(1,636,192)
Investing				
Addition to mining rights and titles	**(236,888)**	(1,234,695)	**(507,203)**	(1,772,402)
Acquisition of fixed assets	**(4,502,641)**	(4,123,385)	**(10,665,045)**	(9,598,612)
Acquisition of intangible assets	**(2,724,701)**	(8,111)	**(2,745,013)**	(159,545)
	(7,464,230)	(5,366,191)	**(13,917,261)**	(11,530,559)
Financing				
Issue and subscription of common shares	**33,750**	27,250	**33,750**	310,750
Long term loan	**5,968,096**	3,932,574	**10,587,575**	4,706,124
Repayment of debt	**(583,457)**	---	**(1,394,145)**	---
	5,418,389	3,959,824	**9,227,180**	5,016,874
Effect of exchange rate changes on cash and cash equivalents	**(2,554)**	(36,199)	**39,912**	(9,765)
Increase (decrease) in cash and cash equivalents	**(168,019)**	(3,177,531)	**(4,241,373)**	(8,159,642)
Cash and cash equivalents at beginning	**1,450,019**	3,335,346	**5,523,373**	8,317,457
Cash and cash equivalents at end	**1,282,000**	157,815	**1,282,000**	157,815
Cash and cash equivalents are composed of:				
Cash in bank	**1,282,000**	157,815	**1,282,000**	157,815
Short-term money market instruments	**---**	---	**---**	---
	1,282,000	157,815	**1,282,000**	157,815

Additionnal cash flow information is provided in Note 20

1 - NATURE OF OPERATIONS AND GOING CONCERN

Nature of operations

ROBEX Resources Inc. (the "Company") is a junior Canadian exploration and mining development company, which currently holds seven exploration licenses and a eighth in conjunction with Resolute Mining, all located in Mali, in West Africa. The Company is currently actively working on developing these permits, which all demonstrate a favorable geology with a potential for discovering significant gold deposits. The Company is particularly developing the Nampala deposits, located on the Mininko permit, for which a feasibility study was completed and for which profitability to an operating mine is forseen. Since the end of 2012, the Company is working to build a plant of gold production. The head office address is 437 Grande-Allee Est, Quebec (Quebec) G1R 2J5, Canada.

Going concern

The consolidated financial statements (the "financial statements") are prepared in accordance with accounting principles applicable to a going concern, on the assumption that the Company will continue its operations for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of business.

The Company has incurred substantial operating losses in the past fiscal years and has yet to determine if all its mining properties contain reserves that could be commercially profitable, except for its Miniko permit, for which the beginning of operation is planned during the year 2014.

The Company's viability is contingent on periodically obtaining new funding to pursue its activities. Even though the Company has been successful in obtaining support in the past, there is no guarantee that it will be able to do so in the future.

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.

2 - STATEMENT OF COMPLIANCE

These condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and were approved by the Board of Directors on August 7th, 2014.

The financial statements are presented in Canadian dollars, which is not the functional currency of the Company. The CFA franc is considered to be the functional currency of the Company and of its subsidiaries.

3 - ACCOUNTING POLICIES

Presentation method

The condensed consolidated financial statements for the quarter ending June 30, 2014 do not include all the information required for full annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements of the Company at December 31, 2013 and for year ended on that date. These condensed consolidated interim financial statements have not been reviewed by the independent auditor of the company.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company, its subsidiaries and those of the "The African Peak Trading House Limited", in which Robex Resources Inc. has made a significant investment, in which all net benefits after taxes is redistributed to the Company in the form of preferred dividends. Robex Resourses Inc. subsidiaries are "Company Robex N'Gary SA" in which the Company holds a 85% stake, "Robex Resource Mali SARL" wholly owned and "Nampala SA", in which the Company holds a 90% stake. These three branches are all located in Mali. All intercompany transactions and balances have been eliminated.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately 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 in the net change in value 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.

3 - ACCOUNTING POLICIES (Continued)

Functional and presentation currency

The presentation currency of these consolidated financial statements is the Canadian dollar unless noted otherwise. As at June 30, 2014, the CFA franc is considered to be the functional currency of the Company and of its subsidiaries.

The translation from the functional currency to the presentation currency is made as follows :

- All assets and liabilities, both monetary and non-monetary, are translated at the closing exchange rates at the dates of each statement of financial position presented;

- All income and expenses in each statement of operations and comprehensive loss are translated at the average exchange rates for the periods presented;

- All resulting exchange differences are recognized as a separate component in other comprehensive income.

Any conversion of amounts into Canadian dollars should not be construed as a representation that such amounts have been, could be, or will be in the future convertible into Canadian dollars at the exchange rates used, or at any other exchange rate.

Inventories and stock

Stocks are valued at cost or net realizable value, whichever is lower of the two. The cost of inventories of consumables and spare parts are determined using the first in, first out method. The cost of the stockpiled ore and the cost of ongoing product are determined using the weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business, less variable selling expenses that apply.

The cost of inventories includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Purchase costs include the purchase price, import duties and non-recoverable taxes, as well as transport costs, handling and others costs that are directly attributable to the acquisition of finished goods, materials or services.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)
Six month periods ended on June 30, 2014 and June 30, 2013

(all amounts are in Canadian dollars unless otherwise indicated)

3 - ACCOUNTING POLICIES (Continued)

Assets

Fixed assets

Tangible assets are initially and subsequently stated at cost and depreciated using either the method of the programmed use of the asset (method 1) or the straight-line depreciation method (method 2), or the declining balance method (method 3). Depreciation of these assets is either expensed or capitalized in the cost of another asset under construction when the asset is an incremental cost required to manufacture or to the construction of that other asset. Tangible assest are depreciated once they are ready to be put into service. Before they begin to be amortized, they are classified as current assets.

	Method	Rate	Amortization period
Factory and machinery	1 2		6 years
Industrial equipment and tools	1 3	20%	
Electrical installations	2 3	20%	6 years
Laboratory	2		6 years
Vehicles	3	30%	
Computer equipment	3	30%	
Roads and access	2		6 years
Annex buildings	2		6 years
Furniture and Leasehold improvements	2 3	20%	3 years
Exploration equipment	3	20% to 45%	

Once a facility or equipment includes significant components that have different useful lives, the components are accounted for separately, either as components of the installation or pieces of equipment, and depreciated according to their own form and duration.

Expenditure incurred to replace a component of an item of the property, facility or equipment that is accounted for separately is capitalized. Attributable costs that are incurred for major capital and site preparation projects are capitalized until the asset is in an operating condition, with respect to the intended use. These costs include the costs of dismantling and site restoration in which the compensation is accounted for as a provision.

Daily maintenance costs are included in the results when incurred.

Interest incurred by the Company and for the construction of certain capital assests are recorded within the asset itself.

3 - ACCOUNTING POLICIES (Continued)

Assets - (continued)

Fixed assets - (continued)

Stripping costs are capitalized since they provide future benefits to society. They are initially and subsequently recorded at cost and amortized using the units of production method based on proven and probable mineral reserves which they give access. They are presented in Note 11 under "Road and access."

Asset retirement obligations

The Company records the present value of estimated costs of legal and constructive obligations required to restore locations in the period in which the obligation is incurred with a corresponding increase in the carrying amount of the related mining asset. For locations where mining activities have ceased, changes to obligations are charged directly to the consolidated statement of earnings. The obligation is generally considered to have been incurred when mine assets are constructed or the ground environment is disturbed at the production location. The discounted liability is adjusted at the end of each period to reflect the passage of time, based on a risk-free real discount rate that reflects current market assessments, and changes in the estimated future cash flows underlying the obligation.

The Company also estimates the timing of the outlays, which is subject to change depending on continued operation or newly discovered reserves.

Changes in restoration costs or in discount rates are recognized as changes to the corresponding assets and asset retirement obligation when they occur.

Intangible assets

Development costs of the mine are capitalized since they provide future benefits to the company. They are initially and subsequently recorded at cost and amortized using the units of production method based on proven and probable mineral reserves. Development costs are incurred during the pre-production phase to increase operating capacity to enter into the production period. Development costs are presented in Note 12 under "Deferred development costs."

Development costs will be amortized when the mine is in production. The starting point of the production period of the Nampala mine will be determined in accordance with various criteria such as the feasibility study, performing a test period of the mine facilities and equipment, the ability to produce ingots of gold in salable form and its ability to sustain ongoing production of ingots of gold in salable form. On June 30, 2014, the Nampala mine was not considered in production.

The others intangible assets are initially and subsequently recorded at cost and amortized on a declining balance basis at an annual rate of 30%.

3 - ACCOUNTING POLICIES (Continued)

Assets - (continued)

Revision of the life duration and depreciation methods

At the end of each quarter, the Company reviews the amortization and life duration of tangible and intangible assets. In case of change in these estimations, they are accounted for prospectively.

Subsequent costs

The replacement costs of an item of the property, facility or equipment are recognized when they are incurred if it is probable that the Company has future economic benefits and the cost of the item can be evaluated reliably. All other costs are recognized as an expense when they are incurred.

4 - FUTURE ACCOUNTING CHANGES IN ACCOUNTING POLICIES

A number of other new standards and amendments to standards and interpretations are not yet effective for the quarted ending June 30, 2014, and have not been applied in preparing the present condensed consolidated financial statements. These new and amended standards and interpretations are required to be implemented for financial years beginning on or after January 1, 2015, unless otherwise noted.

IFRS 2 - Share-based Payment
IFRS 3 - Business Combinations
IFRS 8 - Operating segments
IFRS 9 - Financial Instruments
IFRS 11 - Joint arrangements
IFRS 13 - Fair value measurement
IFRS 14 - Regulatory Defferal accounts
IAS 16 - Property, plant and equipment
IAS 16 and IAS 38 - Clarification on acceptable depreciation methods
IAS 19 - Employee benefits (amended in 2011)
IAS 24 - Related party disclosures
IAS 38 - Intangible assets
IAS 40 - Investment property

The Company is currently evaluating the impact of adopting these new standards and revised interpretations and plans to implement them as of January 1, 2015.

(all amounts are in Canadian dollars unless otherwise indicated)

5 - SEGMENTED INFORMATION

A) Operating segments - The Company's operations are primarily directed towards the acquisition, exploration and 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 :

			June 30, 2014 (unaudited) $
	West Africa	**Canada**	**Total**
Stock and inventories	**1,631,489**	**---**	**1,631,489**
Mining rights and titles	**21,397,897**	**---**	**21,397,897**
Fixed assets	**35,633,672**	**85,549**	**35,719,221**
Intangible assets	**2,960,261**	**---**	**2,960,261**
	61,623,319	**85,549**	**61,708,868**

			December 31, 2013 $
	West Africa	Canada	Total
Stock and inventories	19,526	---	19,526
Mining rights and titles	20,820,555	---	20,820,555
Fixed assets	25,528,503	78,717	25,607,220
Intangible assets	253,152	---	253,152
	46,621,736	78,717	46,700,453

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)
Six month periods ended on June 30, 2014 and June 30, 2013

(all amounts are in Canadian dollars unless otherwise indicated)

6 - ADMINISTRATION FEES

	Second quarter ended on June 30,		First half ended on June 30,	
	2014	2013	**2014**	2013
	$	$	**$**	$
Salaries	**339,289**	543,507	**695,108**	872,991
Travel fees	**70,305**	115,419	**125,852**	166,104
Insurance	**6,937**	---	**14,969**	8,024
Rent	**16,865**	4,000	**33,730**	10,000
Financial reporting and stock exchange fees	**50,449**	53,406	**70,356**	80,350
Marketing	**22,735**	2,350	**26,918**	2,350
Telecommunications	**46,415**	5,740	**93,659**	8,193
Office fees	**22,876**	3,873	**37,104**	8,460
Generals fees	**95,254**	---	**159,829**	---
	671,125	728,295	**1,257,525**	1,156,472

7 - INVENTORIES AND STOCK

	June 30, 2014 (unaudited)	December 31, 2013
	$	$
Ore stockpiles	**380,386**	---
Coarse ore stockpiles	**54,822**	---
Parts and supplies	**1,196,281**	19,526
	1,631,489	19,526

8 - ACCOUNTS RECEIVABLE

	June 30, 2014 (unaudited)	December 31, 2013
	$	$
Advances to suppliers	**730,373**	1,305,845
Corporate taxes	**70,753**	64,467
Other receivable	**25,575**	151,649
	826,701	1,521,961

(all amounts are in Canadian dollars unless otherwise indicated)

9 - MINING RIGHTS AND DEFERRED EXPLORATION COSTS

The acquisition cost and deferred exploration and development expenses by project are as follows:

	June 30, 2014 (unaudited)	December 31, 2013
	$	$
Diangounte (1)		
85% undivided interest		
Acquisition	**1,159,482**	1,162,605
Exploration	**4,200,732**	4,161,815
Kolomba		
Undivided interest (2)		
Acquisition	**63,112**	63,282
Exploration	**697,566**	646,869
Moussala		
Undivided interest (3)		
Acquisition	**23,493**	23,556
Exploration	**1,579,547**	1,358,681
Willi-Willi East		
Undivided interest (4)		
Acquisition	**148,565**	148,966
Exploration	**1,520,220**	1,415,754
Willi-Willi West		
Undivided interest (4)		
Acquisition	**148,454**	148,854
Exploration	**817,519**	711,115
Carried forward :	**10,358,690**	9,841,497

(all amounts are in Canadian dollars unless otherwise indicated)

9 - MINING RIGHTS AND DEFERRED EXPLORATION COSTS (Continued)

	June 30, 2014 (unaudited)	December 31, 2013
	$	$
Carried forward :	**10,358,690**	9,841,497
Mininko		
Undivided interest (5)		
Acquisition	**664,448**	666,237
Exploration	**8,841,580**	8,828,087
Kamasso		
Undivided interest (5)		
Acquisition	**662,749**	664,534
Exploration	**410,413**	411,518
	1,073,162	1,076,052
Impairment loss	**(1,073,162)**	(1,076,052)
	---	---
Sanoula		
Undivided interest (6)		
Acquisition	**190,979**	191,493
Exploration	**732,325**	681,722
N'Golopene		
Undivided interest (7)		
Acquisition	**438,452**	439,633
Exploration	**636,739**	638,455
Option income offset	**(465,316)**	(466,569)
	21,397,897	20,820,555

As of June 30, 2014, the acquisition costs and exploration expenses amount to $2,371,669 ($2,378,057 as of December 31, 2013) and $19,026,228 ($18,442,498 as of December 31, 2013).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)
Six month periods ended on June 30, 2014 and June 30, 2013

(all amounts are in Canadian dollars unless otherwise indicated)

9 - MINING RIGHTS AND DEFERRED EXPLORATION COSTS (Continued)

(1) 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 has received a first renewal on Oct. 9, 2012. The Company filed an application for renewal and is still waiting for that renewal. This renewal was scheduled for June 2014.

Under an agreement, the Company must pay a royalty of US$750,000 per million ounces of proven gold in excess of 500,000 ounces. Under the terms of the agreement, the royalty is 50% payable in cash and 50% in shares.

(2) The Company holds the license, through its wholly-owned subsidiary, Robex Resources Mali SARL. This license was granted on January 17, 2013. The validity of this permit is 3 years renewable twice for 2 years, for a total of 7 years.

(3) The Company holds 100% of the exploration permit.

The research and exploration licence was renewed in October 2008 and in August 2012. The licence will expire on October 10, 2014.

If a decision is made to mine a deposit, a mining company will have to be created to operate this activity. The Malian Government will hold, at all times, a 10% interest in the share capital received as free. This mining company will have to repay an amount of US$871,000 to the Malian Government as research or prospecting work.

(4) The Willi-Willi mining title is 95% owned by the Company.

The research and exploration permits were attributed in September 2005 and the Company obtained the renewal for a period of 3 years in February 2009 and in June 2012. The permits expire in September 2014.

The seller will receive NSR royalties of 2%, of which 1% is redeemable for US$1,000,000 for each of the properties. An NSR becomes payable when an entity is created for purposes of extracting mineral substances from the region covered by the exploration licence. The NSR corresponds to the revenue generated from selling the extracted mineral substances minus certain costs. The NSR must be paid within 30 days after collection of revenue from the sale of the minerals. The seller retains, at all times, 5% of the shares of the entity to be created without any financial obligations on its part.

9 - MINING RIGHTS AND DEFERRED EXPLORATION COSTS (Continued)

(5) Since April 30, 2007, the Company holds 100% of the mining titles of these properties and the seller benefited from a 2% NSR on which the Company has a right of first refusal. During the year that ended on December 31, 2012 the Company completed the acquisition of half of the charges in exchange for a sum paid in cash 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.

The permit for the Kamasso property has expired. Although the Company is currently conducting steps to obtain a renewal of the permit, at the date of the financial statements, given that it cannot assume the success of its renewal, the Company has decided to recognize an impairment loss on this permit for an amount of $1,073,162 at June 30, 2014 ($1,076,052 at December 31, 2013).

On March 1, 2012, a wholly-owned subsidiary, Robex Resources Mali SARL, was granted a license for research and exploration on the Mininko property. The duration of this permit is three years and is renewable twice. The duration of each renewal period is two years, for a total of 7 years. This permit expires on February 28, 2019.

On April 14, 2012, the Company received its gold mining and mineral substances permit attributed to Nampala S.A. regarding the Mininko property. This exploitation permit is valid for 30 years.

In addition, when assigning the operating 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.

(6) Since December 31, 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 a initial period of three years ans is renewable twice. Each period is equal to 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 works to be incurred over the validity of the permit.

9 - MINING RIGHTS AND DEFERRED EXPLORATION COSTS (Continued)

(7) In June 2006, the Company concluded an agreement to acquire, over a two-year period, prospecting and exploration permits in the Republic of Mali for US$245,000. In January 2008, the Company concluded a new agreement specifying that it would instead acquire 93% of the undivided interest of the property. The balance of the acquisition of US$125,000 was settled in full over 2008. During the month of May 2011, the Company proceeded with the acquisition of the remaining 7% undivided interest for a total cash consideration of $153,192. In relation thereto, the interest is now earned at 100%, through exclusive ownership subsidiary, Robex Resources Mali SARL.

An NSR of 2%, will be retained by the seller, which can be repurchased for US$500,000.

The research and mining permit was assigned in May 2010 and is valid for 3 years, renewable twice, for a total of 9 years.

In July 2011, the Company entered into a joint venture agreement with Resolute Mining Limited permitting them 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 holding of 51% in the joint venture once the following conditions are met: pay an initial amount of 400,000 Australian dollars in the first 12 months of the agreement, either in money or in shares of Resolute Mining Limited, or a combination of both and contribute financially to the joint venture for a total of one million U.S. dollars during the initial 2-year acquisition. After this period, Resolute Mining Limited may choose to acquire an additional 19% of the joint venture by investing an additional $1.5 million U.S. dollars in the 2 subsequent years or by completing a feasibility study. To date, a total of 400,000 Australian dollars was received in relation to this agreement. This amount was recorded as a reduction of the value of the property. In addition, Resolute Mining Limited have invested more than one million U.S. dollars in the first 2 years. Therefore, Robex now owns only 49% of this joint venture.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)
Six month periods ended on June 30, 2014 and June 30, 2013

(all amounts are in Canadian dollars unless otherwise indicated)

10 - ACQUISITION COST AND DEFERRED EXPLORATION AND DEVELOPMENT EXPENSES

ACQUISITION COST	June 30, 2014 $ (6 months)	December 31, 2013 $ (12 months)
Balance at beginning	**2,378,057**	2,723,896
Provision for impairment	**(662,749)**	(664,534)
Effect on currency presentation	**656,361**	318,695
Balance at end	**2,371,669**	2,378,057

DEFERRED EXPLORATION AND DEVELOPMENT EXPENSES		
Balance at beginning	**18,442,498**	15,025,850
Add:		
Management fees	**47,723**	175,005
Exploration expenses	**276,921**	1,110,349
Equipment	**36,434**	48,169
Development fees	**56,167**	128,701
Travel expenses	**42,515**	108,433
Supplies and other	**47,443**	94,565
	507,203	1,665,222
Depreciation of exploration equipment and intangible assets	**144,325**	265,399
Provision for impairment	**(410,413)**	(411,518)
Effect on currency presentation	**342,615**	1,897,545
	583,730	3,416,648
Balance at end	**19,026,228**	18,442,498
TOTAL BALANCE	**21,397,897**	20,820,555

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)
Six month periods ended on June 30, 2014 and June 30, 2013
(all amounts are in Canadian dollars unless otherwise indicated)

11 - FIXED ASSETS

Cost	Factory and machinery	Industrial equipment and tools	Laboratory	Vehicles	Computer equipment	Roads and access	Annex buildings	Furniture and Leasehold improvements	Exploration equipment	Assets under construction	TOTAL
Balance as at Dec. 31, 2012	**430,269**	**109,088**	**15,743**	**203,430**	**28,739**	**59,964**	**83,616**	**16,505**	**1,167,978**	**1,547,108**	**3,662,440**
Additions											
Assets acquired	977,132	156,051	142,684	308,590	185,623	101	1421,066	285,297	225,000	17,628,963	**21,330,506**
Effect of currency presentation	43,242	20,491	1,842	45,735	14,535	7,014	9,783	323 549	(153,192)	1 464 802	**1,777,802**
Balance as at Dec. 31, 2013	**1,450,643**	**285,630**	**160,269**	**557,755**	**228,897**	**67,079**	**1,514,465**	**625,351**	**1,239,786**	**20,640,873**	**26,770,748**
Additions											
Assets acquired	17,456	611,179	---	---	37,399	2,726,850	322,461	72,833	---	7,222,831	**11,011,009**
Effect of currency presentation	(4,596)	(3,781)	(431)	(1,498)	(1,757)	(38,265)	(4,572)	(4,444)	(3,329)	(270,478)	**(333,151)**
Balance as at June 30, 2014	**1,463,503**	**893,028**	**159,838**	**556,257**	**264,539**	**2,755,664**	**1,832,354**	**693,740**	**1,236,457**	**27,593,226**	**37,448,606**

For the six month period ended June 30, 2014 , interest costs of $181,478 are included in the acquisition costs of the asset ($800,115 for the year ended on December 31, 2013). Also, an amount of $152,200 is included in the acquisition costs representing the provision for costs of Dismantling of properties ($240,143 for the year ended on December 31, 2013). Finally, an amount of $12,285 relating to the amortization of certain assets were reclassified to the cost of construction in progress ($21,324 for the year ending on December 31, 2013).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)
Six month periods ended on June 30, 2014 and June 30, 2013
(all amounts are in Canadian dollars unless otherwise indicated)

11 - FIXED ASSETS (Continued)

Accumulated depreciation	Factory and machinery	Industrial equipment and tools	Laboratory	Vehicles	Computer equipment	Roads and access	Annex buildings	Furniture and Leasehold improvements	Exploration equipment	Assets under construction	TOTAL
Balance as at Dec. 31, 2012	**3,084**	**2,915**	**381**	**69,272**	**21,913**	**2,811**	**1,750**	**9,583**	**571,783**	**---**	**683,492**
Depreciation for the period	45,726	31,867	1,626	75,641	19,091	1,965	13,745	48,406	145,954	---	**384,019**
Effect of currency presentation	360	(243)	27	11,330	2,741	329	205	152,678	(71,412)	---	**96,017**
Balance as at Dec. 31, 2013	**49,170**	**34,539**	**2,034**	**156,243**	**43,745**	**5,105**	**15,700**	**210,667**	**646,325**	**---**	**1,163,528**
Depreciation for the period	105,664	42,254	13,594	58,325	30,635	77,317	142,406	48,173	62,997	---	**581,365**
Effect of currency presentation	(2,341)	(697)	(280)	(1,856)	(754)	(1,708)	(2,663)	(1,724)	(3,485)	---	**(15,508)**
Balance as at June 30, 2014	**152,493**	**76,096**	**15,348**	**212,712**	**73,626**	**80,714**	**155,443**	**257,116**	**705,837**	**---**	**1,729,385**
Net value:											
as at December 31, 2013	1,401,473	251,091	158,235	401,512	185,152	61,974	1,498,765	414,684	593,461	20,640,873	**25,607,220**
as at June 30, 2014	**1,311,010**	**816,932**	**144,490**	**343,545**	**190,913**	**2,674,950**	**1,676,911**	**436,624**	**530,620**	**27,593,226**	**35,719,221**

Fixed assets with a book value of $27,593,226 are not amortized because they are either under construction or being installed as at June 30, 2014 ($20,640,873 as at December 31, 2013).

(all amounts are in Canadian dollars unless otherwise indicated)

12 - INTANGIBLE ASSETS

	June 30, 2014 $ (6 months)	December 31, 2013 $ (12 months)
Software		
Cost		
Balance at the beginning	**296,906**	20,459
Additions:		
Assets acquired	**38,183**	252,596
Effect of currency presentation	**(1,611)**	23 851
Balance at the end	**333,478**	296,906
Accumulated depreciation		
Balance at the beginning	**43,754**	5,537
Depreciation for the period	**37,386**	35,363
Effect of currency presentation	**(1,093)**	2 854
Balance at the end	**80,047**	43,754
Net value:	**253,431**	253,152
Deferred development costs		
Cost		
Balance at the beginning	**---**	---
Additions:		
Assets acquired	**2,706,830**	---
Effect of currency presentation	**---**	---
Balance at the end	**2,706,830**	---
Accumulated depreciation		
Balance at the beginning	**---**	---
Depreciation for the period	**---**	---
Effect of currency presentation	**---**	---
Balance at the end	**---**	---
Net value:	**2,706,830**	---
Total net value:	**2,960,261**	253,152

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)
Six month periods ended on June 30, 2014 and June 30, 2013

(all amounts are in Canadian dollars unless otherwise indicated)

13 - ACCOUNTS PAYABLE

	June 30, 2014 (unaudited) $	December 31, 2013 $
Accrued interest	**1,088,975**	331,152
Other payables	**4,974,429**	1,695,106
	6,063,404	2,026,257

14- LONG-TERM DEBT

	June 30, 2014 (unaudited) $	December 31, 2013 $
Loan from a supplier, annual interest rate of 10 %, payable by monthly installments of $186,044 (83,502,722 CFA francs) plus interest, until January, 2016.	**3,581,585**	4679,907
Loan from a supplier, maximum amount of $3,342,000 (1,500,000,000 CFA francs), annual interest of 10%, secured by a land mortgage on the operating license for gold and minerals in the region of Nampala. The Company may not pay dividends before the settlement of payments due to the supplier. This loan is repayable in 36 monthly installments of $92,833 (41,666,667 CFA francs) plus interest, until December, 2016, inclusive.	**3,342,000**	3,351,000
Loan from a shareholder of the company, in the amount of $5,000,000 CA, with annual interest of 8%, repayable as soon as the company's liquidity permits it, secured by a legal hypothec on the universality of assets of the Company.	**4,924,085**	---
	11,847,671	8,030,907
Short-term portion of the long-term debt	**8,269,798**	3,239,964
	3,577,872	4,790,943

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)
Six month periods ended on June 30, 2014 and June 30, 2013

(all amounts are in Canadian dollars unless otherwise indicated)

14- LONG-TERM DEBT (Continued)

	June 30, 2014 (unaudited)	December 31, 2013
	$	$
Autorized line of credit		
Authorized line of credit from a bank in Mali, for a maximum amount of $1,160,500 (500,000,000 CFA francs). Annual interest rates of 9%. The maturity date of this line of credit is March 31, 2014.	**1,112,365**	1,350,398
Authorized line of credit from a bank in Mali, for a maximum amount of $5,802,500 (2,500,000,000 CFA francs). Annual interest rates of 8%.	**5,549,873**	---
	6,662,238	1,350,398

15 - WARRANTS

The warrants that were granted varied as follows :

	First half ended on June 30, 2013		Twelve month period ended on December 31, 2013	
	Quantity	**Weighted exercice price**	Quantity	Weighted exercice price
Outstanding at the beginning	**81,388,888**	**$0.24**	101,811,438	$0.25
Exercised	**---**	**---**	(1,525,000)	$0.18
Cancelled or expired	**(1,388,888)**	**$0.30**	(18,897,550)	$0.26
Outstanding at the end	**80,000,000**	**$0.25**	81,388,888	$0.24
Exercisable	**80,000,000**	**$0.25**	81,388,888	$0.24

There were no warrants issued during the half ended June 30, 2014 (no warrants issued for the twelve month period ended December 31, 2013).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)
Six month periods ended on June 30, 2014 and June 30, 2013

(all amounts are in Canadian dollars unless otherwise indicated)

15 - WARRANTS (Continued)

Outstanding, exercisable warrants as at June 30, 2014

Quantity	Exercice price	Remaining Life (year)
80,000,000	$0.25	3.3
80,000,000		

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 valued at fair value and presented as financial liability. Any subsequent change in the fair value is recognized in the net income.

Fair value of stock purchase warrants is presented in note 24 hereinafter.

16 - OBLIGATIONS RELATED TO THE SHUTDOWN OF PROPERTIES

	June 30, 2014 (unaudited)	December 31, 2013
	$	$
Relative provision to the dismantling of the facilities being built on the Nampala site	**362,343**	210,143

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.

(all amounts are in Canadian dollars unless otherwise indicated)

17 - CONVERTIBLE DEBENTURE

The Company issued, on November 21, 2013, convertible debentures in the amount of $11,940,000, unsecured, maturing on November 20, 2016. This amount is convertible into 79,600,000 common shares of the Company until November 20, 2016 at a price of $0.15 per share. The debentures bear interest at 10% annually and are payable in cash on each anniversary date. Interests are 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. In certain situations, the Company has the possibility to make a redemption offer equal to 105% of the princiap amount and accrued and unpaid interests to the holders prematurely.

The convertible debentures are divided into two components, the debt portion and the conversion right. These two components were initially measured at fair value at the date of issuance of the debentures, on November 21, 2013. For the half ended June 30, 2014, an amount of $592,093 was recorded as accrued interest ($0 for the half ended June 30, 2013) and an amount of effective interest of $633,484 was recorded on the debt portion of this debenture ($0 for the half ended June 30, 2013). The fair value of these debentures is as follows:

	June 30, 2014	December 31, 2013
	$	$
Derivative component - conversion rights	**8,218,116**	4,332,495
Debt component at amortized cost	**8,026,861**	7,393,378
	16,244,977	11,725,873

Fair values measured as at June 30, 2014 and at the grant date have been according to the Black-Scholes option-pricing model with the following assumptions:

	June 30, 2014	December 31, 2013
Risk-free interest rate	**1.09%**	1,10%
Expected volatility	**50%**	50%
Expected dividend yield	**0%**	0%
Expected life	**2.4 years**	2,89 years

(all amounts are in Canadian dollars unless otherwise indicated)

18 - 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

	June 30, 2014 (unaudited)	December 31, 2013
	$	$
Issued and fully paid		
283,675,539 common shares		
(December 31, 2013 - 283,425,539 common shares)	**45,308,335**	45,253,460

Year 2014

In April 2014, the Company issued 250,000 shares following the exercise of options to purchase shares. 125,000 options had an exercise price of $0.12 and the other half of these options had an exercise price of $0.15. An amount of $33,750 was received in relation to the exercise of these options. The value of options exercised that was reclassified to share capital is $21,125.

Year 2013

In November 2013, the Company issued 6,666,667 shares for a cash consideration of $1,000,000.

In July 2013, the Company issued 250,000 shares following the exercise of options to purchase shares for a cash consideration of $35,000. The value of options exercised that was reclassified to share capital is $24,000.

In May 2013, the Company issued 250,000 shares following the exercise of options to purchase shares for a cash consideration of $36,250. The value of options exercised that was reclassified to share capital is $21,900.

During the three month period ended on March 31, 2013, the Company issued 1,525,000 common shares following the exercise of warrants for a cash consideration of $274,500. The fair value of warrants exercised that was reclassified to share capital is $8,036.

An amount of $5,000 was paid for the issuance of these shares. No financing cost have been paid concerning these issued shares in 2013.

(all amounts are in Canadian dollars unless otherwise indicated)

18 - SHARE CAPITAL (Continued)

Stock option plan

Under the stock option plan, the Company can award options to certain directors, officers, key employees and suppliers. The total number of common shares in the Company's share capital that can be issued under this plan is 10,000,000 shares. The total number of common shares reserved for the exercising of options in favour of an option holder should not represent more than five percent (5%) of the Company's common shares issued and outstanding. At the time that options are granted, the board of directors determines their terms and exercise prices. The terms of issued options cannot exceed five years, and, since April 2009, the exercise price can be fixed at a discounted price. Since April 2009, options granted under the terms of this plan can be exercised at the time that options are granted except for financial advisers for whom options granted will have to vest over a period of 12 months at a rate of 25% per three-month period.

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

The stock options varied as follows:

	First half ended on June 30, 2013		Twelve month period ended on December 31, 2013	
	Quantity	**Weighted average exercice price**	Quantity	Weighted average exercice price
Oustanding at the beginning	**2,950,000**	**$0.19**	7,959,715	$0.19
Granted	**1,380,000**	**$0.20**	400,000	$0.20
Exercised	**(250,000)**	**$0.14**	(500,000)	$0.14
Cancelled or expired	**(525,000)**	**$0.19**	(4,909,715)	$0.21
Oustanding at the end	**3,555,000**	**$0.19**	2,950,000	$0.19
Exercisable	**2,681,666**	**$0.19**	2,950,000	$0.19

The total fair value of stocks options granted for the half ended on June 30, 2014 was $90,834 ($35,208 for the year ended on December 31, 2013). For the half ended on June 30, 2014, an amount of $0 is included in the issuance costs and an amount of $31,665 is included as compensation cost to purchase shares ($0 and $35,208 for the year ended December 31, 2013), in the statement of loss. The total fair value was estimated on the grant dates using the Black-Scholes option pricing model and the following weighted average assumptions:

	2014 (6 months)	2013 (12 months)
Risk-free interest rate	**1.09%**	1.65%
Expected volatility	**45.82%**	50%
Expected dividend yield	**0%**	0%
Expected life	**2.8 year**	5 years

(all amounts are in Canadian dollars unless otherwise indicated)

18 - SHARE CAPITAL (Continued)

The following table summarizes certain information on the Company's stock options as at June 30, 2014 and December 31, 2013 :

	Outstanding options as at June 30, 2014		Exercisable options as at June 30, 2014	
		Weighted average remaining contractual life		Weighted average remaining contractual life
Exercise price	**Quantity**	**Years**	**Quantity**	**Years**
From $0.10 to $0.145	**775,000**	**2.9**	**775,000**	**2.9**
From $0.15 to $0.195	**625,000**	**2.6**	**291,666**	**2.6**
From $0.20 to $0.245	**1,875,000**	**2.8**	**1,475,000**	**2.8**
From $0.25 to $0.295	**280,000**	**1.8**	**140,000**	**1.8**
	3,555,000		**2,681,666**	

	Outstanding options as at December 31, 2013		Exercisable options as at December 31, 2013	
		Weighted average remaining contractual life		Weighted average remaining contractual life
Exercise price	Quantity	Years	Quantity	Years
From $0.10 to $0.145	1,000,000	3.2	1,000,000	3.2
From $0.15 to $0.195	500,000	1.7	500,000	1.7
From $0.20 to $0.245	1,450,000	3.1	1,450,000	3.1
	2,950,000		2,950,000	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)
Six month periods ended on June 30, 2014 and June 30, 2013

(all amounts are in Canadian dollars unless otherwise indicated)

19 - ACCUMULATED OTHER COMPREHENSIVE LOSS

	June 30, 2014 $ (6 months)	December 31, 2013 $ (12 months)
Currency translation adjustements		
Balance at the beginning	**2,232,980**	(1,673,991)
Currency translation adjustments	**(99,093)**	3,906,971
Balance at the end	**2,133,887**	2,232,980

20 - ADDITIONAL INFORMATION ON THE CONSOLIDATED STATEMENT OF CASH FLOW

	First half ended on June 30,	
Variations in non-cash operating working capital items	**2014 $**	2013 $
Decrease (increase) in current assets		
Accounts receivable	**695,260**	112,872
Stock	**(1,611,963)**	---
Deposits paid	**(400)**	---
	(917,102)	112,872
Increase in current liabilities		
Accounts payable	**3,768,763**	2,388
	2,851,661	115,260

(all amounts are in Canadian dollars unless otherwise indicated)

21 - NET LOSS PER SHARE

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

	Second quarter ended on June 30,		First half ended on June 30,	
	2014	2013	**2014**	2013
	$	$	**$**	$
Basic and diluted net loss	**2,854,920**	1,099,031	**10,472,339**	1,697,823
Weighted average number of basic shares outstanding	**283,626,088**	276,434,696	**283,601,566**	275,997,960
Stock options and warrants with dilutive effect (1)	**81,009,341**	3,941,209	**81,490,884**	5,048,118
Diluted weighted average number of shares outstanding	**364,635,429**	280,375,905	**365,092,450**	281,046,078
Net loss by basic and diluted share (2)	**($0.010)**	$0.004	**$0.037**	$0.006

(1) The calculation of the hypothetical conversions excludes all anti-dilutive options and warrants. Some options and warrants 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 June 30, 2014, the weighted average number of excluded options, warrants and conversion rights are 1,746,923 ; 80,457,875 and 0, respectively (compared to 4,159,715 options, 89,288,489 warrants and no conversion for the quarter ended June 30, 2013). For the half ended June 30, 2014, the weighted average number of excluded options, warrants and conversion rights are 1,162,818 ; 80,920,810 and 0, respectively (compared to 4,436,975 options, 89,285,980 warrants and no conversion for the half ended June 30, 2013).

(2) Due to the net losses incurred during the three month periods and halves ended June, 2014 and 2013, all potentially dilutive securities were considered anti-dilutive.

22 · CONTINGENCY

Environmental Protection

The Company's operations 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 period in which it will be possible to make a reasonable estimate.

23 · CAPITAL DISCLOSURES

The Company's objective when managing capital is to maintain adequate cash resources to support planned activities. The Company includes shareholders' equity, cash and cash equivalents in the definition of capital.

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.

24 · FINANCIAL INSTRUMENTS

a) Fair value of financial instruments

The Company has and assumes financial assets and liabilities such as cash, accounts receivable, accounts payable, due to a related company controled by an officer and warrants. The fair value of cash and cash equivalents, accounts receivable and accounts payable approximate their carrying value due to their short-term maturities. The fair value of warrants and conversion rights is determined based on the Black-Scholes option model.

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

- Level 1: measurement at fair value pursuant to the quoted prices (not subject to adjustment) in active markets for identical assets or liabilities;

- Level 2: measurement at fair value pursuant to 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 pursuant to valuation techniques including an important part of the data related to asset or liability and which are not pursuant on observable market data (non observable data).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)
Six month periods ended on June 30, 2014 and June 30, 2013

(all amounts are in Canadian dollars unless otherwise indicated)

24 · FINANCIAL INSTRUMENTS (Continued)

	Level 1	Level 2	Level 3	June 30, 2014 (unaudited) Total fair value financial liabilities
Financial liabilites				
Conversion rights	---	**8,218,116**	---	**8,218,116**
Warrants	---	**6,000,278**	---	**6,000,278**
	---	**14,218,394**	**---**	**14,218,394**

	Level 1	Level 2	Level 3	December 31, 2013 Total fair value financial liabilities
Financial liabilites				
Conversion rights	---	4,332,495	---	4,332,495
Warrants	---	3,131,898	---	3,131,898
	---	7,464,393	---	7,464,393

The table below presents changes in financial instruments recognized at fair value and evaluated according to Level 2 parameters:

Conversion rights	**First half ended on June 30, 2014 $**	Twelve month period ended on December 31, 2013 $
Balance at the beginning	**4,332,495**	---
Granted	**---**	4,681,245
Change in fair value recorded through net loss (gain) / loss	**4,072,503**	(510,831)
Effect of the exchange rate change presented net income	**(12,159)**	165,481
Effect of the exchange rate change presented in other comprehensive income	**(174,723)**	(3,400)
Balance at the end	**8,218,116**	4,332,495

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)
Six month periods ended on June 30, 2014 and June 30, 2013

(all amounts are in Canadian dollars unless otherwise indicated)

24 · FINANCIAL INSTRUMENTS (Continued)

Warrants	**First half ended on June 30, 2014 $**	Twelve month period ended on December 31, 2013 $
Balance at the beginning	**3,131,898**	2,716,014
Exercised	**---**	(8,036)
Change in fair value recorded through net loss (gain) / loss	**3,006,151**	100,259
Effect of the exchange rate change presented net income	**(8,789)**	294,405
Effect of the exchange rate change presented in other comprehensive income	**(128,981)**	29,255
Balance at the end	**6,000,278**	3,131,898

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

b) *Market risk*

The Company is exposed to market fluctuations in the price of gold, the U.S. currency and CFA francs with respect to the Canadian currency. The Company is not managing its exposure to these risks by using derivative financial instruments and forward sales contracts. The risks and managing these risks have remained unchanged over previous years.

c) *Currency risk*

On June 30, 2014, the Company had cash and cash equivalents in Canadian dollars totaling $1,136,927 CA ($3,563,874 CA at December 31, 2013), while its functional currency is the CFA Franc.

On June 30, 2014, the Company held, in Canadian dollars, net financial liabilities of approximately $1,209,094 ($651,603 at December 31, 2013) and net financial assets of approximately $84,891 ($78,078 at December 31, 2013). A 5% change in the exchange rate between the Canadian dollar and the CFA franc would have increased to $56,277 in net liabilities, an increase of $3,951 in assets and an increase in the value of cash and cash equivalents of $56,846. This variation of 5% would have affected the results of the company for an amount of $4,520. This analysis assumes that all other variables remain constant.

(all amounts are in Canadian dollars unless otherwise indicated)

24 · FINANCIAL INSTRUMENTS (Continued)

d) Credit risk

Financial instruments exposing the Company to concentrations of credit risk comprise accounts receivable. The Company continuously assesses the possible losses and establishes a provision for losses based upon the estimated realized value, when needed.

e) Liquidity risk

The purpose of managing liquidity risk is to maintain a sufficient amount of cash to ensure that the Company has available funds to meet its obligations.

Accounts payable are due over the next fiscal year.
Conversion rights have the following expiry delays:

Quantity		Fair value		Expiration date
June 30, 2014	December 31, 2013	**June 30, 2013 $**	December 31, 2013 $	
79,600,000	79,600,000	**8,218,116**	4,332,495	November 2016

Warrants have the following expiry delays:

Quantity		Fair value		Expiration date
June 30, 2014	December 31, 2013	**June 30, 2013 $**	December 31, 2013 $	
---	1,388,888	**---**	---	May 2014
80,000,000	80,000,000	**6,000,278**	3,131,898	October 2017
80,000,000	81,388,888	**6,000,278**	3,131,898	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)
Six month periods ended on June 30, 2014 and June 30, 2013

(all amounts are in Canadian dollars unless otherwise indicated)

24 - FINANCIAL INSTRUMENTS (Continued)

The following table shows the contractual maturities of financial liabilities as at June 30, 2014

	Book value	Less than a year	From 1 to 3 years	From 3 to 5 years
Accounts payable	**6,063,404**	**6,063,404**	**---**	**---**
Convertible debenture - Conversion rights	**8,218,116**	**---**	**8,218,116**	**---**
Convertible debenture - Debt component	**8,026,861**	**---**	**11,940,000**	**---**
Warrants	**6,000,278**	**---**	**---**	**6,000,278**
Long-term debt	**11,847,671**	**8,919,822**	**3,938,933**	**---**
Line of credit	**6,662,238**	**6,662,238**	**---**	**---**
	46,818,568	**21,645,464**	**24,097,049**	**6,000,278**

The following table shows the contractual maturities of financial liabilities as at December 31, 2013

	Book value	Less than a year	From 1 to 3 years	From 3 to 5 years
Accounts payable	2,026,257	2,026,257	---	---
Convertible debenture - Conversion rights	4,332,495	---	4,332,495	---
Convertible debenture - Debt component	7,393,378	---	11,940,000	---
Warrants	3,131,898	---	---	3,131,898
Long-term debt	8,030,907	3,897,952	5,195,480	---
Line of credit	1,350,398	1,350,398	---	---
	26,265,333	7,274,607	21,467,975	3,131,898

25 · RELATED PARTY TRANSACTIONS

Results for the half ended June 30, 2014 include an amount of $791,434 ($416,962 for the half ended June 30, 2013) committed to the directors and officers and companies controlled by them. These transactions occurred in the normal course of business and are measured at the exchange value which is the amount of consideration established by the related parties.

26 · SUBSEQUENT EVENTS

On July 31, 2014, a significant shareholder of the Company granted a credit facility of $3.5 million CA to the Company. This facility bears an interest rate of 8% and is repayable in monthly installments starting in October 2014 and ending in May 2015. This credit facility is secured by a legal hypothec on the universality of the Company's assets.