KARORA RESOURCES

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Three and Nine Months Ended September 30, 2020 and 2019
(in thousands of Canadian dollars)

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Interim Consolidated Statements of Financial Position

(Expressed in thousands of Canadian dollars)
(Unaudited)

As at	Note	September 30, 2020 $	December 31, 2019 $
ASSETS			
Current assets			
Cash and cash equivalents		**67,299**	34,656
Trade and other receivables	4	**2,943**	7,002
Inventories	5	**18,901**	15,039
Prepaid expenses		**387**	1,843
Marketable securities	7	**2,374**	158
		91,904	58,698
Non-current assets			
Property, plant and equipment and mineral property interests	6	**223,046**	98,955
Investment in associates	7	**-**	19,696
Deferred tax asset		**-**	376
Other non-current assets	7	**899**	52
Total assets		**315,849**	177,777
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	8	**30,502**	25,320
Current tax liability		**30**	486
Share incentive plan liabilities	15	**9,200**	2,970
Debt	9	**3,257**	120
Lease obligations	10	**1,851**	479
Derivative financial liabilities	11	**3,325**	2,817
		48,165	32,192
Non-current liabilities			
Debt	9	**35,682**	30,777
Lease obligations	10	**2,423**	743
Derivative financial liabilities	11	**24,330**	-
Asset retirement obligations	12	**24,311**	21,119
Deferred tax liability		**23,612**	-
Other non-current liabilities and provisions		**117**	664
Total liabilities		**158,640**	85,495
SHAREHOLDERS' EQUITY			
Share capital	13	**284,505**	263,421
Contributed surplus		**30,746**	30,319
Accumulated other comprehensive income		**4,243**	6,051
Deficit		**(162,285)**	(207,509)
Total shareholders' equity		**157,209**	92,282
Total liabilities and shareholders' equity		**315,849**	177,777

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

Subsequent events (note 20)

Interim Consolidated Statements of Earnings (Loss) and Comprehensive Earnings (Loss)

(Expressed in thousands of Canadian dollars, except per share amounts)
(Unaudited)

		Three months ended,		Nine months ended,	
For the periods ended September 30,		**2020**	2019	**2020**	2019
	Note	**$**	$	**$**	$
Revenue		**59,405**	43,092	**169,787**	71,204
Cost of operations:					
Production and processing costs		**28,032**	26,670	**81,093**	47,212
Royalty expense		**2,983**	3,321	**12,434**	5,869
General and administrative: share-based compensation		**6,702**	(1,344)	**8,748**	1,123
General and administrative: other		**3,386**	3,258	**11,190**	9,688
Depreciation and amortization		**5,182**	3,108	**14,708**	5,057
Impairment reversal - property, plant and equipment	6	**(36,087)**	-	**(36,087)**	
Operating earnings (loss)		**49,207**	8,079	**77,701**	2,255
Other expenses (income)					
Finance expense, net	16	**1,269**	1,071	**3,019**	1,698
Loss on derivatives	11	**1,556**	4,812	**8,485**	8,574
Foreign exchange loss (gain)		**(2,295)**	3,487	**(6,802)**	8,495
Net impairment charge - investment in associates	7	**-**	-	**6,006**	-
Share of loss of associates		**-**	50	**425**	554
Unrealized gain on revaluation of marketable securities		**(1,384)**	79	**(1,372)**	79
Other income, net		**(147)**	137	**(394)**	337
Earnings (loss) before income tax		**50,208**	(1,557)	**68,334**	(17,482)
Income tax expense - current		**2,353**	-	**478**	-
Income tax expense - deferred		**(17,694)**	179	**(23,588)**	75
Net earnings (loss)		**34,867**	(1,378)	**45,224**	(17,407)
Currency translation adjustments		**(776)**	(8,061)	**(1,808)**	(4,764)
Comprehensive earnings (loss) for the period		**34,091**	(9,439)	**43,416**	(22,171)
Net earnings (loss) attributable to common shareholders per share					
Basic		**0.24**	(0.01)	**0.33**	(0.15)
Diluted		**0.24**	(0.01)	**0.32**	(0.15)
Weighted average number of shares					
Basic	13	**142,842,112**	125,427,410	**137,875,428**	113,992,685
Diluted	13	**147,811,447**	125,427,410	**140,678,866**	113,992,685

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

Subsequent events (note 20)

Interim Consolidated Statements of Cash Flows

(Expressed in thousands of Canadian dollars)
(Unaudited)

For the periods ended September 30,	Note	Three months ended, 2020 $	Three months ended, 2019 $	Nine months ended, 2020 $	Nine months ended, 2019 $
Cash flow provided by (used in)					
OPERATING ACTIVITIES					
Net earnings (loss) for the period		**34,867**	(1,378)	**45,224**	(17,407)
Changes not affecting cash:					
Net change in contract liabilities		**-**	(2,443)	**-**	(4,904)
Items not involving cash:					
Depreciation and amortization		**4,581**	3,173	**14,051**	5,218
Income tax expense		**15,341**	(179)	**23,110**	(179)
Share-based payments		**6,351**	(2,354)	**8,064**	(1,496)
Foreign exchange loss (gain)		**(2,551)**	3,120	**(5,986)**	7,772
Net change in fair value of derivative instruments		**1,377**	758	**(622)**	3,288
Net impairment reversal	6,7	**(36,087)**	-	**(30,081)**	-
Other non-cash adjustments	18	**(1,168)**	664	**(34)**	1,546
		22,711	1,361	**53,726**	(6,162)
Changes in non-cash working capital					
Trade and other receivables		**(302)**	14	**4,067**	(3,421)
Inventories		**(100)**	1,951	**(557)**	(209)
Prepaid expenses		**522**	165	**1,456**	165
Accounts payable, taxes and accrued liabilities		**(2,004)**	(1,419)	**(4,567)**	3,685
Net cash provided by (used in) operating activities		**20,827**	2,072	**54,125**	(5,942)
INVESTING ACTIVITIES					
Property, plant and equipment and mineral property interests		**(8,095)**	(4,221)	**(26,320)**	(17,615)
Proceeds of sale of Dumont JV	7	**10,700**	-	**10,700**	-
Proceeds of sale of Orford shares	7	**1,013**	-	**1,013**	-
Royalty transaction	6	**(20,420)**	-	**(20,420)**	-
Spargos acquisition	6	**(3,818)**	-	**(3,818)**	-
Acquisition of HGO, net of cash acquired		**-**	-	**-**	(21,597)
Net cash used in investing activities		**(20,620)**	(4,221)	**(38,845)**	(39,212)
FINANCING ACTIVITIES					
Issuance of shares, net of costs	13	**17,730**	17,452	**17,730**	36,419
Issuance of debt, net of costs		**-**	(50)	**-**	36,692
Repayments of debt		**(10)**	(30)	**(30)**	(6,649)
Proceeds from exercise of options and warrants		**628**	824	**1,858**	2,537
Payments on leases		**(572)**	(119)	**(1,261)**	(416)
Net cash provided by financing activities		**17,776**	18,077	**18,297**	68,583
Effect of exchange rate changes on cash and cash equivalents		**(851)**	(1)	**(934)**	2
Net increase in cash and cash equivalents		**17,132**	15,927	**32,643**	23,431
Cash and cash equivalents, beginning of period		**50,167**	8,844	**34,656**	1,340
Cash and cash equivalents, end of period		**67,299**	24,771	**67,299**	24,771
Components of cash and cash equivalents:					
Cash		**67,171**	24,663	**67,171**	24,663
Cash equivalents		**128**	108	**128**	108
		67,299	24,771	**67,299**	24,771

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

Supplemental cash flow information (note 18)

Subsequent events (note 20)

Interim Consolidated Statements of Changes in Equity

(Expressed in thousands of Canadian dollars, except share numbers)
(Unaudited)

	Note	Share capital (note 13) Number	Share capital (note 13) $	Contributed surplus $	Accumulated other comprehensive income $	Deficit $	Total equity $
Balance as at January 1, 2020		**135,059,766**	**263,421**	**30,319**	**6,051**	**(207,509)**	**92,282**
Shares issued for consulting services	13	18,782	38	-	-	-	38
Exercise of restricted share units		84,244	275	-	-	-	275
Exercise of warrants		93,222	313	(120)	-	-	193
Exercise of stock options		1,151,754	2,624	(959)	-	-	1,665
Shares issued - private placements	13	8,155,554	18,573	-	-	-	18,573
Share issue costs	13	-	(739)	-	-	-	(739)
Share-based payments		-	-	1,506	-	-	1,506
Comprehensive loss (earnings)		-	-	-	(1,808)	45,224	43,416
Balance as at September 30, 2020		**144,563,322**	**284,505**	**30,746**	**4,243**	**(162,285)**	**157,209**

	Share capital Number	Share capital $	Contributed surplus $	Accumulated other comprehensive income $	Deficit $	Total equity $
Balance as at December 31, 2018 as reported	99,180,465	196,094	28,709	1,863	(200,545)	26,121
Adjustment for IFRS 16 adoption	-	-	-	-	(22)	(22)
Balance as at January 1, 2019 as adjusted	99,180,465	196,094	28,709	1,863	(200,567)	26,099
Shares issued for consulting services	159,372	326	-	-	-	326
Shares issued for debt issue costs	325,430	700	-	-	-	700
Bought deal and overallotment – January 2019	2,971,148	6,150	-	-	-	6,150
Private placement - January 2019	1,449,111	3,000	-	-	-	3,000
Private placement - April 2019	5,442,222	12,000	-	-	-	12,000
Private placement - July 2019	66,667	174	-	-	-	174
Bought deal and overallotment – September 2019	10,256,889	17,077	1,385	-	-	18,462
HGO acquisition - purchase option	1,578,812	3,815	-	-	-	3,815
HGO acquisition - share issue	11,069,192	23,038	-	-	-	23,038
Settlement of RSUs and DSUs	316,456	617	-	-	-	617
Exercise of warrants	148,284	516	(199)	-	-	317
Exercise of stock options	1,818,147	3,417	(1,197)	-	-	2,220
Share issue costs	-	(3,123)	(70)	-	-	(3,193)
Share issue costs - warrants	-	(797)	797	-	-	-
Share-based payments	-	-	742	-	-	742
Loss for the period	-	-	-	-	(17,407)	(17,407)
Other comprehensive income	-	-	-	4,764	-	4,764
Balance as at September 30, 2019	134,782,195	263,004	30,167	6,627	(217,974)	81,824

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

(Expressed in thousands of Canadian dollars, unless otherwise indicated)

Notes to Financial Statements

1. NATURE OF OPERATIONS

Karora Resources Inc. (formerly Royal Nickel Corporation) ("**Karora**", "**Karora Resources**" or the "**Corporation**") is a company domiciled in Canada and was incorporated on December 13, 2006, under the Canada Business Corporations Act. The Corporation's shares are publicly traded on the Toronto Stock Exchange (TSX: KRR). The Corporation's registered office is located at 141 Adelaide Street West, Suite 1608 in Toronto, Ontario, Canada.

The unaudited condensed interim consolidated financial statements of the Corporation as at and for the three and nine month periods ended September 30, 2020 comprise Karora and its subsidiaries, Salt Lake Mining Pty Ltd. ("**SLM**"), subsidiaries collectively referred to as Higginsville Gold Operation ("**HGO**") and VMS Ventures Inc. ("**VMS**"). Collectively, these entities are referred to as the "**Corporation**". The Corporation accounted for its investments in Orford Mining Corporation ("**Orford**") and Sudbury Platinum Corporation ("**SPC**") using the equity method at their respective ownership interests up to the point of the loss of significant influence during the third quarter of 2020 (note 7). The Corporation accounted for its investment in the Magneto Investments Limited Partnership ("**Dumont JV**") using the equity method until its sale in July 2020 (note 7).

Karora is a multi-asset mineral resource company. The main assets are: 1) its 100% interest in the Beta Hunt Mine ("Beta Hunt"), a gold producing operation which is held through SLM; and 2) its 100% interest in the HGO toll processing and gold mining operation, both located in Western Australia.

In anticipation of and in response to the global COVID-19 pandemic, the Corporation's protocols and contingency plans have the mitigated impacts of the pandemic. All of the Corporation's mines continued production during the three and nine-month periods ended September 30, 2020, as the Corporation's ongoing response to the COVID-19 pandemic continued to maintain the safety of its workforce and host communities while mitigating operational impacts.

The Corporation's consolidated financial statements consolidate the accounts of Karora and the following subsidiaries:

Name of Subsidiary	Place of Incorporation	Benefical Ownership	Principal Activity	Functional Currency
Salt Lake Mining Pty Ltd.	Australia	100%	Gold and nickel mining	AUD
VMS Ventures Inc.	Canada	100%	Copper mining; now dormant	CAD
Subsidiaries collectively referred to as HGO:				
Karora Resources Pty Ltd.	Australia	100%	Holding company	AUD
Avoca Mining Pty Ltd.	Australia	100%	Gold mine and milling	AUD
Hill 51 Pty Ltd.	Australia	100%	Holding company	AUD
Avoca Resources Pty Ltd.	Australia	100%	Exploration	AUD
Polar Metals Pty Ltd.	Australia	100%	Exploration	AUD
Corona Resources Limited	Australia	100%	Exploration	AUD
Red Hill Gold USA Corp.	United States	100%	Corporate office	USD

2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND JUDGMENTS

(a) Statement of Compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting.* These unaudited condensed interim consolidated financial statements should be read in conjunction with the Corporation's audited consolidated financial statements for the year ended December 31, 2019.

The Corporation's presentation currency is Canadian dollars ($).

The unaudited condensed interim consolidated financial statements were authorized for publication by the Board of Directors on November 10, 2020.

(b) Basis of preparation

The accounting policies followed in these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Corporation's audited annual consolidated financial statements for the year ended December 31, 2019.

(c) Judgments

The Corporation has assessed the economic impacts of the coronavirus ("**COVID-19**") pandemic on its unaudited condensed interim consolidated financial statements. As at September 30, 2020, management has determined that the Corporation's ability to execute its short to long term plans and the economic viability of its assets, the inventory valuations and carrying value of its long-lived assets are not materially impacted. In making this judgment, management assessed various criteria including, but not limited to, existing laws, regulations, orders, disruptions and potential disruptions in our supply chain, disruptions in the markets for our products, commodity prices and foreign exchange prices and the actions that the Corporation has taken at its operations to protect the health and safety of its workforce and local community.

3. CRITICAL JUDGEMENTS, ESTIMATES, ASSUMPTIONS AND RISKS

Many of the amounts included in the consolidated financial statements require management to make judgments and/or estimates. These judgments and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Actual results may differ from the amounts included in the condensed interim consolidated financial statements.

Areas of significant judgment and estimates affecting the amounts recognized in the condensed interim consolidated financial statements include:

Impairment of non-financial assets

The recoverability of amounts shown for property, plant and equipment and mineral property interests is dependent upon several factors including, but not limited to, completion of the acquisition of the mineral property interests, the discovery of economically recoverable reserves, confirmation of the Corporation's interest in the underlying mineral claims, obtaining the necessary development permits, and the ability of the Corporation to obtain necessary financing to complete the development and future profitable production or, alternatively, upon disposition of such property at a profit. Changes in future conditions could require material write downs of the carrying values of property, plant and equipment and mineral property interests.

Property, plant and equipment and mineral property interests are reviewed for impairment if there is any indication that the carrying amount may not be recoverable. If any such indication is present, the recoverable amount of the asset is estimated in order to determine whether impairment exists. Where the asset does not generate cash flows that are independent from other assets, the Corporation estimates the recoverable amount of the asset group to which the asset belongs. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use. In assessing fair value less costs to sell, the estimated future cash flows are discounted to their present value, using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. If the recoverable amount of an asset or asset group is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount. The reduction is recognized immediately as an impairment loss. When an impairment subsequently reverses, the carrying amount is increased to the revised estimate of the recoverable amount but only to the extent that this does not exceed the carrying value that would have been determined had no impairment had previously been recognized. The previously recognized impairment loss is reversed during the period in profit or loss. Refer to note 7 for further details related to the impairment reversal assessment for the Beta Hunt Mine cash-generating unit.

The estimate of recoverable amounts with respect to non-financial assets is based on numerous assumptions and may differ significantly from actual recoverable amounts. The recoverable amounts are based, in part, on certain factors that may be partially or totally outside of the Corporation's control. This evaluation involves a comparison of the estimated recoverable amounts of non-financial assets to their carrying values. The recoverable amount estimates may differ from actual recoverable amounts, and these differences may be significant and could have a material impact on the Corporation's financial position and results of operations. Asset groups are reviewed for an indication of impairment at each statement of financial position date or when a triggering event is identified. This determination requires significant judgment. In particular, for assets in the exploration and evaluation stage, factors which could trigger an impairment review include, but are not limited to, an expiry of the right to explore in the specific area during the period or in the near future, and which is not expected to be renewed; substantive exploration and evaluation expenditures in a specific area are neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the Corporation has decided to discontinue such activities in the specific area; sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the assets is unlikely to be recovered in full from successful development or by sale; significant negative industry or economic trends; interruptions in exploration and evaluation activities; and a significant drop in current or forecasted metal prices.

(Expressed in thousands of Canadian dollars, unless otherwise indicated)

4. TRADE AND OTHER RECEIVABLES

Trade and other receivables consist of the following:

As at	**September 30, 2020**	December 31, 2019
Trade accounts receivable	**$1,728**	$1,089
Sales taxes and rebates	**1,215**	5,913
	$2,943	$7,002

5. INVENTORIES

Inventories consist of the following:

As at	**September 30, 2020**	December 31, 2019
Gold ore	**$6,912**	$6,059
Gold in process	**7,821**	5,790
Gold - finished goods	**-**	1
Nickel ore	**193**	-
Stores, spares and fuel	**3,975**	3,189
	$18,901	$15,039

6. PROPERTY, PLANT AND EQUIPMENT AND MINERAL PROPERTY INTERESTS

The following tables reflect the continuity of the Corporation's property, plant and equipment and mineral property interests:

(Expressed in thousands of Canadian dollars, unless otherwise indicated)

	Land & Buildings	Vehicles	Equipment	Mine and Mill Facilities	Mineral Property Interests	Total
As at December 31, 2019	**$9,985**	**$1,427**	**$12,332**	**$56,708**	**$18,503**	**$98,955**
Additions	161	74	7,759	13,778	20,700	42,472
Impairment reversal - Beta Hunt Mine (i)	-	-	-	36,087	-	36,087
Addition - Mogan Stanley (ii)	-	-	-	-	25,064	25,064
Addition - Spargos (iii)	-	-	-	-	7,636	7,636
Addition - Maverix (iv)	-	-	-	23,706	-	23,706
Transfer	-	-	-	5,085	(5,085)	-
Disposals	(266)	-	(38)	-	-	(304)
Change due to foreign exchange translation	405	60	765	2,845	2,711	6,786
Depreciation	(585)	(143)	(1,761)	(13,959)	(908)	(17,356)
As at September 30, 2020	**$9,700**	**$1,418**	**$19,057**	**$124,250**	**$68,621**	**$223,046**
As at September 30, 2020						
Cost	$10,775	$1,928	$25,382	$174,978	$69,529	$282,592
Accumulated depreciation	(1,075)	(510)	(6,325)	(50,728)	(908)	(59,546)
Net book value	**$9,700**	**$1,418**	**$19,057**	**$124,250**	**$68,621**	**$223,046**
As at December 31, 2019						
Cost	$10,501	$1,771	$17,012	$73,536	$18,503	$121,323
Accumulated depreciation	(516)	(344)	(4,680)	(16,828)	-	(22,368)
Net book value	**$9,985**	**$1,427**	**$12,332**	**$56,708**	**$18,503**	**$98,955**

The table below summarizes the balances in respect of right-of-use assets which are included in the table above:

	Land & Buildings	Equipment	Total
As at December 31, 2019	**$1,001**	**$49**	**$1,050**
Additions	144	4,309	4,453
Disposals	(243)	-	(243)
Change due to foreign exchange translation	4	158	162
Depreciation	(276)	(433)	(709)
Revisions	17	-	17
As at September 30, 2020	**$647**	**$4,083**	**$4,730**

(i) Impairment reversal - Beta Hunt Mine

On December 31, 2017, the Corporation recorded an impairment charge of AUD$59.9 million ($58.7 million) on the Beta Hunt Mine cash-generating unit ("**CGU**"). During 2020, the increase in the long-term consensus gold price was considered to be an indicator of impairment reversal. The Corporation conducted an impairment reversal test whereby the carrying value of the Beta Hunt Mine CGU assets were compared to the mine's recoverable amount which was determined to be its Fair Value Less Costs of Disposal ("**FVLCD**") at September 30, 2020. To estimate the recoverable amount for impairment reversal, the Corporation utilized a discounted cash flow model incorporating estimates and assumptions that included estimated reserves and resources, throughput and grade, operating and capital costs, future metal prices and a discount rate. Management's estimate of the FVLCD of its Beta Hunt Mine CGU is classified as level 3 in the fair value hierarchy. The Corporation's estimate of future cash flows is subject to risks and uncertainties and therefore could change in the future if the underlying assumptions change. The key assumptions used for the impairment reversal test at September 30, 2020 were:

- Long-term gold price of USD$1,600 to USD$1,900 per ounce;
- Long term nickel price of USD$12,000 per tonne;
- AUD/USD foreign exchange rate of AUD 0.72 : USD1.00; and
- Post-tax discount rate 7%.

The Corporation's impairment reversal test concluded that the carrying value of the Beta Hunt Mine CGU assets at September 30, 2020 was lower than the FVLCD which resulted in a full reversal of the original impairment loss recorded on December 31, 2017. After reflecting the amount of depreciation that would have been recorded had the assets not been impaired, the Corporation recorded a pre-tax impairment reversal of AUD$37.8 million ($36.1 million) in the Interim Consolidated Statement of Earnings (Loss) and Comprehensive Earnings (Loss). The impairment reversal resulted in a deferred income tax expense of AUD$11.3 million ($10.8 million) for an after tax impairment reversal of AUD$26.5 million ($25.3 million).

(ii) Morgan Stanley

In May 2020, the Corporation reached an agreement with Morgan Stanley Capital Group Inc. ("**Morgan Stanley**") to terminate the remaining net smelter royalty ("**NSR")** interests held by Morgan Stanley over a number of tenements at HGO for a purchase price of USD$9.0 million in cash which consists of USD$2.7 million at closing and USD$6.3 million comprised of 5 installments of USD$1.26 million each starting on November 18, 2020 payable each 6 months thereafter until the obligation is fully settled. This transaction eliminated all remaining NSR royalty obligations in respect of the specified tenements.

The Morgan Stanley agreement also contains a participation royalty in which the Corporation shall pay Morgan Stanley a payment for the first 2,500 troy ounces of gold sold in each quarter equal to 27.5% multiplied by the difference between the average London pm fix price for gold for that quarter and AUD$1,340 per ounce. The Corporation on or after the Sunset Date (January 1, 2035 unless extended under certain conditions) may immediately terminate its obligation to pay participation royalties by paying USD$0.7 million to Morgan Stanley. The Corporation recorded the purchase of the NSR royalty and the participation royalty as the acquisition of mineral property interests as of the effective date of the agreement (see notes 9 and 11).

(Expressed in thousands of Canadian dollars, unless otherwise indicated)

(iii) Spargos

On August 7, 2020, the Corporation completed the acquisition of Corona Resources Limited whose primary asset is the Spargos Reward Project ("**Spargos**"). The acquisition was considered to be an asset acquisition as it did not meet the definition of a business. The purchase price included AUD$4.0 million ($3.8 million) in cash paid upon closing. Karora will be subject to a minimum spending commitment of AUD$2.5 million ($2.4 million) on exploration and development over a two-year period from the closing date which was recognized on the acquisition date (note 8). The seller is entitled to an additional (i) AUD$1.5 million ($1.4 million) in Karora shares on commencement of gold production from Spargos which was recognized on the acquisition date, and (ii) AUD$1.0 million ($1.0 million) in Karora shares if a new gold resource of at least 165,000 ounces is delineated at the project which was not recognized at the date of acquisition (note 8). The Corporation assumed a tax base upon the acquisition, however, no future income tax asset has been recognized as this was considered an asset acquisition.

(iv) Maverix

During the three months ended September 30, 2020, the Corporation closed an agreement with Maverix Metals Inc. ("**Maverix**") to reduce the NSR gold royalty at the Corporation's Beta Hunt mine. Maverix agreed to reduce the royalty on Beta Hunt gold production from 7.5% to 4.75% effective July 1, 2020. In consideration for the royalty reduction, the Corporation agreed to pay Maverix USD$18.0 million ($23.7 million) in cash, USD$15.5 million ($20.4 million) of which was paid at closing and USD$2.5 million ($3.3 million) of which will be paid in January 2021 and is recognized as a financial liability in accounts payable and accrued liabilities on the statement of financial position (note 8). The consideration of $23.7 million was recorded as an addition to mine and mill facilities.

7. INVESTMENT IN ASSOCIATES

The following table reflects the continuity of the Corporation's investments in associates:

	Dumont JV (i)	Orford (ii)	SPC (iii)	Total
As at December 31, 2019	$17,774	$1,013	$909	$19,696
Share of comprehensive earnings (loss)	57	(451)	(31)	(425)
Impairment loss	(7,131)	-	-	(7,131)
Impairment reversal	-	1,126	-	1,126
Disposal	(10,700)	(844)	-	(11,544)
Reclassified as marketable securities	-	(844)	-	(844)
Reclassified as other non-current asset	-	-	(878)	(878)
As at September 30, 2020	**$-**	**$-**	**$-**	**$-**

(i) Dumont JV

During 2020, the Corporation made the strategic decision to divest its interest in the Dumont JV and an agreement was reached with a buyer. As a result, the asset was impaired by $7.1 million before the consideration of transaction costs totalling $0.1 million. The transaction closed on July 27, 2020. In addition to the sale proceeds of $10.7 million received on closing, the Corporation has the right to receive a portion of proceeds of any future Dumont JV sale or other monetization event. On a sale or other monetization event, the Corporation will be entitled to receive 15% of the net proceeds from the transaction (net of certain agreed costs and deductions) up to a maximum of an additional $40.2 million. As at September 30, 2020, no value had been recorded for this contingent consideration.

(ii) Orford

Prior to 2020, an impairment charge of $7.1 million was recorded in respect of Orford due to a sustained decline in the fair value of the Corporation's ownership interest. Due to a subsequent increase in the fair value of the Corporation's interest, a partial recovery of the impairment of $1.1 million was recorded during the first nine months of 2020.

During the third quarter of 2020, the Corporation reached an agreement to sell 11.3 million common shares of Orford at a price of $0.09 per share for aggregate consideration of $1.0 million, resulting in a gain of $0.2 million. Prior to the sale, the Corporation owned or controlled 22.5 million common shares and warrants to purchase up to an additional 1.1 million common shares of Orford representing at the time an approximate 23.6% interest in Orford on an undiluted basis and 24.5% on a partially diluted basis. On September 30, 2020, the Corporation owned or controlled 11.3 million common shares and warrants to purchase up to 1.1 million common shares, representing a 12% interest in Orford on an undiluted basis and a 13% interest on a partially diluted basis. As a consequence of the sale, the Corporation no longer was considered to have significant influence over Orford and its remaining investment of $0.8 million was reclassified to marketable securities on the statement of financial position.

(iii) SPC

During the third quarter of 2020, due to a change in circumstances regarding the composition of the board of directors of SPC, the Corporation no longer was considered to have significant influence over SPC. Therefore, the investment was reclassified to other non-current assets on the statement of financial position and the Corporation no longer applied the equity method to its investment. As a consequence of the change in accounting treatment, the Corporation will periodically revalue the investment with an adjustment of the fair value through profit and loss commencing with the third quarter of 2020.

(Expressed in thousands of Canadian dollars, unless otherwise indicated)

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following:

As at	**September 30, 2020**	December 31, 2019
Trade accounts payable	**$4,776**	$7,264
Royalty accrual	**3,146**	4,312
Spargos accrual (note 6)	**3,818**	-
Maverix accrual (note 6)	**3,335**	-
Accrued liabilities	**15,427**	13,744
	$30,502	$25,320

9. DEBT

Long-term debt comprises the following:

For the nine months ended September 30, 2020	**IQ Loan (i)**	**Bridge (ii)**	**Morgan Stanley Installments (iii)**	**Total**
As at December 31, 2019	$324	$30,573	$-	$30,897
Additions	-	-	7,605	7,605
Repayments	(30)	-	-	(30)
Accretion expense	-	632	127	759
Change due to foreign exchange translation	-	-	(292)	(292)
As at September 30, 2020	**294**	**31,205**	**7,440**	**38,939**
Less current portion	294	-	2,963	3,257
Non-current portion	$-	$31,205	$4,477	$35,682

(i) IQ Loan

During the first quarter of 2020, in response to the covid-19 pandemic, the debt facility with Investissement Quebec ("**IQ**") was extended by six months. The IQ Loan was repaid in October 2020.

(ii) Bridge

During the second quarter of 2020, the bridge loan was amended such that the Corporation has, at its option, the right to extend the term by an additional period of six months which would result in a maturity date during December 2021. All other significant terms and conditions are not changed. Each extension is subject to payment of a term extension fee of 0.25% of the facility.

(iii) Morgan Stanley Installments

As part of the Morgan Stanley NSR royalty buyback, the Corporation agreed to pay USD$6.3 million comprising 5 installments of US$1.26 million each starting on November 18, 2020 and payable each six months thereafter until fully paid. The Corporation calculated the net present value of these payments using a 10% discount rate. See the Property, Plant and Equipment and Mineral Property Interests note 6.

(Expressed in thousands of Canadian dollars, unless otherwise indicated)

10. LEASE OBLIGATIONS

The following table reflects the continuity of lease obligations for the nine months ended September 30, 2020:

For the nine months ended September 30,	**2020**
As at December 31, 2019	$1,222
Additions	4,414
Disposal	(291)
Accretion	135
Cash payments	(1,396)
Revisions	17
Change due to foreign exchange translation	173
As at September 30, 2020	**4,274**
Less current portion	1,851
Non-current portion	$2,423

11. DERIVATIVE FINANCIAL INSTRUMENTS

The fair value of derivative instruments not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available. If all significant inputs required to measure the fair value of an instrument are observable, the instrument is included in Level 2.

The Corporation's gold forward and option derivative financial instruments had been classified as Level 2 financial instruments according to the fair value hierarchy. The Morgan Stanley participation royalty, described below, is classified as Level 3.

The Corporation did not apply hedge accounting on its gold forward sales. Therefore, changes in fair value for these derivatives were recorded in the consolidated statement of comprehensive earnings (loss) on a mark to market basis. All gold forward sales outstanding as at December 31, 2019 were completed. There were no forward sales contracts outstanding as at September 30, 2020.

During the second quarter of 2020, the Corporation recognized a derivative for the Morgan Stanley participation royalty (note 6). The participation royalty obligation was estimated using a forward contract valuation approach model. The key inputs used in the valuation include:

- the gold forward price curve based on the COMEX futures curve, extrapolated where necessary;
- USD/AUD foreign exchange rates based on forward curves;
- discount rates incorporating the Corporation's estimated credit spread of 9.10% on recognition and 6.93% as at September 30, 2020;
- a current risk-free rate based on the Australian dollar swaps curve; and
- the Corporation's estimated gold ounce delivery into the participation royalty.

As the discount rate is not an observable input, the Morgan Stanley participation royalty financial liability is classified within Level 3 of the fair value hierarchy. The following table summarizes the quantitative information about significant unobservable inputs used in Level 3 fair value measurements:

(Expressed in thousands of Canadian dollars, unless otherwise indicated)

As at September 30, 2020	Fair value	Unobservable Inputs	Range of Inputs	Relationship of unobservable inputs on fair value
Morgan Stanly Participation Royalty	27,655	Discount rate	6% - 8%	An increase or decrease in the discount rate of 1% would decrease or increase fair value by $1.3 million or $1.4 million respectively.

The table below summarizes the movements in derivative financial liabilities measured at fair value within the fair value hierarchy for the nine months ended September 30, 2020:

For the nine months ended September 30, 2020	Gold forward and option contracts	Morgan Stanley Participation Royalty	Total
Opening liability	$2,817	$-	$2,817
Additions	-	25,064	25,064
Settlements	(8,922)	(847)	(9,769)
Net change in fair value	6,092	2,208	8,300
Change due to foreign exchange translation	13	1,230	1,243
Balance as at September 30, 2020	**-**	**27,655**	**27,655**
Less current portion	-	3,325	3,325
Non-current portion	$-	$24,330	$24,330

12. RESTORATION, REHABILITATION AND ENVIRONMENTAL OBLIGATIONS

The following table reflects the continuity of asset, rehabilitation and environmental obligations for the nine months ended September 30, 2020:

For the nine months ended September 30,	**2020**
As at December 31, 2019	$21,119
Accretion expense	170
Additions	99
Change in estimate	2,795
Change due to foreign exchange translation	128
As at September 30, 2020	**$24,311**

As at September 30, 2020, the discount rate in respect of the discounting for rehabilitation programs in Australia was 0.9% (December 31, 2019 – 1.4%) and the inflation rate was 1.4% (December 31, 2019 – 1.8%).

(Expressed in thousands of Canadian dollars, unless otherwise indicated)

13. SHARE CAPITAL

The Corporation is authorized to issue an unlimited amount of common shares.

Effective July 31, 2020, the Corporation completed a share consolidation of its common shares on the basis of one (1) post-consolidation share for every four and a half (4.5) pre-consolidation common shares. As a result of the share consolidation, the 607,768,949 common shares issued and outstanding as at the beginning of the period on January 1, 2020 were consolidated into 135,059,766 common shares. All references to the number of shares, options, warrants and per share amounts presented have been retroactively restated to reflect the Consolidation (post-consolidation basis).

On July 17, 2020, the Corporation closed a subscription agreement and issued a total of 8,155,554 common shares at $2.28 per share for total proceeds of $18.5 million. The common shares issued are subject to a four month hold period in accordance with applicable Canadian securities laws. The share issue costs totalled $0.7 million.

On April 15, 2020, the Corporation announced that it had received approval of the Toronto Stock Exchange ("**TSX**") for a normal course issuer bid to purchase up to no more that approximately 6,758,933 common shares (30,415,198 prior to consideration of the above noted share consolidation) representing 5% of its issued and outstanding common shares at the prevailing market price at the time of purchase. The bid will expire no later than April 16, 2021. The price that the Corporation will pay for any common shares purchased under the bid will be the prevailing market price at the time of purchase.

During the nine months ended September 30, 2020, 18,782 shares were issued to consultants with a value of $0.04 million which were measured on the basis of the Corporation's share price on the date of issue. In addition, the Corporation issued 44,444 common shares to Abitibiwinni First Nation in respect of an impact and benefit agreement for the Dumont JV for a value of $0.1 million based on the quoted share price on the date of the share issuance.

14. WARRANTS

As a result of the above noted share consolidation, the terms of the Corporation's outstanding warrants were changed such that four and a half (4.5) warrants are convertible for one common share. Previously, each warrant was convertible for one common share. All other terms and conditions remain unchanged.

The following table reflects the continuity of share purchase warrants for the nine-month period ended September 30, 2020:

	Number of warrants	Weighted Average Exercise Price
As at December 31, 2019	25,073,589	$0.50
Exercised	(419,499)	0.46
As at September 30, 2020	**24,654,090**	**$0.50**

As at September 30, 2020, the weighted remaining contractual life of the warrants was 0.9 years.

(Expressed in thousands of Canadian dollars, unless otherwise indicated)

15. SHARE INCENTIVE PLANS

As noted above, effective July 31, 2020, the Corporation completed a share consolidation of its common shares on the basis of one (1) post-consolidation share for every four and a half (4.5) pre-consolidation common shares. All references to the number of shares, restricted share units, director share units, share appreciation rights and per share amounts presented have been retroactively restated to reflect the share consolidation.

Share Purchase Options

The following table reflects the continuity of share purchase options for the nine-month period ended September 30, 2020:

	Number of options	Weighted Average Exercise Price
As at December 31, 2019	5,858,957	1.59
Granted	269,221	2.31
Exercised	(1,151,754)	1.45
Forfeited	(111,110)	2.14
Expired	(3,333)	9.00
As at September 30, 2020	**4,861,981**	**$1.64**

The fair value of options granted was calculated using the Black-Scholes option pricing model, using the following weighted average assumptions:

	Nine months ended September 30, 2020
Number of options granted	269,221
Share price	$2.31
Exercise price	$2.31
Risk free interest rate	0.7%
Expected life	3.7 years
Expected volatility	105%
Expected dividends	nil

(Expressed in thousands of Canadian dollars, unless otherwise indicated)

As at September 30, 2020, the Corporation had the following share purchase options outstanding:

		Options Outstanding			Options Exercisable	
Exercise Price Range	Number of Options	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number of Options	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price
$0.40-$1.14	1,501,398	2.1	$0.95	1,501,398	2.1	$0.95
$1.15-$1.24	1,326,661	1.2	$1.22	1,326,661	1.2	$1.22
$1.25-$2.11	702,105	3.6	$1.63	254,331	2.9	$1.69
$2.12-$2.97	1,223,264	3.2	$2.71	699,871	3.1	$2.61
$2.98-$9.68	108,553	3.6	$4.46	33,553	0.6	$5.61
	4,861,981	**2.4**	**$1.64**	**3,815,814**	**2.0**	**$1.44**

During the nine months ended September 30, 2020, the Corporation recorded share-based payments expense of $0.8 million (September 30, 2019 - $0.7 million).

Deferred Share Units

The following table reflects the continuity of deferred share units for the nine-month period ended September 30, 2020:

	Number of Deferred Share Units
As at December 31, 2019	174,292
Granted	145,055
Settled	(15,332)
As at September 30, 2020	**304,015**

As at September 30, 2020, all 304,015 deferred share units were vested and the weighted average exercise price of the deferred share units was nil.

The Corporation recorded a liability of $1.2 million (December 31, 2019 - $0.4 million) to recognize the estimated fair value as at September 30, 2020 in share incentive plan obligations in the Interim Consolidated Statement of Financial Position.

(Expressed in thousands of Canadian dollars, unless otherwise indicated)

Restricted Share Units

The following table reflects the continuity of restricted share units for the nine-month period ended September 30, 2020:

	Number of Restricted Share Units
As at December 31, 2019	3,052,343
Granted	1,430,591
Settled for shares	(84,244)
Settled for cash	(245,472)
Forfeited	(38,890)
As at September 30, 2020	**4,114,328**

Included in the 4,114,328 restricted share units outstanding as at September 30, 2019, are 2,128,169 units that can only be settled for cash.

As at September 30, 2020, the weighted average remaining contractual life of the outstanding restricted share units was 2.2 years and 1,198,191 restricted share units were vested with a remaining contractual life of 1.6 years. The weighted average exercise price of the restricted share units is nil.

The Corporation recorded a liability of $8.0 million (December 31, 2019 - $2.6 million) to recognize the estimated fair value as at September 30, 2020 of the RSUs in share incentive plan obligations on the statement of financial position.

During the nine months ended September 30, 2020, the Corporation recorded share-based payments expense of $0.4 million (December 31, 2019 - nil) related to RSUs which can only be settled with equity.

Share Appreciation Rights

As at September 30, 2019, there were 40,443 share appreciation rights outstanding and there was no activity during the nine-month period then ended. The weighted average remaining contractual life of the outstanding share appreciation rights is 1.2 years and all share appreciation rights are vested.

The weighted average fair value of the share appreciation rights outstanding at the end of the period, as estimated as at September 30, 2020, was $2.88 per unit. These calculations used the Black-Scholes option pricing model, using the following assumptions:

	Nine months ended September 30, 2020
Share price	$3.81
Base price	$1.80
Risk free interest rate	0.3%
Expected life	2.2 years
Expected volatility	121%
Expected dividends	nil

(Expressed in thousands of Canadian dollars, unless otherwise indicated)

The Corporation recorded a liability of $0.1 million (December 31, 2019 - $0.1 million) to recognize the estimated fair value as at September 30, 2020 of the cash settled SARs in other non-current liabilities and provisions in the Interim Consolidated Statement of Financial Position.

Performance Share Units

Under the plan, the redemption of vested performance share units ("**PSUs**") shall take place no later than the third anniversary of the date of grant. PSUs vest based on certain performance criteria and, if vested, will be redeemed for fully paid common shares of the Corporation. The vesting criteria are based on the total shareholder return ("**TSR**") of the common shares of the Corporation relative to the TSR of the S&P/TSX Global Gold Index (the "**Index**") over a 3 year period (the "**Performance Period**"). The value of the PSUs at the end of the Performance Period will be calculated based on the value of the Corporation's common shares and the number of PSUs that ultimately vest. The expense for the PSUs is recorded in the statement of comprehensive loss in general and administrative expenses and credited to contributed surplus in the Interim Consolidated Statement of Financial Position.

The fair value of the PSUs was determined using a Monte Carlo simulation approach. This approach uses random numbers, together with various market assumptions to generate potential future outcomes for share prices using Geomotric Brownian Motion which is an industry standard method for simulating the expected future path of share prices. The following assumptions were used as at September 30, 2020:

	August 12, 2020
Share price	$3.64
Risk free interest rate	0.6%
Expected life	3 years
Expected volatility	86.7%
Expected dividends	nil

(Expressed in thousands of Canadian dollars, unless otherwise indicated)

During the nine months ended September 30, 2020, the Corporation issued 855,510 performance share units. The weighted average remaining contractual life of the outstanding share appreciation rights is 2.9 years and no awards were vested.

During the nine months ended September 30, 2020, the Corporation recorded share-based payments expense of $0.4 million (September 30, 2019 - nil) related to equity-settled PSUs.

16. FINANCE EXPENSE, NET

	Three months ended,		Nine months ended,	
For the periods ended September 30,	**2020**	2019	**2020**	2019
Interest expense	**$1,112**	$821	**$2,449**	$1,097
Accretion on debt and finance leases	**188**	235	**702**	601
Interest income	**(31)**	15	**(132)**	-
	$1,269	$1,071	**$3,019**	$1,698

17. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities approximate their fair values due to their relatively short periods to maturity. Derivative financial instruments (note 11) are recorded at fair value at the end of each reporting period. With respect to debt balances (note 9), carrying values and fair values are as follows:

As at	**September 30, 2020**		December 31, 2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
IQ Loan (level 2)	**$294**	**$294**	$324	$324
Bridge loan (level 2)	**$31,205**	**$32,000**	$30,573	$32,000
Morgan Stanley Participation Royalty (level 3)	**$7,440**	**$8,359**	$-	$-

18. SUPPLEMENTAL CASH FLOW INFORMATION

Other non-cash adjustments

	Three months ended,		Nine months ended,	
For the periods ended September 30,	**2020**	2019	**2020**	2019
Share of loss in associates	**$-**	$50	**$425**	$554
Accretion - asset retirement obligations	**77**	30	**170**	63
Accretion - long-term debt	**254**	225	**759**	530
Loss (gain) on sale of property, plant and equipment and mineral property interest	**(50)**	-	**11**	(270)
Gain on sale of investment	**(169)**	-	**(169)**	-
Unrealized loss (gain) on revaluation of marketable securities	**(1,384)**	79	**(1,372)**	79
Other	**104**	280	**142**	590
	$(1,168)	$664	**$(34)**	$1,546

(Expressed in thousands of Canadian dollars, unless otherwise indicated)

Other supplemental information

	Three months ended,		Nine months ended,	
For the periods ended September 30,	**2020**	2019	**2020**	2019
Interest received	**$34**	$9	**$139**	$24
Interest paid	**$1,071**	$623	**$2,410**	$899
Inccrease (decrease) of property, plant and equipment and mineral property interests in accounts payable and accrued liabilities	**$8,528**	$(1,307)	**$8,302**	$(1,646)

19. SEGMENTED INFORMATION

The Corporation has production and exploration and evaluation activities in Australia.

For the three months ended September 30, 2020	Beta Hunt Gold/Nickel Mine Australia	HGO Gold Mine/Mill Australia	Intersegment Elimination (1)	All Other	Total
Revenues	$38,108	$28,220	$(6,923)	$-	$59,405
Production and processing costs	18,526	16,429	(6,923)	-	28,032
Royalty expense	2,781	202	-	-	2,983
General and administrative: share-based payments	-	-	-	6,702	6,702
General and administrative: other	872	705	-	1,809	3,386
Depreciation and amortization	2,065	3,117	-	-	5,182
Impairment reversal	(36,087)	-	-	-	(36,087)
Operating earnings (loss)	$49,951	$7,767	-	($8,511)	$49,207

1) Eliminates the revenues of HGO in respect of toll processing services provided to Beta Hunt Gold Mine.

For the nine months ended September 30, 2020	Beta Hunt Gold/Nickel Mine Australia	HGO Gold Mine/Mill Australia	Intersegment Elimination (1)	All Other	Total
Revenues	$115,290	$74,103	$(19,606)	$-	$169,787
Production and processing costs	55,358	45,341	(19,606)	-	81,093
Royalty expense	10,015	2,419	-	-	12,434
General and administrative: share-based payments	-	-	-	8,748	8,748
General and administrative: other	2,634	2,188	-	6,368	11,190
Depreciation and amortization	5,773	8,935	-	-	14,708
Impairment reversal	(36,087)	-	-	-	(36,087)
Operating earnings (loss)	$77,597	$15,220	-	($15,116)	$77,701

1) Eliminates the revenues of HGO in respect of toll processing services provided to Beta Hunt Gold Mine.

As at September 30, 2020					
Property, plant and equipment and mineral property interests	$103,785	$118,708	$-	$553	$223,046
Total assets	112,925	155,741	-	47,183	315,849

As at December 31, 2019					
Property, plant and equipment and mineral property interests	$33,956	$64,854	$-	$145	$98,955
Total assets	58,930	80,946	-	37,901	177,777

(Expressed in thousands of Canadian dollars, unless otherwise indicated)

For the three months ended September 30, 2019 [1]

	Beta Hunt Gold/Nickel Mine Australia	HGO Gold Mine/Mill Australia	Intersegment Elimination (2)	All Other	Total
Revenues	$32,301	$19,234	$(8,443)	$-	$43,092
Production and processing costs	22,081	13,032	(8,443)	-	26,670
Royalty expense	3,062	259	-	-	3,321
General and administrative: share-based payments	-	-	-	(1,344)	(1,344)
General and administrative: other	312	507	-	2,439	3,258
Depreciation and amortization	1,677	1,431	-	-	3,108
Operating earnings (loss)	$5,169	$4,005	-	($1,095)	$8,079

1) Segment information has been restated to aggregate the Beta Hunt Gold Mine and Beta Hunt Nickel Mine segments.

2) Eliminates the revenues of HGO in respect of toll processing services provided to Beta Hunt Gold Mine.

For the nine months ended September 30, 2019 [1]

	Beta Hunt Gold/Nickel Mine Australia	HGO Gold Mine/Mill Australia	Intersegment Elimination (2)	All Other	Total
Revenues	$58,928	$21,816	$(9,567)	$27	$71,204
Production and processing costs	39,553	17,226	(9,567)	-	47,212
Royalty expense	5,610	259	-	-	5,869
General and administrative: share-based payments	-	-	-	1,123	1,123
General and administrative: other	947	556	-	8,185	9,688
Depreciation and amortization	3,109	1,948	-	-	5,057
Operating earnings (loss)	$9,709	$1,827	-	($9,281)	$2,255

1) Segment information has been restated to aggregate the Beta Hunt Gold Mine and Beta Hunt Nickel Mine segments.

2) Eliminates the revenues of HGO in respect of toll processing services provided to Beta Hunt Gold Mine.

20. SUBSEQUENT EVENTS

On November 9, 2020, one of the subsidiaries of the Corporation completed a re-purchase of the 3% gross gold royalty held by Ramelius Resources Limited in respect of Spargos tenements by payment of AUD$3 million ($2.9 million), satisfied with AUD$2 million ($1.9 million) in cash and 264,187 common shares of the Corporation.