ROSCAN GOLD CORPORATION

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended July 31, 2020 and 2019

(unaudited)

EXPRESSED IN CANADIAN DOLLARS

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of Roscan Gold Corporation (the "Company") have been prepared by and are the responsibility of the Company's management. The Company's independent auditor, RSM Canada LLP, has not performed a review of these unaudited condensed interim consolidated financial statements, in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim consolidated financial statements by an entity's auditor.

ROSCAN GOLD CORPORATION

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(unaudited, expressed in Canadian dollars)

As at		July 31 2020		October 31 2019
ASSETS				
Current				
Cash	**$**	**8,225,938**	$	240,219
Amounts receivable		**11,000**		-
Sales tax receivable		**70,590**		24,099
Prepaid expenses and deposits		**403,358**		86,049
		8,710,886		350,367
Right-of-use assets (note 13)		**82,884**		-
	$	**8,793,770**	$	350,367
LIABILITIES				
Current				
Accounts payable and accrued liabilities (note 7)	**$**	**1,396,047**	$	414,462
Lease liability (notes 12, 13)		**52,193**		-
		1,448,240		414,462
Lease liability, long-term (notes 12, 13)		**32,906**		-
		1,481,146		414,462
EQUITY (DEFICIENCY)				
Share capital (note 8)		**30,949,036**		10,994,594
Contributed surplus		**2,464,478**		1,474,564
Warrants (note 9)		**3,167,051**		3,107,967
Deficit		**(29,267,941)**		(15,641,220)
		7,312,624		(64,095)
	$	**8,793,770**	$	350,367

Nature of operations and going concern (note 1)
Commitments and contingencies (note 14)
Subsequent events (note 17)

See accompanying notes.

ROSCAN GOLD CORPORATION

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(unaudited, expressed in Canadian dollars)

	Three months ended July 31		Nine months ended July 31	
	2020	2019	**2020**	2019
Expenses				
Corporate and administrative (notes 10, 12)	**$ 341,825**	$ 411,996	**$ 1,473,494**	$ 792,091
Exploration and evaluation (notes 6, 11)	**8,094,826**	2,048,999	**10,827,644**	3,509,101
Share-based payments (notes 8, 12)	**1,036**	583,246	**1,309,430**	583,246
Depreciation (note 13)	**13,021**	-	**34,931**	-
Loss from operations	**8,450,708**	3,044,241	**13,645,499**	4,884,438
Foreign exchange loss (gain)	**10,928**	3,928	**(5,748)**	20,615
Interest income	**(6,101)**	(8,894)	**(18,410)**	(11,771)
Interest on lease liabilities (note 13)	**1,773**	-	**5,380**	-
Net loss and comprehensive loss	**$ 8,457,308**	$ 3,039,275	**$ 13,626,721**	$ 4,893,282
Basic and diluted loss per share (note 15)	**$ (0.039)**	$ (0.028)	**$ (0.076)**	$ (0.048)
Weighted average number of common shares outstanding: Basic and diluted	**219,813,420**	118,424,921	**179,539,025**	101,725,958

See accompanying notes.

ROSCAN GOLD CORPORATION

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(unaudited, expressed in Canadian dollars)

	Share capital					
	Number of shares	**Amount**	**Contributed surplus**	**Warrants**	**Deficit**	**Total**
Balance, October 31, 2018	85,995,866	$ 8,546,935	$ 897,903	$ 1,124,636	$ (9,929,562)	$ 639,912
Units issued by private placement (notes 8, 9)	27,142,857	2,107,830	-	1,692,170	-	3,800,000
Broker compensation units (notes 8, 9)	1,402,286	108,897	-	87,423	-	196,320
Broker warrants (notes 8, 9)	-	-	-	427,037	-	427,037
Shares issued for mineral property (notes 8, 11)	250,000	38,750	-	-	-	38,750
Share issuance costs (notes 8, 12)	-	(785,125)	-	-	-	(785,125)
Exercise of unit warrants (notes 8, 9)	4,567,066	668,757	-	(120,709)	-	548,048
Exercise of broker warrants (notes 8, 9)	1,584,292	197,647	-	(102,590)	-	95,057
Share-based payments (note 8)	-	-	583,246	-	-	583,246
Net loss for the period	-	-	-	-	(4,893,282)	(4,893,282)
Balance, July 31, 2019	120,942,367	10,883,691	1,481,149	3,107,967	(14,822,844)	649,963
Exercise of options (note 8)	1,350,000	110,903	(35,903)	-	-	75,000
Share-based payments (note 8)	-	-	29,318	-	-	29,318
Net loss for the period	-	-	-	-	(818,376)	(818,376)
Balance, October 31, 2019	122,292,367	10,994,594	1,474,564	3,107,967	(15,641,220)	(64,095)
Units issued by private placement (note 8, 9)	68,367,500	10,524,701	-	1,468,299	-	11,993,000
Broker warrants (notes 8, 9)	-	-	-	200,478	-	200,478
Shares issued for mineral property (notes 8, 11)	250,000	92,500	-	-	-	92,500
Shares issued for Komet Mali SARL (notes 6, 8)	4,060,336	1,664,738	-	-	-	1,664,738
Share issuance costs (notes 8, 12)	-	(1,222,561)	-	-	-	(1,222,561)
Exercise of options (note 8)	3,700,000	745,016	(319,516)	-	-	425,500
Exercise of unit warrants (notes 8, 9)	45,127,853	8,150,048	-	(1,609,693)	-	6,540,355
Share-based payments (notes 8)	-	-	1,309,430	-	-	1,309,430
Net loss for the period	-	-	-	-	(13,626,721)	(13,626,721)
Balance, July 31, 2020	**243,798,056**	**$ 30,949,036**	**$ 2,464,478**	**$ 3,167,051**	**$ (29,267,941)**	**$ 7,312,624**

See accompanying notes.

ROSCAN GOLD CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, expressed in Canadian dollars)

	Three months ended July 31		Nine months ended July 31	
	2020	2019	**2020**	2019
Operating activities				
Loss for the period	**$ (8,457,308)**	$ (3,039,275)	**$ (13,626,721)**	$ (4,893,282)
Adjustments to reconcile loss to net cash used:				
Depreciation	**13,021**	-	**34,931**	-
Share-based payments	**1,036**	583,246	**1,309,430**	583,246
Shares issued for mineral property	**92,500**	38,750	**92,500**	38,750
Shares issued on acquisition of Komet Mali SARL	**1,664,738**	-	**1,664,738**	-
Unrealized foreign exchange	**237,037**	153,289	**223,325**	201,061
	(6,448,976)	(2,263,990)	**(10,301,797)**	(4,070,225)
Changes in non-cash working capital items				
Amounts receivable	**(11,000)**	-	**(11,000)**	-
Sales tax receivable	**(2,540)**	(151)	**(46,491)**	(3,036)
Prepaid expenses and deposits	**(88,390)**	(242,913)	**(317,309)**	(159,380)
Accounts payable and accrued liabilities	**555,100**	300,597	**744,152**	565,771
	(5,995,806)	(2,206,457)	**(9,932,445)**	(3,666,870)
Financing activities				
Repayment of lease liabilities	**(12,411)**	-	**(32,716)**	-
Loan repayments to related parties	**-**	(297,765)	**-**	(485,915)
Units issued by private placement	**7,500,000**	-	**11,993,000**	3,800,000
Shares issued on exercise of options	**172,500**	-	**425,500**	-
Shares issued on exercise of warrants	**3,930,847**	263,057	**6,540,355**	643,105
Share issuance costs	**(606,377)**	-	**(1,022,083)**	(161,768)
	10,984,559	(34,708)	**17,904,056**	3,795,422
Net change in cash	**4,988,753**	(2,241,165)	**7,971,611**	128,552
Cash, beginning of period	**3,283,958**	3,419,396	**240,219**	1,050,780
Effect of exchange rate changes on cash	**(46,773)**	(8,571)	**14,108**	(9,672)
Cash, end of period	**$ 8,225,938**	$ 1,169,660	**$ 8,225,938**	$ 1,169,660

See accompanying notes.

1. NATURE OF OPERATIONS AND GOING CONCERN

RosCan Gold Corporation (the "Company") is an exploration stage company involved in the business of acquiring, exploring and developing gold properties in West Africa. The Company's properties are located in Mali. The Company's shares are listed on the TSX Venture Exchange under the trading symbol "ROS" and on the Frankfurt Stock Exchange under the trading symbol "2OJ". The address of the Company's registered office is 217 Queen Street West, Suite 401, Toronto, Ontario, M5V 0R2.

Political and other risks
The Company's Malian properties may potentially expose the Company to risks and different considerations not normally associated with companies or exploration activities in North America. The Company's ability to retain its properties, raise and deploy capital may be adversely affected by changes in governing regimes, policies, laws and regulations, all of which are beyond the Company's control.

In August 2020, a coup was staged by Mali's military resulting in the dissolution of the Malian government. Negotiations to establish a transitional government are currently being held with the military junta. The Company is closely monitoring the situation and its exploration activities have not been disrupted.

Going Concern
The business of exploration, development and mining of minerals involves a high degree of risk and there can be no assurances that future exploration activities will result in the discovery of economically recoverable mineral deposits. The success and continuation of the Company as a going concern is dependent upon the Company's ability to arrange financing, which in part, depends on prevailing market conditions, acquiring or discovering economically viable mineral properties, exploration success, and securing title and beneficial interest in its properties.

Further funds will be required for the Company to continue as a going concern, fulfil its obligations and fund its activities. The Company does not produce revenues from its exploration activities or have a regular source of cash flow. There can be no assurance that the Company will be able to obtain sufficient financing in the future or at favourable terms.

At July 31, 2020, the Company had working capital of $7,262,646 (2019 – deficit of $64,095), incurred losses for the current nine month period of $13,626,721 (2019 - $4,893,282), and, has an accumulated deficit of $29,267,941 (October 31, 2019 - $15,641,220).

These consolidated financial statements have been prepared using accounting principles applicable to a going concern, which assume that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. However, due to uncertainties surrounding a number of factors, such as, but not limited to, the ability to raise additional funds, ability to acquire mineral properties, exploration results, prices of underlying commodities, investor sentiment and financial market conditions, it is not possible to predict if this assumption will prove to be accurate. These factors indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not include the necessary adjustments to reflect the recoverability and classification of recorded assets and liabilities and related expenses that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

COVID-19
In March 2020, the World Health Organization declared a global pandemic related to COVID-19. Its impact on global economies has been far-reaching and business around the world are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and significant declines.

NATURE OF OPERATONS AND GOING CONCERN (continued)

Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

There is significant ongoing uncertainty surrounding COVID-19 and the extent and duration of the impacts that it may have on our financial position and results, exploration activities, workers, partners, consultants, suppliers and on global financial markets. The Company is proceeding with its exploration activities, as long as the work environment remains safe.

2. BASIS OF PREPARATION

Statement of Compliance
These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standard ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

Basis of Consolidation and Presentation
These condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Roscan Gold Mali SARL and Komet Mali SARL, both Malian companies. All significant inter-company transactions and balances have been eliminated on consolidation.

These consolidated financial statements are prepared on the historical cost basis, except for financial instruments classified as fair value through profit and loss.

These consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency. The functional currency of Company's subsidiaries is the Canadian dollar.

These interim consolidated financial statements do not include all of the disclosure required in annual financial statements and should be read in conjunction with the Company's 2019 audited annual consolidated financial statements. These consolidated financial statements are not necessarily indicative of the results that may be anticipated for the entire fiscal year.

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements, in conformity with IFRS, requires the Company's management to make certain estimates and judgements that they consider reasonable and realistic. These estimates and judgements are based on historical experience, future expectations, economic conditions and other factors. Despite regular reviews, changes in circumstances and assumptions may result in changes in these estimates and judgements, which could materially impact the reported amount of the Company's assets, liabilities, equity or earnings. By their nature, estimates and judgements are subject to measurement uncertainty and actual results could vary from estimates.

Significant estimates relate to:
- measurement of share-based payments and warrant valuation;
- measurement of shares issued to acquire mineral properties;
- measurement of right-of use assets and lease liabilities;
- establishment of provisions; and,
- recognition of deferred tax assets.

ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Significant judgements relate to:

- ability to continue as a going concern;
- functional currency of the Company and its subsidiary;
- exploration and evaluation accounting policy: and,
- asset acquisition method for the purchase of Komet Mali SARL.

4. SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies, as described in Note 4 of the Company's audited consolidated financial statements for the year ended October 31, 2019, have been applied consistently to all periods presented in these financial statements, unless otherwise noted.

The accounting policy applied in determining the acquisition treatment of Komet Mali SARL (note 6) is described below:

Business Combinations
In accordance with IFRS 3 – Business Combination ("IFRS 3"), a transaction is recorded as a business combination if the significant assets, liabilities, or activities, in addition to property, assumed constitute a business. A business is defined as an integrated set of activities and assets, capable of being conducted and managed for the purpose of providing a return, lower costs, or other economic benefits. Where there are no such integrated activities, the transaction is treated as an asset acquisition. The estimation of the fair value of the assets and liabilities acquired in an acquisition is subject to judgement concerning estimating market values and predicting future events. These values are uncertain and can materially impact the carrying value of the acquired assets and the amount allocated to goodwill, if applicable.

In addition, during 2020 the Company adopted the following policies:

Adoption of IFRS 16 - Leases
The Company adopted IFRS 16 - Leases ("IFRS 16"), as of November 1, 2019 using the modified retrospective approach, which does not require a restatement of prior period financial information as it recognizes the cumulative effect of applying the standard to prior periods as an adjustment to opening retained earnings as at November 1, 2019. The new standard provides a comprehensive model for the identification, measurement and disclosure of lease arrangements. This standard eliminates the classification of material leases as either an operating or finance lease, and instead, these leases are to be recognized as assets and liabilities.

The Company used the following practical expedients and recognition exemptions when applying IFRS 16 to leases previously classified as operating leases under IAS 17:

- used the exemption to not recognize right-of-use ("ROU") assets and liabilities for leases with a remaining lease term of less than 12 months, as at November 1, 2019;
- used the exemption to not recognize ROU assets and liabilities for leases with low value;
- excluded initial direct costs from measuring the ROU assets at the date of initial application;
- used hindsight in determining lease term at the date of initial application;

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contracts conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

SIGNIFICANT ACCOUNTING POLICIES (continued)

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specific explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all of the economic benefit from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when is has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

The Company recognizes a right-of-use (ROU) asset at the commencement date of a lease. ROU assets are measured at cost, which includes the amount of the lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. ROU assets are depreciated on a straight-line basis over the shorter of their estimated useful life and the lease term. Purchase, renewal and termination options that are reasonably certain of being exercised are also included in the measurement of the lease liability. ROU assets are subject to impairment.

The Company recognizes a lease liability at the commencement date of a lease, measured at the present value of the lease payments to be made over the lease term. The measurement of the Company’s lease liabilities depends on the interest rate implicit in the lease used to discount the remaining lease payments. In calculating the present value of lease payments, the Company uses an incremental borrowing rate at the lease commencement date, if the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate is the rate of interest that the Company assumes it would have to pay to borrow over a similar term, the funds necessary to obtain an asset of similar value to the ROU asset in a similar economic environment. Significant assumptions are required to be made on the basis for which the incremental borrowing rate was derived. These assumptions are considered to be a key source of estimation uncertainty. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The lease liability is remeasured when there is a change in future lease payments arising from a change in index or rate, if there is a change in the Company’s estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss when the carrying amount of the right-of-use asset has been reduced to nil.

IFRS 2 Share-Based Payments

In June 2016, the IASB issued an amendment to IFRS 2 addressing (i) certain issues related to the accounting for cash-settled awards, and (ii) the accounting for equity-settled awards that include a "net settlement" feature in respect of employee withholding taxes. The Company adopted the amendment to IFRS 2 on November, 2 2019. There was no material impact from its adoption.

(unaudited, expressed in Canadian dollars)

5. CAPITAL MANAGEMENT

The Company's objectives when managing capital are: to safeguard its ability to continue as a going concern; and, to have sufficient capital to fund the exploration and development of its mineral properties and the acquisition of other mineral properties for the benefit of its shareholders.

The Company considers its capital structure to consist of shareholder equity. In order to maintain its capital structure the Company is dependent on equity funding and loans from related parties. Funding through equity instruments is comprised of common shares, warrants and incentive stock options. The Board of Directors does not established quantitative targets on its capital criteria for management, however, it relies on management to review its capital management methods and requirements on an ongoing basis and make adjustments, accordingly, to sustain future development of the business.

There were no changes in the Company's management of its capital during the current nine month period. The Company is not subject to any externally imposed capital requirements.

6. ACQUISITION OF KOMET MALI SARL

On July 2, 2020, the Company completed the acquisition of 100% of the shares of Komet Mali SARL from Komet Resources Inc. Komet Mali SARL holds the Dabia South gold property, which is contiguous to the Company's other properties that comprise the Company's Kandiole Project. In accordance with IFRS 3 – Business Combinations, the acquisition of Komet Mall SARL was treated as an asset acquisition, whereby the consideration paid for the acquisition was allocated to the fair value of the identifiable assets and liabilities assumed with the remainder allocated to the mineral property acquired.

The purchase price was $3,345,661, which included cash of $1,600,000 and 4,060,336 common shares, having a fair value of $1,664,738. In addition, the Company incurred legal and regulatory costs of $80,923. The fair value attributed to the Dabia South property was expensed in accordance with the Company's accounting policy for exploration and evaluation expenditures.

The fair value of the assets acquired is described below:

Consideration		
Cash	$	1,600,000
Fair value of 4,060,336 common shares		1,664,738
Transaction costs		80,923
Total	$	3,345,661

Fair Value of Net Assets Acquired		
Cash	$	33
Mineral property		3,345,628
Total	$	3,345,661

(unaudited, expressed in Canadian dollars)

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	July 31 2020	October 31 2019
Trade payables	**$ 933,572**	$ 268,407
Accrued liabilities	**445,048**	67,890
Related parties (i)	**17,427**	78,165
	$ 1,396,047	$ 414,462

(i) Related party payables and accrued liabilities represent amounts for unpaid fees and/or expenses that are payable to directors/officers or entities controlled by or associated with directors/officers.

8. SHARE CAPITAL

Authorized
Unlimited common shares

	Number	**Amount**
Balance, October 31, 2018	85,995,866	$ 8,546,935
Shares issued by private placement (i)	27,142,857	3,800,000
Shares issued for broker compensation (i)	1,402,286	196,320
Value attributed to private placement warrants (i)	-	(1,692,170)
Value attributed to broker compensation warrants (i)	-	(87,423)
Shares issued for mineral property (ii)	250,000	38,750
Shares issued on exercise of unit warrants (iii)	4,567,066	668,757
Shares issued on exercise of broker warrants (iii)	1,584,292	197,647
Shares issued on exercise of options (iv)	1,350,000	110,903
Share issuance costs - broker compensation warrants (i)	-	(196,320)
Share issuance costs - broker warrants (i)	-	(427,037)
Share issuance costs	-	(161,768)
Balance, October 31, 2019	122,292,367	$ 10,994,594
Shares issued by private placement (v)	68,367,500	11,993,000
Value attributed to private placement warrants (v)	-	(1,468,299)
Shares issued for mineral property (vi)	250,000	92,500
Shares issued on acquisition of Komet Mali SARL (vii)	4,060,336	1,664,738
Shares issued on exercise of unit warrants (viii)	45,127,853	8,150,048
Shares issued on exercise of options (ix)	3,700,000	745,016
Share issuance costs - broker warrants (v)	-	(200,478)
Share issuance costs	-	(1,022,083)
Balance, July 31, 2020	**243,798,056**	**$ 30,949,036**

(i) On March 21, 2019, pursuant to a brokered and non-brokered private placement, the Company issued 27,142,857 units at $0.14 per unit for gross proceeds of $3,800,000. Each unit was comprised of one common share and common share purchase warrant. Each warrant entitles the holder to acquire an additional common share at a price of $0.22 for a period of 24 months, expiring on March 21, 2021. The value of the warrants was estimated at

SHARE CAPITAL (continued)

$1,692,170 using the relative fair value method. As consideration for the services of the broker, the Company issued: 1,402,286 compensation units on the same terms as the private placement units; and, 1,869,714 broker warrants having an exercise price of $0.14 with a 24 month term. Each broker warrant entitles the holder to purchase one broker unit consisting of one common share and one share purchase warrant that entitles the holder to purchase one additional common share at an exercise price of $0.22 for a period of 24 months, expiring March 21, 2021.

The value of the compensation unit warrants was estimated at $87,423 using the relative fair value method and the value of the broker warrants was estimated at $427,037 using the Black-Scholes option pricing model. The units issued as broker compensation were estimated to have a fair value of $196,320. Cash share issuance costs relating to this private placements was $161,768.

(ii) On June 7, 2019, the Company issued 250,000 common shares at $0.155 per share in accordance with the option agreement made with Minex SARL for the Kandiole Project's Mankouke permit (note 11).

(iii) During fiscal 2019, the Company issued 4,567,066 shares in connection to the exercise of 4,567,066 unit warrants for net proceeds of $548,048. The fair value of these warrants was $120,709.

On June 26, 2019, the Company issued 1,584,292 shares in connection to the exercise of broker warrants for net proceeds of $95,057. The fair value of these warrants was $102,590.

The fair value of the unit and broker warrants was transferred from the warrant reserve account.

(iv) During fiscal 2019, the Company issued 1,350,000 shares in connection to the exercise of 1,350,000 stock options for net proceeds of $75,000. The fair value of these options was $35,903, which was transferred form contributed surplus to share capital.

(v) On December 12, 2019, pursuant to a brokered private placement, the Company issued 44,930,000 units at $0.10 per unit for gross proceeds of $4,493,000. Each unit was comprised of one common share and three-quarters of one common share purchase warrant. Each warrant entitles the holder to acquire an additional common share at a price of $0.16 for a period of 24 months, expiring on December 12, 2021. The value of the warrants was estimated at $1,468,299 using the relative fair value method. In addition, the Company paid cash commissions of $292,045.

On May 27, 2020, pursuant to a brokered private placement, the Company issued 23,437,500 common shares at $0.32 per share for gross proceeds of $7,500,000. As consideration for the services of the broker, the Company issued 1,406,250 broker warrants. Each broker warrant entitles the holder to acquire an additional common share at a price of $0.48 for a period of 12 months, expiring on May 27, 2021. The value of the broker warrants was estimated at $200,478 using the relative fair value method. In addition, the Company paid cash commissions of $450,000.

(vi) On June 8, 2020, the Company issued 250,000 common shares at $0.37 per share in accordance with the option agreement made with Minex SARL for the Kandiole Project's Mankouke permit (note 11).

(vii) On July 2, 2020, the Company issued 4,060,336 common shares at $0.41 per share in accordance with the share purchase agreement to acquire Komet Mali SARL from Komet Resources Inc (note 6).

(unaudited, expressed in Canadian dollars)

SHARE CAPITAL (continued)

(viii) During the nine month period ended July 31, 2020, the Company issued 45,127,853 shares in connection to the exercise of 45,127,853 unit warrants for net proceeds of $6,540,355. The fair value of these warrants was $1,609,693. The fair value of the unit warrants was transferred from the warrant reserve account

(ix) During the nine month period ended July 31, 2020, the Company issued 3,700,000 shares in connection to the exercise of stock options for net proceeds of $425,500. The fair value of these stock options was $319,516, which was transferred from contributed surplus to capital stock.

Stock Options

Under the terms of the Company's stock option plan ("Plan"), the Company is authorized to issue up to a maximum of 10% of the issued common shares with an exercise period that is not to exceed ten years. The term, exercise price and vesting conditions of the options are fixed by the Board of Directors at the time of grant. All issued stock options were granted in accordance with the terms of the Plan.

Stock option transactions and the number of stock options outstanding are as follows:

	Number	Weighted average exercise price
Balance, October 31, 2018	4,800,000	$0.09
Granted (i)	5,900,000	0.15
Exercised	(1,350,000)	0.06
Expired	(600,000)	0.15
Balance, October 31, 2019	8,750,000	$0.13
Granted (ii)	10,500,000	0.14
Exercised	(3,700,000)	0.12
Expired	(400,000)	0.15
Balance, July 31, 2020	**15,150,000**	**$0.14**

(i) On May 14, 2019, the Company granted 4,650,000 stock options to directors, officers and consultants. These options vested immediately and were issued with an exercise price of $0.15 and a three year term.

On May 14, 2019, the Company granted 150,000 stock options to an investor relations consultant. These options vest in instalments of 37,500 options every three months and were issued with an exercise price of $0.15 and a three year term.

On June 1, 2019, the Company granted 600,000 stock options to an investor relations consultant. These options vest in instalments of 150,000 options every three months and were issued with an exercise price of $0.15 and a three year term.

On July 23, 2019, the Company granted 500,000 stock options to a director. These options vested immediately and were issued with an exercise price of $0.15 and a three year term.

(unaudited, expressed in Canadian dollars)

SHARE CAPITAL (continued)

(ii) On December 19, 2019, the Company granted 5,000,000 stock options to a director, officer and a consultant. These options vested immediately and were issued with an exercise price of $0.12 and a five year term.

On January 12, 2020, the Company granted 3,500,000 stock options to a director. These options vested immediately and were issued with an exercise price of $0.12 and a five year term.

On February 19, 2020, the Company granted 1,500,000 stock options to a director. These options vested immediately and were issued with an exercise price of $0.17 and a five year term.

On April 30, 2020, the Company granted 500,000 stock options to an officer. These options vested immediately and were issued with an exercise price of $0.30 and a five year term.

Fair value of the options issued were estimated using the Black-Scholes option-pricing model with the following weighted average assumptions:

	2020	2019
Dividend yield	Nil	Nil
Expected volatility (based on historical prices)	197%	197%
Risk-free rate of return	1.54%	1.55%
Expected life	5 Years	3 Years
Share price	$0.13	$0.13

Share-based payment expense recognized for the options vested during fiscal 2020 was $1,309,430 and $612,564 for the options vested during fiscal 2019.

The following summarizes information on the outstanding stock options:

Expiry Date	Number	Weighted average exercise price	Exercisable	Weighted average remaining life (years)
January 12, 2021	300,000	$0.10	300,000	0.45
January 12, 2021	350,000	0.15	350,000	0.45
March 26, 2021	500,000	0.15	500,000	0.65
August 1, 2021	800,000	0.10	800,000	1.00
May 14, 2022	2,700,000	0.15	2,700,000	1.78
December 19, 2024	5,000,000	0.12	5,000,000	4.39
January 12, 2025	3,500,000	0.12	3,500,000	4.45
February 19, 2025	1,500,000	0.17	1,500,000	4.56
April 30, 2025	500,000	0.30	500,000	4.75
	15,150,000	$0.14	15,150,000	3.50

(unaudited, expressed in Canadian dollars)

9. WARRANTS

Warrant transactions and number of warrants outstanding are as follows:

	Number	Weighted average exercise price	Relative fair value
Balance, October 31, 2018	39,804,083	$0.12	$ 1,124,636
Issued	30,414,857	0.22	2,206,630
Exercised	(6,151,358)	0.11	(223,299)
Balance, October 31, 2019	64,067,582	$0.17	$ 3,107,967
Issued	35,103,750	0.17	1,668,777
Exercised	(45,127,853)	0.15	(1,609,693)
Balance, July 31, 2020	**54,043,479**	**$0.19**	**$ 3,167,051**

Relative fair value of the warrants were estimated using the Black-Scholes option-pricing model with the following weighted average assumptions:

	2020	2019
Dividend yield	Nil	Nil
Expected volatility (based on historical prices)	145%	172%
Risk-free rate of return	1.64%	1.60%
Expected life	2 Years	2 Years
Share price	$0.12	$0.27

The following summarizes information on the outstanding warrants:

Expiry Date	Number	Exercise price	Weighted average remaining life (years)	Relative fair value
March 21, 2021	17,445,015	$0.22	0.64	$ 1,087,577
March 21, 2021 (i)	1,869,714	0.14	0.64	427,037
December 12, 2021	33,322,500	0.16	1.36	1,451,959
May 27, 2021	1,406,250	0.48	0.82	200,478
	54,043,479	$0.19	1.09	$ 3,167,051

(i) Broker warrants that entitle the holder to purchase one broker unit for each warrant held. Each broker unit consists of one common share and one share purchase warrant that entitles the holder to purchase one additional common share at an exercise price of $0.22 for a period of 24 months, expiring March 21, 2021.

(unaudited, expressed in Canadian dollars)

10. CORPORATE AND ADMINISTRATIVE

	Three months ended July 31 2020	2019	Nine months ended July 31 2020	2019
Consulting (note 12)	**$ 95,926**	$ 23,950	**$ 172,734**	$ 45,125
Corporate development and promotion	**61,961**	272,794	**475,207**	425,300
Listing and share transfer	**10,838**	24,220	**63,415**	48,425
Management fees (note 12)	**131,550**	55,500	**540,150**	166,500
Office and general	**12,157**	10,103	**41,612**	29,414
Premises (note 12)	**-**	8,550	**-**	19,650
Professional fees (note 12)	**29,393**	12,400	**87,620**	34,927
Travel	**-**	4,479	**92,756**	22,750
	$ 341,825	$ 411,996	**$ 1,473,494**	$ 792,091

11. EXPLORATION AND EVALUATION

	Three months ended July 31 2020	2019	Nine months ended July 31 2020	2019
Acquisition costs (note 6)	**$ 3,573,128**	$ 108,756	**$ 3,757,235**	$ 259,495
Property costs	**12,465**	-	**23,513**	345
Assaying	**383,015**	213,315	**565,165**	402,370
Community relations	**4,197**	-	**5,846**	-
Consulting/Contracting	**185,882**	121,056	**389,331**	213,072
Drilling	**2,809,720**	933,099	**3,946,954**	1,374,870
Field expenses and equipment	**804,703**	395,922	**1,377,077**	670,090
Field office	**270,276**	192,423	**590,638**	446,108
General and administrative	**3,337**	9,302	**7,953**	18,549
Geophysics/Surveys	**9,360**	-	**59,200**	-
Professional fees	**10,040**	-	**16,183**	21,648
Reports	**25,407**	28,772	**25,697**	28,772
Travel/Transportation	**3,296**	46,354	**62,852**	73,782
	$ 8,094,826	$ 2,048,999	**$ 10,827,644**	$ 3,509,101

Kandiole Project – Mali

The Kandiole Project is comprised of seven contiguous gold prospective permits, encompassing 289 sq. kilometres, in Mali, West Africa. On July 2, 2020, the Company acquired the Dabia South permit (35 sq. kms – renewal date of February 3, 2022) through the acquisition of Komet Mali SARL (note 6), in which the purchase price was expensed in accordance with the Company's accounting policy for exploration and evaluation expenditures.

In addition, the Company entered into five option agreements to acquire six permits, encompassing 254 sq. kilometres. Each option agreement requires the Company to keep each permit in good standing and perform all obligations required by law.

EXPLORATION AND EVALUATION (continued)

In order to earn a 100% interest in each of the permits under option, the Company shall:

A) Kandiole North Option Agreement (40 sq. kms.), effective November 3, 2017

(a) Pay Touba Mining SARL ("Touba") an aggregate of $80,000 over a three (3) year option period as follows:
- May 3, 2018 $20,000 (paid)
- November 3, 2018 $20,000 (paid)
- May 3, 2019 $10,000 (paid)
- November 3, 2019 $10,000 (paid)
- May 3, 2020 $10,000 (paid)
- November 3, 2020 $10,000

(b) Pay permitting fees of 10,000,000 CFA francs (paid) to the Malian government's Direction Nationale de la Geologie et des Mines ("DNGM").

(c) Touba retained a 5% net profit interest ("NPI") and a 2% net smelter return royalty ("NSR") on all ore mined from the property. The Company has the right to purchase one-half of the NSR (equivalent to a 1% NSR) for $1,000,000.

- The renewal date for the Kandiole North permit is March 1, 2021.
- Touba has assigned its option rights under its agreement with Oauni-Or SARL to the Company.

B) Kandiole West Option Agreement (25 sq. kms.) effective November 3, 2017

(a) Pay Touba an aggregate of $80,000 as follows:
(i) $5,000 on signing (paid); and,
(ii) $75,000 over a three (3) year option period as follows:
- May 3, 2018 $5,000 (paid)
- November 3, 2018 $10,000 (paid)
- May 3, 2019 $10,000 (paid)
- November 3, 2019 $10,000 (paid)
- May 3, 2020 $20,000 (paid)
- November 3, 2020 $20,000

(b) Pay permitting fees of 10,000,000 CFA francs (paid) to the DNGM.

(c) Touba retained a 5% net profit interest ("NPI") and a 2% NSR on all ore mined from the property. The Company has the right to purchase one-half of the NSR (equivalent to a 1% NSR) for $1,000,000.

- The renewal dated for the Kandiole West permit is June 13, 2021.
- Touba has assigned its option rights under its agreement with Kara Mining SARL to the Company.

C) Segando South and Moussala North Option Agreement (97 sq. kms.) effective March 31, 2018

(a) Pay K.L. Mining SARL and K.A. Gold Mining SARL (collectively, the "Optionor") an aggregate of US$400,000 as follows:
(i) US$40,000 on signing (paid); and,
(ii) US$360,000 over a three (3) year option period as follows:
- March 31, 2019 US$60,000 (paid)
- March 31, 2020 US$120,000 (paid)
- March 31, 2021 US$180,000

EXPLORATION AND EVALUATION (continued)

(b) Incur an aggregate of US$165,000 in exploration expenditures over the option period, as follows:
- First year US$40,000 (completed)
- Second year US$60,000 (completed)
- Third year US$65,000

(c) Pay permitting fees (paid) to the DNGM.

(d) The Optionor retained a 2% NSR on all ore mined from the property. The Company has the right to purchase one-half of the NSR (equivalent to a 1% NSR) for US$1,200,000.

- The Moussala North permit (32 sq. kms) was granted by the DNGM to the Company on April 6, 2020. The renewal date for the Moussala North permit is April 6, 2023.
- The DNGM is in the process of formalizing the grant of the Segando South permit (65 sq. kms).

D) <u>Niala Option Agreement (75 sq. kms.) effective April 27, 2018</u>

(a) Pay SOLF SARL ("SOLF") an aggregate of $117,500 as follows:
(i) $12,500 on signing (paid); and,
(ii) $105,000 over a three (3) year option period as follows:
- April 27, 2019 $30,000 (paid)
- April 27, 2020 $35,000 (paid)
- April 27, 2021 $40,000

(b) Incur an aggregate of $205,000 in exploration expenditures over the option period, as follows:
- First year $50,000 (completed)
- Second year $75,000 (completed)
- Third year $80,000

(c) Pay permitting fees of $5,000,000 CFA francs (paid) to the DNGM.

(d) SOLF retained a 2% NSR on all ore mined from the property. The Company has the right to purchase one-half of the NSR (equivalent to a 1% NSR) for $500,000.

- The renewal date for the Niala permit is May 23, 2021.

E) <u>Mankouke Option Agreement (17 sq. kms.) effective June 22, 2018</u>

(a) Pay Minex SARL ("Minex") an aggregate of $250,000 as follows:
(i) $40,000 on signing (paid); and,
(ii) $210,000 over a three (3) year option period as follows:
- June 22, 2019 $60,000 (paid)
- June 22, 2020 $70,000 (paid)
- June 22, 2021 $80,000

(unaudited, expressed in Canadian dollars)

EXPLORATION AND EVALUATION (continued)

(b) Issue 1,000,000 common shares of the Company to Minex in four instalments as follows:
- On signing 250,000 (issued)
- June 22, 2019 250,000 (issued)
- June 22, 2020 250,000 (issued)
- June 22, 2021 250,000

(c) Incur an aggregate of $205,000 in exploration expenditures over the option period, as follows:
- First year $50,000 (completed)
- Second year $75,000 (completed)
- Third year $80,000

(d) Minex retained a 3% NSR on all ore mined from the property. The Company has the right to purchase two-thirds of the NSR (equivalent to a 2% NSR) for US$1,000,000.

- The Mankouke permit is currently in the process of being renewed by the DNGM. The permit came up for renewal on April 3, 2020.

12. RELATED PARTY TRANSACTIONS AND BALANCES

A summary of the compensation of key management (directors/officers) of the Company is included in the table below. Key management are those persons having authority and responsibility for planning, directing and controlling activities, directly or indirectly, of the Company.

	Three months ended July 31		Nine months ended July 31	
	2020	2019	**2020**	2019
Consulting (i)	**$ 52,700**	$ -	**$ 53,950**	$ -
Lease liability payments/Premises (ii)	**7,500**	7,500	**22,500**	16,500
Management fees (iii)	**131,550**	55,500	**540,150**	166,500
Professional fees (iv)	**-**	12,400	**43,452**	34,927
Share issuance costs (iv)	**-**	-	**26,350**	34,770
Share-based payments (v)	**-**	396,169	**1,113,805**	396,169
	$ 191,750	$ 471,569	**$ 1,800,207**	$ 648,866

(i) Consulting fees were paid to companies controlled by a Company director or officer.

(ii) Rent was paid or became payable to a company controlled by a Company officer for the Company's office in Bedford, Nova Scotia. The office lease expires on April 30, 2022. With the adoption of IFRS 16 on November 1, 2019, the rent payments are now applied to the lease liability account with no restatement to the comparative period. The present value of the right-of use asset and the corresponding lease liability at the time of adoption was $68,224. As at July 31, 2021 the lease liability balance was $49,165.

(iii) Management fees were paid or became payable for the services of Company officers.

(iv) Legal fees were paid or became payable to a law firm in which a former Company director is a partner.

(unaudited, expressed in Canadian dollars)

RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(v) Share-based payments represents the fair value assigned to stock options granted to Company directors/officers.

13. LEASES

On November 1, 2019, the Company adopted IFRS 16 using the modified retrospective approach. The right-of-use assets and corresponding lease liability were measured at the present value of the remaining lease payments upon the commencement of a lease. The lease payments are discounted using an interest rate of 8%, which is the Company's incremental borrowing rate.

The right-of-use assets and lease liabilities are comprised of two office leases.

Right-of-use assets		
Adoption of IFRS 16 on November 1, 2019	$	68,224
Additions		49,591
Depreciation		(34,931)
Balance, July 31, 2020	**$**	**82,884**

LEASES (continued)

The continuity of the lease liability is as follows:

Lease liabilities		
Adoption of IFRS 16 on November 1, 2019	**$**	**68,224**
Additions		49,591
Interest on lease liabilities		5,380
Lease payments		(38,096)
Balance, July 31, 2020	**$**	**85,099**
Less: Current portion		(52,193)
Long-term lease liability	**$**	**32,906**

14. COMMITMENTS AND CONTINGENCIES

The Company currently has management services agreements with two Company officers that contain the provision of termination and change of control benefits. The agreements provide that in the event that their services are terminated by the Company, other than for cause, or there is a change in control of the Company then each officer shall be entitled to a lump sum payment amount equal to two (2) years of base remuneration plus one (1) month of current compensation for each year of service, beginning November 1, 2017. The Company has a similar agreement with a consultant. As a triggering event has not taken place, the contingent payments of $695,600 have not been reflected in these consolidated financial statements.

(unaudited, expressed in Canadian dollars)

15. LOSS PER SHARE

Loss per share is calculated using the weighted average number of shares outstanding for the period. For the purposes of calculating the basic and diluted loss per share the effect of the potentially dilutive options and warrants were not included in the calculation as the result would be anti-dilutive.

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair Value

The carrying value of cash and accounts payable and accrued liabilities approximates fair value due to the relative short-term maturity of these financial instruments. Fair value represents the amount that would be exchanged in an arms-length transaction between willing parties and is best evidenced by a quoted market price, if one exists.

IFRS 7 establishes a fair value hierarchy that prioritizes the valuation techniques for each financial instrument measured at fair value. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgement.

The methods and assumptions used to develop fair value measurements are: Level 1 - includes quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 - includes inputs, other than quoted prices included in Level 1, that are observable for an asset or liability, either directly (i.e. as process) or indirectly (i.e. derived from process); and, Level 3 - includes inputs that are not based on observable data.

As at July 31, 2020 and October 31, 2019, cash was the only financial instrument classified within the fair value hierarchy and was classified as Level 1.

Classification of Financial Instruments

		July 31 2020	October 31 2019
Financial assets			
Cash	Amortized cost	**$ 8,225,938**	$ 240,219
Amounts receivable	Amortized cost	**11,000**	-
Financial liabilities			
Accounts payable and accrued liabilities	Amortized cost	**$ 1,396,047**	$ 414,462

Risk Management

The primary objectives of the Company's financial risk management procedures are to ensure that the outcome of activities involving elements of risk are consistent with the Company's objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Company's financial position, from events that have the potential to materially impair its financial strength. These activities include the preservation of its capital by minimizing risk related to its cash.

The Company does not trade financial instruments for speculative purposes and does not have a risk management committee or written risk management policies. The Company's financial instruments are exposed to the risks described below:

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Credit Risk
Credit risk is the risk of financial loss to the Company, if one party to a financial instrument fails to discharge or meet their obligations. Financial instruments that potentially expose the Company to this risk relate to its cash, which is primarily held at Canadian banking institutions.

Currency Risk
The Company's operates in Canada and Mali and has potential future commitments in Mali that are denominated in the West African CFA franc (FCFA), the Euro (EUR) and the United States dollar (USD), giving rise to market risks from changes in foreign exchange rates. The Company monitors foreign exchange rates on an as needed basis. As at July 31, 2020, a 10% change in the USD and EUR exchange rates would impact the Company's loss by approximately $63,000 and $32,000 respectively.

Interest Rate Risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates The Company's excess cash is invested in financial instruments that provide safety and flexibility for early redemption. The Company's excess cash is subject to interest rate risk resulting from fluctuations in prime rates.

Liquidity Risk
Liquidity risk management requires maintaining sufficient cash, liquid investments or credit facilities to meet the Company's operating expenditures and commitments, as they come due. The Company manages liquidity risk through the management of its capital structure as described in Note 5. The Company does not have any income from operations or a regular source of income and is highly dependent on its working capital and equity funding to support its exploration and corporate activities. There can be no assurance that the Company will be successful in its fund raising activities.

As at July 31, 2020, the Company had cash of $8,225,938 to settle current liabilities of $1,448,240.

17. SUBSEQUENT EVENTS

(a) Subsequent to July 31, 2020, the Company received proceeds of $153,284 from the exercise of 901,290 warrants.

(b) On September 23, 2020, the Company granted 5,500,000 stock options to officers of the Company. These options were issued with an exercise price of $0.37 and have a five year term. Of these options, 1,500,000 vest immediately and the remaining 4,000,000 options vest as follows:

   (i) 1,375,000 options will vest in the event that the trading price of the Common Shares is within the top quartile share price performance for the period from September 1, 2020 to August 31, 2021, as compared to a group of 15 peer companies which were identified in an executive compensation report commissioned and prepared for the Company by an independent compensation consultant;

   (ii) 875,000 options will vest upon the Company identifying a mineral resource of greater than 1.5 million ounces of gold in a technical report (a "Technical Report"), prepared in accordance with National Instrument 43-101, on the Company's Mali exploration properties, above 2 grams per tonne, using standard cut-off grade with finding costs of US$25 or less;

(iii) 875,000 options will vest upon the Company identifying a mineral resource of greater than 2 million ounces of gold in a Technical Report on the Company's Mali exploration properties, above 2 grams per tonne, using standard cut-off grade with finding costs of US$25 or less; and

(iv) 875,000 options will vest upon the Company identifying a mineral resource of greater than 2.5 million ounces of gold in a Technical Report on the Company's Mali exploration properties, above 2 grams per tonne, using standard cut-off grade with finding costs of US$25 or less.