NEXUS GOLD CORP.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED JANUARY 31, 2019 AND 2018

Expressed in Canadian Dollars

Head office and registered and records office address

720-700 West Pender Street
Vancouver BC, V6C
1G8

MANNING ELLIOTT
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INDEPENDENT AUDITORS' REPORT

To the Shareholders and the Board of Directors of
Nexus Gold Corp.

Opinion

We have audited the accompanying consolidated financial statements of Nexus Gold Corp. (the "Company"), which comprise the consolidated statement of financial position as at January 31, 2019 and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the year then and the related Notes, including a summary of significant accounting policies and other explanatory information (collectively referred to as the "consolidated financial statements").

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as at January 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our reports. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements which indicates the Company does not generate revenue or cash flow from operations and relies on financing for its business activities. As stated in Note 1 these matters and other conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Matter

The consolidated financial statements of the Company as at January 31, 2018 and for the year then ended, which are presented for comparative purposes, were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements in their report dated May 31, 2018.

Other Information

Management is responsible for the other information, which comprises the information included in the Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions.

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INDEPENDENT AUDITORS' REPORT

Our opinion on the consolidated financial statements does not cover the other information and do not and will not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit and remain alert for indicators that the other information appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Consolidated Financial Statements

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, not is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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INDEPENDENT AUDITORS' REPORT

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors' report is Joseph Bonvillain, CPA, CA.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, British Columbia

May 31, 2019

NEXUS GOLD CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT JANUARY 31, 2019 AND 2018
Expressed in Canadian Dollars

	2019	2018
ASSETS		
Current		
Cash	$ 422,546	$ 53,524
Commodity tax recoverable	17,593	50,764
Prepaids	72,228	276,604
Total current assets	512,367	380,892
Deposit	-	15,587
Reclamation bond (Note 4)	-	52,930
Advance on acquisition of mineral property (Note 4)	385,000	-
Exploration and evaluation assets (Note 4)	2,925,727	2,015,446
TOTAL ASSETS	$ 3,823,094	$ 2,464,855
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 5)	$ 310,658	$ 223,733
Due to related parties (Note 7)	65,582	113,396
Total current liabilities	376,240	337,129
EQUITY		
Share capital (Note 6)	15,950,239	11,405,029
Share-based payment reserve (Note 6)	1,996,922	1,432,817
Subscriptions received in advance	-	30,000
Deficit	(14,500,307)	(10,740,120)
Total equity	3,446,854	2,127,726
TOTAL LIABILITIES AND EQUITY	$ 3,823,094	$ 2,464,855

Nature and continuance of operations (Note 1)
Commitments (Note 10)
Subsequent events (Note 13)

Ob behalf of the Board: *"Alex Klenman"* Director *"Warren Robb"* Director

The accompanying notes form an integral part of these consolidated financial statements.

NEXUS GOLD CORP.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
YEARS ENDED JANUARY 31, 2019 AND 2018
Expressed in Canadian Dollars

	2019	2018
EXPENSES		
Consulting fees (Notes 7 and 11a)	$ 647,820	$ 549,382
Corporate development (Notes 7 and 11b)	1,535,000	252,083
Filing fees	45,335	44,620
Foreign exchange loss	8,769	36,838
Insurance	14,840	7,775
Investor relations	147,007	95,286
Management fees (Note 7)	148,300	416,600
Marketing	322,417	443,119
Office and administration	104,470	196,975
Professional fees (Note 7)	149,790	104,712
Rent	30,157	-
Share-based compensation (Note 7)	570,713	23,574
Travel and promotion	36,432	161,120
Loss for the year before other items	(3,761,050)	(2,332,084)
OTHER ITEMS		
Interest income	863	-
Net loss and comprehensive loss for the year	$ (3,760,187)	$ (2,332,084)
Basic and diluted loss per common share	$ (0.12)	$ (0.18)
Weighted average number of common shares outstanding	30,832,453	13,124,905

The accompanying notes form an integral part of these consolidated financial statements.

NEXUS GOLD CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
Expressed in Canadian Dollars

	Number of shares	Share capital	Share-based payment reserve	Subscription received in advance	Deficit	Total equity
Balance, January 31, 2017	10,171,126	$ 7,545,819	$ 1,286,823	$ 741,100	$ (8,408,036)	$ 1,165,706
Shares issued in private placement	2,687,239	2,663,457	102,042	(741,100)	-	2,024,399
Share issuance costs	-	(116,692)	-	-	-	(116,692)
Share issuance costs – shares	52,805	63,366	-	-	-	63,366
Share issuance costs - warrants	-	(91,095)	91,095	-	-	-
Share-based compensation	-	-	23,574	-	-	23,574
Subscriptions received in advance	-	-	-	30,000	-	30,000
Warrants exercised	1,304,217	1,171,479	(13,197)	-	-	1,158,282
Options exercised	112,500	152,520	(57,520)	-	-	95,000
Shares issued for evaluation and exploration assets	19,500	16,175	-	-	-	16,175
Loss for the year	-	-	-	-	(2,332,084)	(2,332,084)
Balance, January 31, 2018	14,347,387	$ 11,405,029	$ 1,432,817	$ 30,000	$ (10,740,120)	$ 2,127,726
Shares issued in private placement	23,328,053	3,829,303	-	-	-	3,829,303
Subscription received in advance	-	-	-	(30,000)	-	(30,000)
Share issuance costs	-	(310,366)	115,415	-	-	(194,951)
Shares issued for evaluation and exploration assets	50,000	15,250	-	-	-	15,250
Shares issued as an advance for mineral property acquisition	3,500,000	385,000	-	-	-	385,000
Shares issued on exercise of warrants	260,000	312,000	-	-	-	312,000
Stock options exercised	800,000	314,023	(122,023)	-	-	192,000
Share-based compensation	-	-	570,713	-	-	570,713
Loss for the year	-	-	-	-	(3,760,187)	(3,760,187)
Balance, January 31, 2019	42,285,440	$ 15,950,239	$ 1,996,922	$ -	$ (14,500,307)	$ 3,446,854

The accompanying notes form an integral part of these consolidated financial statements.

NEXUS GOLD CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JANUARY 31, 2019 AND 2018
Expressed in Canadian Dollars

	2019	2018
CASH USED IN OPERATING ACTIVITIES		
Loss for the year	$ (3,760,187)	$ (2,332,084)
Adjustments for non-cash items:		
Share-based compensation	570,713	23,574
Shares issued for services	-	100,000
Unrealized foreign exchange gain	-	3,175
Changes in working capital items:		
Commodity tax recoverable	33,171	(33,805)
Reclamation bond	52,930	-
Due to related parties	(47,814)	
Prepaid expenses	219,963	(167,402)
Accounts payable and accrued liabilities	86,925	(118,764)
Net cash used in operating activities	(2,844,299)	(2,525,306)
FINANCING ACTIVITIES		
Proceeds from the issuance of shares	3,799,303	1,781,665
Share issue costs	(194,951)	(53,326)
Share subscriptions received in advance	-	30,000
Loan repayment to related party	-	(112,500)
Proceeds from warrants exercised	312,000	1,165,804
Proceeds from options exercised	192,000	98,000
Net cash provided by financing activities	4,108,352	2,909,643
INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(895,031)	(1,691,729)
Net cash used in investing activities	(895,031)	(1,691,729)
Change in cash for the year	369,022	(1,307,392)
Cash, beginning of the year	53,524	1,360,916
Cash, end of year	$ 422,546	$ 53,524

NON-CASH TRANSACTIONS

	2019	2018
Shares issued for mineral properties	$ 15,250	$ 16,175
Shares issued for an advance on mineral property acquisition	$ 385,000	$ -

SUPPLEMENTAL CASH FLOW INFORMATION

	2019	2018
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -

The accompanying notes form an integral part of these consolidated financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Nexus Gold Corp. (the “Company”) incorporated under the Business Corporations Act of British Columbia on May 7, 2009, is a public company listed on the TSX Venture Exchange (the “TSXV”) and trades under the symbol NXS. The Company also trades under the ticker symbol “NXXGF” in the United States. The address of the Company’s corporate office and its principal place of business is 720 - 700 West Pender Street, Vancouver, BC.

The Company is in the exploration stage and its principal business activity is the sourcing and exploration of mineral properties.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company does not generate revenues or cash flow from operations to adequately fund its activities and has therefore relied principally upon financing raised from the issuance of shares and the support of creditors and related parties. Future capital requirements will depend on many factors including the Company's ability to execute its business plan. The Company intends to continue relying upon the issuance of securities to finance its future activities but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company. Although these consolidated financial statements do not include any adjustments that may result from the inability to secure future financing, such a situation would have a material adverse effect on the Company's recoverability of assets, classification of assets and liabilities, and results of operations should the Company be unable to continue as a going concern.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of operating revenue and has significant cash requirements to meet its administrative overhead and maintain its exploration and evaluation assets. The recoverability of amounts shown for exploration and evaluation assets is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of exploration and evaluation assets. The carrying value of the Company's exploration and evaluation assets do not reflect current or future values. The Company has not yet determined whether its exploration and evaluation assets contain economically recoverable ore reserves. The recovery of the amounts comprising exploration and evaluation assets are dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete the exploration and development of those reserves and upon future profitable production or, alternatively, upon the Company's ability to dispose of its interest on an advantageous basis. The Company estimates that additional financing will be required to continue operations over the next 12 months. These factors form a material uncertainty that may cast significant doubt upon the entity's ability to continue as a going concern.

These consolidated financial statements do not include any adjustments related to the recoverability and classification of recorded assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance
These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS") as issued by the International Accounting Standards Board (“IASB”).

These consolidated financial statements were approved by the Board of Directors of the Company on May 31, 2019.

Basis of presentation

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the Company and of its subsidiaries.

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, CSR (British Columbia) and Nexus Gold Corp Burkina (Burkina Faso). All significant inter-company balances and transactions have been eliminated upon consolidation.

Significant accounting estimates and judgments

The preparation of these consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include the recoverability of exploration and evaluation assets, valuation of share-based compensation and other equity based payments, the recoverability and measurement of income taxes, and decommissioning restoration provision.

Key estimates made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements are as follows:

Economic recoverability and probability of future economic benefits of exploration and evaluation assets
Management has determined that exploration, evaluation, and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including, geologic and other technical information, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

Valuation of share-based compensation
The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting estimates and judgments (continued)

Decommissioning restoration provision
The Company's provision for decommissioning and restoration provision represents management's best estimate of the present value of the future cash outflows required to settle the liability. The provision reflects estimates of future costs, inflation, and assumptions of risks associated with the future cash outflows, and the applicable risk-adjusted discount rate for the discounting future cash outflows. Changes in the above factors can results in a change to the provision recognized by the Company. Changes to the restoration and decommissioning costs are recorded with a corresponding change to the carrying amount of the related mining property. Adjustments to the carrying amounts of the related mineral property can result in a change to future depletion expenses.

Income taxes
In assessing the probability of realizing deferred tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Going concern
The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty is subject to significant judgment.

Financing cost
Management uses judgments to evaluate the accounting treatment of financing costs disclosed in Note 6.

Exploration and evaluation assets

Pre-exploration costs are expensed as incurred. Costs directly related to the exploration and evaluation of mineral properties are capitalized once the legal rights to explore the mineral properties are acquired or obtained. When the technical and commercial viability of a mineral resource have been demonstrated and a development decision has been made, the capitalized costs of the related property are first tested for impairment and transferred to mining assets and amortized over the estimated useful life of the property following commencement of commercial production.

If it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the property is abandoned or management has determined an impairment in value, the property is written down to its recoverable amount. Exploration and evaluation assets are reviewed for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount.

The costs include the cash or other consideration and the assigned value of shares issued, if any, on the acquisition of exploration and evaluation assets. Costs related to properties acquired under option agreements or joint ventures, whereby payments are made at the sole discretion of the Company, are recorded in the accounts at such time as the payments are made. The Company does not accrue estimated future costs of maintaining its exploration and evaluation assets in good standing. Capitalized costs as reported on the statements of financial position represent costs incurred to date and may not reflect actual, present, or future values. Recovery of carrying value is dependent upon future commercial success or proceeds from disposition of the exploration and evaluation property interests.

Management assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. Write-downs due to impairment in value are charged to profit or loss. General exploration costs not related to specific properties and general administrative expenses are charged to profit or loss in the period in which they are incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restoration and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

The Company's estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in amount and timing of the Company's estimates of reclamation costs, are charged to profit and loss for the period.

The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred.

Impairment of assets

The carrying amount of the Company's assets (which include exploration and evaluation interests) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share purchase warrants, and stock options are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are recognized as a deduction from equity, net of tax.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share capital (continued)

The fair value of the common shares issued in a private placement was determined to be the more easily measurable component and were valued at their fair value. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded as share-based payment reserve.

Share-based compensation

The Company grants share purchase options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The Company uses the fair value based method of accounting for stock options granted to directors and for compensatory warrants. Under this method, the fair value of the stock options and compensatory warrants are determined using the Black-Scholes option pricing model. The fair value of stock options is recognized to expense over the vesting period, and the fair value of compensatory warrants is recognized as share issuance costs, with the offsetting credit to reserves. Consideration paid for the shares on the exercise of share purchase options is credited to share capital.

Share issue costs

Costs directly identifiable with the raising of capital will be charged against the related share capital. Costs related to shares not yet issued are recorded as deferred financing costs. These costs will be deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related share capital or charged to operations if the shares are not issued.

Basic and diluted loss per share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. For the periods presented, this calculation proved to be anti-dilutive.

Financial instruments

The Company classifies its financial assets into one of the following categories as follows:

Financial assets are classified and measured based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. IFRS 9 contains three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income and fair value through profit and loss. Financial assets are recognized in the statements of financial position if the Company has a contractual right to receive cash or other financial assets from another entity. Financial assets are derecognized when the rights to receive cash flows from the asset have expired or were transferred and the Company has transferred substantially all risks and rewards of ownership.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)
The Company has classified its cash as a financial asset measured at fair value through profit and loss. The Company has classified its cash reclamation bonds and deposit as financial assets measured at amortized cost. Such assets are recognized initially at fair value inclusive of any directly attributable transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment losses.

All financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instruments. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial instruments are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Company has classified its accounts payables and due to related parties as financial liabilities measured at amortized cost. Such liabilities are recognized initially at fair value inclusive of any directly attributable transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment losses.

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Derivatives are carried at fair value and are reported as assets when they have a positive fair value and as liabilities when they have a negative fair value. Changes in the fair values of derivative financial instruments are reported in the consolidated statements of loss and comprehensive loss.
Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Company commits to purchase the asset.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. A significant and prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen.

Impairment of financial assets

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost. Loss allowances for accounts receivables are always measured at an amount equal to lifetime expected credit losses if the amount is not considered fully recoverable. A financial asset carried at amortized cost is considered credit-impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Individually significant financial assets are tested for credit-impairment on an individual basis. The remaining financial assets are assessed collectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

In assessing collective impairment, the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

Losses are recognized in the consolidated statement of comprehensive loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the statements of comprehensive loss.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortized cost. The Company's non-derivative liabilities consist of amounts payable and due to related parties. Derivative liabilities are classified as fair value through profit or loss. The Company has no derivative assets or liabilities.

Income taxes

Current income tax
Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the country where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided for based on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency for the Company and its subsidiaries is the Canadian dollar. The functional currency determination was conducted through an analysis of the consideration factors identified in International Accounting Standard ("IAS") 21, *The Effects of Changes in Foreign Exchange Rates.*

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are reflected in profit or loss for the period.

Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the most easily measured component based on fair value and then the residual value, if any, to the less easily measurable component.

Adoption of IFRS 9 Financial Instruments ("IFRS 9")

On February 1, 2018, the Company adopted the requirements of IFRS 9. IFRS 9 provides a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected-loss" impairment model.

The Company has elected to apply the limited exemption in IFRS 9 paragraph 7.2.15 relating to transition for classification and measurement and impairment, and accordingly has not restated comparative periods in the year of initial application. IFRS 9 did not impact the Company's classification and measurement of financial assets and liabilities, and there was no significant impact on the carrying amounts of the Company's financial instruments at the transition date.

The introduction of the new 'expected credit loss' impairment model had negligible impact on the Company, given the Company sells its conducts sales with known organizations with no historical level of customer default, and the corresponding receivables from these sales are short-term in nature.

The Company currently has no hedging arrangements, and will apply the new accounting requirements under IFRS 9 as required.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Standards issued but not yet effective

A number of new standards and amendments to existing standards have been issued by the IASB that are mandatory for the Company beginning on or after February 1, 2019. The Company has not early adopted these new standards in preparing these financial statements. The following pronouncement is considered by the Company to be the most significant of several pronouncements that may affect the financial statements in future periods.

Standard effective for the Company on February 1, 2019

IFRS 16 – Leases - On January 13, 2016 the IASB issued IFRS 16, "Leases". This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by lessors. Other areas of the lease accounting model have been impacted, including the definition of a lease.

Management is evaluating the extent of the impact of adoption of the above standard on the consolidated financial statements and has not yet completed its assessment.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair values

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets and liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of cash is determined using level 1 of the fair value hierarchy. The carrying values of the deposit, reclamation bond, accounts payable, and due to related parties approximate their fair values due to the expected maturity of these financial instruments.

Financial instrument risk exposure and risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

(a) Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash, commodity tax recoverable, and subscription receivable. The Company manages credit risk, in respect of cash, by placing its cash with a major Canadian financial institution in accordance with the Company's investment policy.

Concentration of credit risk exists with respect to the Company's cash as all amounts are held at a single major Canadian financial institution. The Company's concentration of credit risk and maximum exposure thereto is considered minimal.

The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in obtaining funds to meet commitments. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Financial instrument risk exposure and risk management (continued)

Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The Company is exposed to liquidity risk.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and commodity price risk.

i. Interest rate risk

Some of the Company's accounts payable are subject to interest on unpaid balances.

ii. Foreign currency risk

The Company's functional currency is the Canadian dollar; however, exploration costs and property option payments are transacted in US dollars and West African CFA franc. A one percent change in foreign exchange rates will result in an immaterial change to profit or loss.

iii. Commodity price risk

Commodity price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company actively monitors commodity price changes and stock market prices to determine the appropriate course of action to be taken by the Company.

Expressed in Canadian Dollars

4. EXPLORATION AND EVALUATION ASSETS

During the years ended January 31, 2019 and 2018, the Company incurred the following exploration and evaluation costs related to the properties located in West Africa.

	Niangouela	Bouboulou	Rakounga	TOTAL
Balance, January 31, 2017	**$ 226,509**	**$ 80,253**	**$ -**	**$ 306,762**
Deferred exploration costs:				
Assay	16,295	-	18,289	34,584
Drilling	651,420	378,371	197,921	1,227,712
General field expenses	23,556	15,021	(1,518)	37,059
Geological	74,338	148,605	10,079	233,022
Travel and accommodation	47,807	53,548	21,537	122,892
Total exploration costs	813,416	595,545	246,308	1,655,269
Acquisition costs:				
Cash	18,562	-	18,678	37,240
Shares	4,550	7,000	4,625	16,175
Total acquisition costs	23,112	7,000	23,303	53,415
Total expenditures for the year	836,528	602,545	269,611	1,708,684
Balance, January 31, 2018	**$ 1,063,037**	**$ 682,798**	**$ 269,611**	**$ 2,015,446**

Expressed in Canadian Dollars

4. EXPLORATION AND EVALUATION ASSETS (continued)

	Niangouela	Bouboulou	Rakounga	Dakuli II	TOTAL
Balance, January 31, 2018	**$ 1,063,037**	**$ 682,798**	**$ 269,611**	**$ -**	**$ 2,015,446**
Deferred exploration costs:					
Assay	8,720	19,598	33,596	-	61,914
Administration	20,721	2,798	11,659	315	35,493
Drilling	44,720	30,606	163,549	-	238,875
General field expenses	5,250	1,300	69,623	-	76,173
Geological	25,385	35,277	214,785	3,798	279,245
Travel and accommodation	5,203	16,710	70,089	385	92,387
Reports	1,813	20,101	18,457	-	40,371
Total exploration costs	111,812	126,390	581,758	4,498	824,458
Acquisition costs:					
Cash	-	43,528	22,381	4,664	70,573
Shares	-	-	15,250	-	15,250
Total acquisition costs	-	43,528	37,631	4,664	85,823
Total expenditures for the period	111,812	169,918	619,389	9,162	910,281
Balance, January 31, 2019	**$ 1,174,849**	**$ 852,716**	**$ 889,000**	**$ 9,162**	**$ 2,925,727**

4. EXPLORATION AND EVALUATION ASSETS (continued)

All properties in West Africa

Effective April 13, 2018, the Company consolidated its common shares on a 10:1 basis (Note 8) and all references to the number of shares have been updated accordingly in the financial statements. Management and optinors of properties described below agreed not to amend the number of shares to be issued per the option agreements, and the number of shares to be issued will be as stated per original agreements for all properties in West Africa.

Niangouela Property, Burkina Faso, West Africa
During the year ended January 31, 2017, the Company entered into an option agreement to acquire a 100% interest in the Niangouela Property located in Burkina Faso, West Africa. To earn a 90% interest, the Company must make the following payments:

i) pay US$15,000 on closing (paid);
ii) issue 3,000 common shares on closing (issued at a value of $2,700);
iii) pay US$15,000 on or before November 30, 2017 (paid);
iv) issue 7,000 common shares on or before November 30, 2017 (issued at a value of $4,550);
v) pay US$120,000 on or before March 4, 2019 as amended (paid subsequent to January 31, 2019);
vi) issue 200,000 common shares on or before March 4, 2019 as amended (issued subsequent to January 31, 2019);
vii) pay US$220,000 on or before November 30, 2019 and
viii) issue 300,000 common shares on or before November 30, 2019.

Upon earning the 90% interest, the Company has a one-year option to purchase the remaining 10% interest in the property for US$1,000,000. Upon earning a 100% interest in the property, the Company shall pay the optionor a net smelter returns Royalty (“NSR”) of 1%.

Bouboulou Property, Burkina Faso, West Africa

During the year ended January 31, 2017, the Company entered into an option agreement to acquire a 100% interest in the Bouboulou Exploration Permit located in Burkina Faso, West Africa.

The Company has an option to acquire up to 75% interest in the property, in consideration for cash payments of US$500,000 and the issuance of 900,000 common shares of the Company, over a period of three years as follows:

i) pay US$10,000 (paid) and issue 5,000 shares (issued at a value of $2,500);
ii) pay US$35,000 (paid) and issue 10,000 shares (issued at a value of $7,000);
iii) pay US$125,000 and issue 250,000 shares on or before April 5, 2019 (issued subsequent to to January 31, 2019) and
iv) pay US$330,000 and issue 500,000 shares on or before April 5, 2020.

Following the acquisition of a 75% interest in the property, the Company will have the option to acquire the remaining 25% interest in the Property through a cash payment of US$1,000,000 with a 1% NSR remaining with the Optionor.

Rakounga Gold Property, Burkina Faso, West Africa

On July 11, 2017, the Company entered a letter of intent with Belemyida SA (the "Optionor"), pursuant to which the Company will acquire the right to earn up to 100% interest in the Rakounga Gold Property located in Burkina Faso, West Africa.

Expressed in Canadian Dollars

4. EXPLORATION AND EVALUATION ASSETS (continued)

The Company will have an option to acquire a 90% interest in the property, in consideration for cash payments of US$400,000 and the issuance of 575,000 common shares of Nexus, over a period of three years as follows:

i) pay US$15,000 (paid) and issue 2,500 shares (issued at a value of $4,625) upon signing of a definitive agreement;
ii) pay US$15,000 (paid) and issue 5,000 shares on or before August 31, 2018 (issued at a value of $15,250);
iii) pay US $120,000 and issue 200,000 shares on or before August 31, 2019; and
iv) pay US$250,000 and issue 300,000 shares on or before August 31, 2020.

Following the acquisition of a 90% interest in the property, the Company will have the option to acquire the remaining 10% interest in the property through a cash payment of US$1,000,000 with a 1% NSR remaining with the Optionor.

Dakuli II Property, Burkina Faso, West Africa

During the year ended January 13, 2019, the Company applied to the Ministry of Mines in Burkina Faso to stake Dakuli II claims. The Company received approval from the Ministry of Mines in Burkina Faso and started exploration work on the property.

Walker Ridge Gold Property, Nevada, USA

On October 1, 2011, the Company entered into an option agreement, amended on June 1, 2016, to purchase 100% interest in the Walker Ridge Group of mining claims located in the Elko County, Nevada.

During the year ended January 31, 2017, the Company abandoned the option agreement, resulting in a write-off of exploration and evaluation assets of $2,304,110.

At January 31, 2018, the Company held a USD$42,900 ($52,930) reclamation deposit with the Bureau of Land Management (Nevada) in relation to future exploration programs. The deposit was fully recovered during the year ended January 31, 2019.

Advance for mineral property - New Pilot Project

In January 2019, the Company issued 3,500,000 shares valued at $385,000 to a company with a director in common to acquire a 100% interest in New Pilot Project located in British Columbia, Canada. The acquisition agreement was finalized in February 2019. See Note 13 (a). The Company recorded $385,000 in shares issued as an advance on acquisition of mineral property.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities consist of:

	January 31, 2019	January 31, 2018
Trade payables	$ 260,388	$ 193,733
Accrued liabilities	50,270	30,000
	$ 310,658	$ 223,733

6. SHARE CAPITAL AND SHARE-BASED PAYMENT RESERVE

Share Capital

Effective April 13, 2018, the Company consolidated its common shares on a 10:1 basis, and all per share amounts have been retrospectively restated.

During the year ended January 31, 2019, the Company:

i) issued 3,500,000 shares as an advance payment for the New Pilot Project mineral property (Note 4);

ii) issued 800,000 common shares pursuant to exercise of 800,000 stock options at a price of $0.24;

iii) issued 50,000 common shares pursuant to the acquisition of Rakounga Gold Property (Note 4);

iv) On May 25, 2018 the Company closed a non-brokered private placement of 20,027,123 units, at a price of $0.15 per unit, for gross proceeds of $3,004,069. Each unit consists of one common share of the Company, and one-half of one common share purchase warrant. Each whole warrant is exercisable to acquire one additional common share of the Company at a price of $0.25 per share until May 25, 2019.

In connection with completion of the offering the Company paid $47,788 and issued 751,913 of finders' warrants (valued at $107,408) exercisable at $0.25 until May 25, 2019.

v) On June 27, 2018 the Company closed first tranche of its non-brokered private placement of units at a price of $0.25 per unit. Each unit consists of one common share of the Company, and one common share purchase warrant. Each warrant is exercisable to acquire one additional common share of the Company at a price of $0.35 per share for a period of twelve months. In connection with completion of this initial tranche, the Company issued 2,868,162 units, for gross proceeds of $717,041.

vi) On July 12, 2018 the Company closed a second tranche of its non-brokered private placement of units at a price of $0.25 per unit. Each unit consists of one common share of the Company, and one common share purchase warrant. Each warrant is exercisable to acquire one additional common share of the Company at a price of $0.35 per share for a period of twelve months. In connection with completion of this initial tranche, the Company issued 432,768 units, for gross proceeds of $108,192.

In connection with completion of the offering the Company paid $18,376 and issued 60,800 of finders' warrants (valued at $7,159) exercisable at $0.35 until June 27, 2019, and issued 9,600 of finders' warrants (valued at $849) exercisable at $0.35 until July 12, 2019.

vii) issued 260,000 common shares pursuant to exercise of warrants for gross proceeds of $312,000.

6. SHARE CAPITAL AND SHARE-BASED PAYMENT RESERVE (continued)

During the year ended January 31, 2018, the Company:

i) issued 112,500 common shares pursuant to exercise of options for gross proceeds of $95,000 resulting in a reallocation of share-based compensation of $57,520 from reserves to share capital;

ii) issued 1,304,217 common shares pursuant to exercise of warrants for gross proceeds of $1,158,282 resulting in a reallocation of share-based compensation of $13,197 from reserves to share capital;

iii) completed a private placement of 1,666,822 units for gross proceeds of $2,000,186 of which $242,712 was for non-cash proceeds. Each unit consists of one common share and one-half share purchase warrant. Each full warrant will entitle the holder to purchase one additional share at $1.80 until February 23, 2019. During the year ended January 31, 2017, the Company received $741,100 of subscriptions in advance;

In connection with completion of the offering the Company paid $28,870 and issued 52,805 common shares (valued at $63,366) and 39,349 of finders' warrants (valued at $84,237).

iv) issued 2,500 common shares pursuant to the acquisition of Rakounga Gold Property (Note 4).

v) completed a private placement of 533,317 units for gross proceeds of $399,988. Each unit consists of one common share and one-half share purchase warrant (valued at $53,332). Each full warrant will entitle the holder to purchase one additional share at $1.20 until October 25, 2019.

In connection with completion of the offering the Company paid $2,799 and issued 3,732 of finders' warrants (valued at $1,004) exercisable at $1.20 until October 27, 2019.

vi) completed a private placement of 487,100 units for gross proceeds of $365,325. Each unit consists of one common share and one-half share purchase warrant (valued at $48,710). Each full warrant will entitle the holder to purchase one additional share at $1.20 until October 27, 2019.

In connection with completion of the offering the Company paid $13,809 and issued 21,762 of finders' warrants (valued at $5,854) exercisable at $1.20 until October 27, 2019.

vii) issued 7,000 shares pursuant to the acquisition of Niangouela Property (Note 4).

viii) issued 10,000 shares pursuant to the acquisition of Bouboulou Property (Note 4).

Options

Share-based Compensation Plan:

The Company has a Stock Option Plan ("the Plan) under which it is authorized to grant options to directors, officers, consultants or employees of the Company. The number of options granted under the Plan is limited to 10% of the number issued and outstanding common shares of the Company at the date of grant. The minimum exercise price is set at $0.05. The exercise price of options granted under the Plan may not be less than the market value of the Company's common shares on the date of grant. Options granted under the Plan have a maximum life of ten years and vest on the date of grant or over periods determined by management. Options granted to consultants performing investor relations activities shall vest over a minimum of 12 months with no more than 1/4 of such options vesting in any 3 month period.

Expressed in Canadian Dollars

6. SHARE CAPITAL AND SHARE-BASED PAYMENT RESERVE (continued)

Options (continued)

At January 31, 2019, the Company had outstanding share purchase options as follows:

Number of options		Exercise price	Expiry date	Weighted Average Contractual Life Remaining, years
120,000	$	1.00	August 8, 2019	0.52
112,500	$	1.20	September 17, 2020	1.63
200,000	$	0.85	September 6, 2021	2.60
55,000	$	1.60	January 24, 2022	2.98
900,000	$	0.33	June 14, 2023	4.37
1,200,000	$	0.24	September 12, 2023	4.62
200,000	$	0.11	November 16, 2023	4.79
2,787,500				

A summary of changes in share purchase options during the year is as follows:

	Number of Options		Weighted average exercise price
Balance, January 31, 2017	909,000	$	1.08
Exercised	(112,500)		0.84
Expired/Cancelled	(82,500)		1.06
Balance, January 31, 2018	714,000	$	1.12
Granted	3,200,000	$	0.26
Exercised	(800,000)		0.24
Expired/Forfeited	(326,500)		0.96
Outstanding and exercisable, January 31, 2019	2,787,500	$	0.40

Warrants

A summary of changes in warrants during the year is as follows:

	Number of Options		Weighted average exercise price
Balance, January 31, 2017	2,819,246	$	0.94
Granted	1,408,455		1.57
Exercised	(1,304,217)		0.89
Expired/Cancelled	(395,283)		1.18
Balance, January 31, 2018	2,528,201	$	1.28
Exercised	(260,000)	$	1.20
Granted	14,170,142		0.95
Expired	(375,849)		1.11
Balance, January 31, 2019	16,062,494	$	0.36

Expressed in Canadian Dollars

6. SHARE CAPITAL AND SHARE-BASED PAYMENT RESERVE (continued)

As at January 31, 2019, the Company has the following warrants outstanding:

Number of warrants	Exercise price		Expiry date	Weighted Average Contractual Life Remaining, years
872,753	$	1.20	February 23, 2019	0.06
90,396	$	1.25	March 12, 2019	0.11
10,765,479	$	0.25	May 25, 2019	0.31
2,928,962	$	0.35	June 27, 2019	0.40
442,368	$	0.35	July 12, 2019	0.44
653,500	$	0.75	August 24, 2019	0.56
43,724	$	1.20	October 25, 2019	0.73
265,312	$	1.20	October 27, 2019	0.74
16,062,494	$	0.38		0.27

The fair value of the compensatory share purchase warrants issued during the year ended January 31, 2019 was measured based on the Black-Scholes formula. Expected volatility is estimated by considering historic average share price. The weighted average inputs used in the measurement of fair value at grant date of the share purchase warrants are:

	January 31, 2019
Risk free interest rate	1.91%
Expected life of warrants	1 year
Annualized volatility	83%
Dividend yield	0%
Exercise price	$ 0.26
Share price at measurement date	$ 0.33

The fair value of the compensatory share purchase warrants issued during the years ended January 31, 2018 was measured based on the Black-Scholes formula. Expected volatility is estimated by considering historic average share price. The inputs used in the measurement of fair value at grant date of the share purchase warrants are:

	January 31, 2018
Risk free interest rate	1.02%
Expected life of warrants	2 years
Annualized volatility	99.7%
Dividend yield	0%
Exercise price	$ 1.40

During the year ended January 31, 2019 the expiry date of an aggregate of 653,500 previously issued common share purchase warrants exercisable at $0.75 was extended to August 24, 2019.

Expressed in Canadian Dollars

7. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

(a) Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Directors. The value of transactions and outstanding balances relating to key management and entities over which key management have control or significant influence were as follows:

	For the years ended January 31,	
	2019	2018
Management fees	$ 148,300	$ 416,600
Professional fees	50,000	-
Share-based compensation	346,924	-
Total	$ 545,224	$416,600

(b) Related party transactions and balances

During the year ended January 31, 2019, the Company paid geological consulting fees capitalized to mineral properties of $108,500 (2018 - $146,900), consulting fees of $24,650 (2018 - $15,600) and issued 3,500,000 shares valued at $385,000 as an advance for the mineral property acquisition to a director of the Company (Note 4).

As at January 31, 2019, the Company owed $65,582 (January 31, 2018 - $113,396) to companies controlled by directors and officers and is included in Due to Related Parties. The amounts owing are unsecured and non-interest bearing.

8. SEGMENTED INFORMATION

The Company has one operating segment being the exploration of exploration and evaluation of mineral properties. The Company's exploration and evaluation assets are located in Burkina Faso, and this geographic information is disclosed in Note 4.

9. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, and exploration of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Management considers the Company's capital structure to primarily consists of the components of shareholders' equity.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the period ended January 31, 2019. The Company is not subject to externally imposed capital requirements.

Expressed in Canadian Dollars

10. COMMITMENTS

The Company entered into an office lease agreement starting March 8, 2019. The obligation for the term of the agreement is as follows:

Fiscal Year	Total
Obligation for the year ended January 31, 2020:	198,288
Obligation for the year ended January 31, 2021	227,664
Obligation for the year ended January 31, 2022	235,824
Obligation for the year ended January 31, 2023	243,984
Obligation for the year ended January 31, 2024	252,144
Obligation for the year ended January 31, 2025	126,480
Total obligation over term of agreement	$ 1,284,384

11. CONSULTING FEES AND CORPORATE DEVLOPMENT EXPENSES

(a) During the year ended January 31, 2019, the Company entered into several strategic advisory and consulting services agreements with Belgravia Capital International Inc. (“Belgravia”) and paid $240,000 in fees to Belgravia for services rendered in full during the period May 8, 2018 to October 21, 2018. These fees are included in the amount expensed for consulting fees in 2019. In separate transactions Belgravia paid a total of $400,000 for share subscriptions in the Company’s private placements that were completed in 2019.

(b) During the year ended January 31, 2019, the Company entered into several strategic advisory and corporate development services agreements with Transcend Capital Inc. (“Transcend”) and paid $1,280,000 in fees to Transcend for services rendered in full during the period February 1, 2018 to January 31, 2019. These fees are included in the amount expensed for corporate development fees in 2019 in addition to $187,500 which was expensed in 2019 for fees paid to Transcend in 2018 (a total of $260,000 was paid in 2018) that were recorded as prepaid expenses as at January 31, 2018. In separate transactions Transcend paid a total of $312,000 on the exercise of warrants for 260,000 shares and paid a total of $772,975 for share subscriptions in the Company’s private placements that were completed in 2019.

12. INCOME TAX

A reconciliation of the combined Canadian federal and provincial statutory income tax rate of 27% (2018 – 26%)to the income tax expense (recovery) recorded in the consolidated financial statements is as follows:

	2019	2018
Loss for the year	$ (3,760,187)	$(2,332,084)
Expected income tax (recovery)	$ (1,015,000)	$(608,000)
Change in future tax rate and other	(39,000)	(39,000)
Permanent differences	108,000	10,000
Change in unrecognized deductible temporary differences	946,000	637,000
Income tax (recovery)	$ -	$ -

Expressed in Canadian Dollars

12. INCOME TAX (continued)

The significant components of the Company's deferred tax assets that have not been included in the statement of financial position are as follows:

	2019	2018
Deferred Tax Assets		
Exploration and evaluation assets	$ 675,000	$653,000
Share issue costs deductible in future years	99,000	75,000
Asset retirement obligation	-	1,000
Non-capital losses available for future period	2,723,000	1,822,000
	3,497,000	2,551,000
Unrecognized deferred tax assets	(3,497,000)	(2,551,000)
Net deferred tax assets	-	-

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

Temporary Differences	2019	Expiry Date Range
Exploration and evaluation assets	$ 2,500,000	No expiry date
Canadian assets	2,000	No expiry date
Share issue cost	365,000	2037 to 2042
Asset retirement obligation	-	No expiry date
Non-capital losses available for future period	10,075,000	2022 to 2038

13. SUBSEQUENT EVENTS

(a) In February 2019, the Company issued 3,500,000 shares valued at $385,000 to a company with a director in common to acquire a 100% interest in New Pilot Project located in British Columbia, Canada.

(b) On February 12, 2019, the Company entered into a mineral property acquisition agreement pursuant to which the Company will acquire the right to earn up to 100% interest in the McKenzie Gold Project located in the Red Lake Mining Division of Ontario, Canada. Under the terms of the agreement, in order to acquire interest in the property the Company has to pay $150,000 in cash (paid) and issue 4,000,000 shares (issued) and also issue 300,000 shares to finders (issued).

(c) In February 2019, the Company issued 9,744,913 units at a price of $0.115 per unit for gross proceeds of $1,120,665. Each unit consists of one common share of the Company, and one common share purchase warrant. Each warrant entitles the holder to acquire an additional common share at a price of $0.18 for a period of twenty-four months.

(d) In March 2019, the Company issued 3,492,565 units at a price of $0.115 per unit for gross proceeds of $401,645. Each unit consists of one common share of the Company, and one common share purchase warrant. Each warrant entitles the holder to acquire an additional common share at a price of $0.18 for a period of twenty-four months.

(e) In March 2019, the Company issued 1,431,999 flow-through units at a price of $0.15 per unit for gross proceeds of $214,800. Each unit consists of one common share of the Company, and one common share purchase warrant. Each warrant entitles the holder to acquire an additional common share at a price of $0.20 for a period of twenty-four months.

(f) In March 2019, the Company issued 200,000 common shares pursuant to the acquisition of Niangouela Gold (Note 4).

(g) In March 2019, the Company issued 250,000 common shares pursuant to the acquisition of Bouboulou Gold Property (Note 4).

(h) In March 2019, the Company issued 787,500 common shares to settle the debt of $90,563 incurred under a corporate development agreement entered into after January 31, 2019.

(i) In May 2019, the Company issued 613,334 flow-through units at a price of $0.15 per unit for gross proceeds of $92,000. Each unit consists of one common share of the Company, and one common share purchase warrant. Each warrant entitles the holder to acquire an additional common share at a price of $0.20 for a period of twenty-four months.

In addition, in May 2019, the Company issued 1,875,676 units at $0.115 per unit for gross proceeds of $215,703. Each unit consists of one common share of the Company, and one common share purchase warrant. Each warrant entitles the holder to acquire an additional common share at a price of $0.18 for a period of twenty-four months. In connection with completion of this private placement, the Company has paid cash commissions of $10,556, and issued 81,646 share purchase warrants to the finders. Each finders' warrant is exercisable to acquire an additional common share of the Company on the same terms as the warrants comprising the flow-through units or units.