SAMA RESOURCES INC./RESSOURCES SAMA INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended December 31, 2014 and 2013

(Unaudited)

(Expressed in Canadian Dollars)

TSXV: SME

SAMA RESOURCES INC./RESSOURCES SAMA INC.

INDEX

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

SAMA RESOURCES INC./RESSOURCES SAMA INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

		December 31, 2014		September 30, 2014
ASSETS				
Current assets				
Cash	$	1,355,382	$	443,461
Prepaid expenses and deposits		30,676		48,295
Taxes receivable		10,314		41,036
Other amounts receivable		3,899		3,474
		1,400,271		536,266
Property and equipment (Note 4)		816,021		859,146
Exploration and evaluation assets (Note 3)		18,956,093		18,724,018
Total assets	$	21,172,385	$	20,119,430
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	$	404,541	$	317,504
Share subscriptions received		15,400		-
		419,941		317,504
SHAREHOLDERS' EQUITY				
Capital (Note 5)		25,771,049		24,513,633
Contributed surplus		2,241,383		2,186,912
Deficit		(7,259,988)		(6,898,619)
Total shareholders' equity		20,752,444		19,801,926
Total liabilities and shareholders' equity	$	21,172,385	$	20,119,430

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
COMMITMENTS (Notes 3 and 9)
EVENTS AFTER THE REPORTING PERIOD (Note 12)

These condensed interim consolidated financial statements were approved for issue by the Audit Committee of the Board of Directors on February 26, 2015 and are signed on its behalf by:

Signed: *"James Gervais"* , Director

Signed: *"Todd Hilditch"* , Director

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

SAMA RESOURCES INC./RESSOURCES SAMA INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
THREE MONTHS ENDED DECEMBER 31, 2014 AND 2013
(Unaudited - Expressed in Canadian Dollars)

	2014	2013
EXPENSES		
Depreciation	$ 1,355	$ 1,284
Consulting	64,004	42,468
Foreign exchange	(4,345)	15,827
Insurance	7,523	8,301
Investor relations	12,015	5,317
Professional fees	48,583	30,998
Directors fees	6,500	6,500
Office supplies, utilities and rent	29,621	25,665
Office administration	115,515	137,678
Shareholder information	1,284	1,437
Stock-based compensation	53,899	82,440
Transfer agent and filing fees	6,891	5,077
Travel	18,524	25,365
LOSS BEFORE OTHER ITEMS	361,369	388,357
OTHER ITEMS		
Interest income	-	5,858
LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	(361,369)	(382,499)
LOSS PER SHARE, BASIC AND DILUTED	$ (0.00)	$ (0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	93,982,756	73,715,715

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

SAMA RESOURCES INC./RESSOURCES SAMA INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED DECEMBER 31, 2014 AND 2013
(Unaudited - Expressed in Canadian Dollars)

	2014	2013
CASH PROVIDED FROM (USED FOR):		
OPERATING ACTIVITIES		
Loss for the period	$ (361,369)	$ (382,499)
Items not affecting cash:		
Depreciation	1,355	1,284
Stock-based compensation	53,899	82,440
	(306,115)	(298,775)
Changes in non-cash working capital balances:		
Other amounts receivable	(426)	(37,769)
Taxes receivable	30,722	(5,744)
Prepaid expenses and deposits	17,619	(3,822)
Accounts payable and accrued liabilities	25,128	(260,021)
	(233,072)	(606,131)
INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(128,395)	(252,103)
	(128,395)	(252,103)
FINANCING ACTIVITIES		
Issuance of common shares	1,278,440	-
Share subscriptions received	15,400	-
Share issue costs paid	(20,452)	-
	1,273,388	-
INCREASE (DECREASE) IN CASH DURING THE PERIOD	911,921	(858,234)
CASH, BEGINNING OF PERIOD	443,461	2,391,651
CASH, END OF PERIOD	$ 1,355,382	$ 1,533,417

SUPPLEMENTAL CASH FLOW INFORMATION (Note 8)

Interest paid in cash	$ -	$ -
Income taxes paid in cash	$ -	$ -

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

SAMA RESOURCES INC./RESSOURCES SAMA INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Unaudited - Expressed in Canadian Dollars)

	Number of common shares		Capital		Contributed Surplus		Deficit		Total Equity
Balance, September 30, 2013	86,557,998	$	23,378,966	$	1,886,776	$	(5,407,484)	$	19,858,258
Common shares issued for:									
Share-based compensation	-		-		82,440		-		82,440
Loss for the period	-		-		-		(382,499)		(382,499)
Balance, December 31, 2013	86,557,998	$	23,378,966	$	1,969,216	$	(5,789,983)	$	19,558,199
Balance, September 30, 2014	93,224,787	$	24,513,633	$	2,186,912	$	(6,898,619)	$	19,801,926
Common shares issued for:									
Cash – private placement (Note 5a)	5,811,092		1,278,440		-		-		1,278,440
Share issue costs	-		(21,024)		572		-		(20,452)
Share-based compensation	-		-		53,899		-		53,899
Loss for the period	-		-		-		(361,369)		(361,369)
Balance, December 31, 2014	99,035,879	$	25,771,049	$	2,241,383	$	(7,259,988)	$	20,752,444

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Sama Resources Inc./Ressources Sama Inc. ("Sama" or the "Company") is a Canadian-based mineral exploration and development business with activities in Africa. The Company was incorporated on July 11, 2006 under the Business Corporations Act of British Columbia. The Company's common shares are listed on the TSX Venture Exchange (the "TSX-V") under the trading symbol "SME.V". On May 13, 2013, the Company continued its jurisdiction of incorporation from British Columbia into the federal jurisdiction of Canada under the Canada Business Corporations Act. The Company's principal office is located at #1825 – 1055 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2E9. Based on the information available to date, the Company has not yet determined whether its mineral properties contain economically recoverable reserves. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete exploration and development programs and, ultimately, upon future profitable production.

The Company's exploration and evaluation assets are located in the Republic of Côte d'Ivoire ("Côte d'Ivoire") and the Republic of Guinea ("Guinea"), Africa, and hence are subject to the risks normally associated with foreign investment including unanticipated changes in taxes and royalties, renegotiation of contracts, foreign currency fluctuations and political uncertainties.

The accompanying condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, Management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. Management is aware in making its assessment of material uncertainties related to events and conditions that lend a significant doubt upon the Company's ability to continue as a going concern and accordingly, the appropriateness of the use of IFRS applicable to a going concern. These financial statements do not reflect the adjustment to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary were the going concern assumption would not be appropriate. These adjustments could be material.

The Company had working capital of $980,330 and an accumulated deficit of $7,259,988 as at December 31, 2014, and a net cash inflow from operating, financing and investing activities of $911,921 for the period ended December 31, 2014.

In addition to ongoing working capital requirements, the Company must secure sufficient funding to meet its obligations and existing commitments for exploration and evaluation programs and pay general and administration costs. Management considers current funds are insufficient for the Company to continue operating. Any future funding shortfall may be met in a number of ways, including the issuance of new equity instruments, cost reductions and other measures. While Management has been successful in securing financing in the past, there can be no assurance it will be able to do so in the future, that such sources of funding or initiatives will be available to the Company or that they will be available on terms acceptable to the Company. If Management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets might be less than amounts reflected in these financial statements.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The Company's condensed interim consolidated financial statements have been prepared in accordance with IFRS applicable to the preparation of interim statements, including IAS 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB").

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The accounting policies followed in these condensed interim consolidated financial statements are consistent with those applied in the Company's annual consolidated financial statements for the year ended September 30, 2014. These condensed interim consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended September 30, 2014 which have been prepared according to IFRS as issued by the IASB. The Audit Committee of the Board of Directors authorized for publication the condensed interim consolidated financial statements on February 26, 2015.

(b) Accounting standards and interpretations issued but not yet adopted

i) IFRS 9 – Financial instruments, classification and measurement

In July 2014, the IASB issued IFRS 9 – Financial Instruments. The IASB has previously published versions of IFRS 9 that introduced new classification and measurement requirements (in 2009 and 2010) and a new hedge accounting model (in 2013). The July 2014 publication represents the final version of the Standard, replaces earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39 – Financial Instruments: Recognition and Measurement.

This standard replaces the current multiple classification and measurement models for financial assets and liabilities with a single model that has only two classification categories: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset or liability and own credit. The standard introduces a new, expected loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new Standard requires entities to account for expected credit losses from when financial instruments are first recognized and it lowers the threshold for recognition of full lifetime expected losses. The new standard also introduces a substantially-reformed model for hedge accounting with enhanced disclosures about risk management activity and aligns hedge accounting more closely with risk management. The new standard is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. The extent of the impact of adoption of IFRS 9 has not yet been determined.

(ii) IFRIC 21, Levies ("IFRIC 21")

In May 2013, the IASB issued IFRIC 21, which is effective for annual periods beginning on or after January 1, 2014 and is to be applied retrospectively. IFRIC 21 provides guidance on accounting for levies in accordance with IAS 37, Provisions, Contingent Liabilities and Contingent Assets. The interpretation defines a levy as an outflow from an entity imposed by a government in accordance with legislation and confirms that an entity recognizes a liability for a levy only when the triggering event specified in the legislation occurs. The Company will adopt IFRIC 21 in its consolidated financial statements for the annual period beginning January 1, 2014. The extent of the impact of adoption of IFRIC 21 has not yet been determined.

3. EXPLORATION AND EVALUATION ASSETS

A. **Samapleu Property**

On January 15, 2009 ("Effective Date"), Sama Nickel entered into a Syndicate Agreement ("SA") with La Société pour le Développement Minier de la Côte d'Ivoire ("SODEMI"), a parastatal organization, whereby Sama Nickel has indicated a particular interest in the exploration of an area covered by Permit No. 123 ("PR123"), held by SODEMI, located in Côte d'Ivoire. PR123 encompasses approximately 446 square kilometres.

3. EXPLORATION AND EVALUATION ASSETS (Cont'd)

Upon execution of the SA, Sama Nickel became responsible to finance exploration work programs on behalf of the SA during the exploration phase of the project through completion of a Bankable Feasibility Study ("BFS"). SODEMI will not contribute to work conducted under the SA.

Under the terms of the SA, Sama Nickel and SODEMI have agreed to complete an exploration program of F CFA 553,045,495 (approximately $1,110,000 as at May 13, 2010) by May 13, 2010 in the evaluation of PR123 (completed). On October 25, 2010, Sama Nickel and SODEMI renewed certain terms of PR123 and have agreed to complete an exploration program of F CFA 5,323,576,000 (approximately $10,440,000 as at October 25, 2012) by October 25, 2012 (completed). On October 31, 2012, Sama Nickel and SODEMI renewed certain terms of PR123 and have agreed to complete an exploration program of F CFA 2,272,500,000 (approximately $4,863,150 as at December 31, 2014) by October 31, 2015.

Upon completion of the BFS, the Advisory Committee ("AC"), which consists of two Sama Nickel representatives and two SODEMI representatives, will conclude on the feasibility of the project. If the AC decides to proceed with the project, an Exploitation Entity ("EE") will be established whereby future funding will be split between Sama Nickel and SODEMI at 66.7% and 33.3%, respectively. The EE will reimburse SODEMI for any costs associated with previous exploration work conducted up to a maximum of F CFA 834,999,457 (approximately $1,786,899 as at December 31, 2014) and will reimburse Sama Nickel for costs associated with exploration work conducted between the Effective Date and the approval of the BFS subject to the approval of the AC.

If the AC decides not to proceed with the project, SODEMI may, at its sole discretion, terminate the SA and SODEMI would become the owner of all results of the exploration works and all studies associated with infrastructures, for no financial consideration.

The Samapleu Property is subject to a 1% net smelter return royalty.

B. **Lola Property**

On November 5, 2010, the Company obtained three licenses to explore a combined 1,212 square kilometres of property in Guinea. On November 21, 2013, the Company obtained five new licenses to explore a combined 473 square kilometres within the previously held three licenses to explore a combined 1,212 square kilometres. The Company strategically reduced the Lola Property land package by 739 square kilometres during the year ended September 30, 2013. All five licenses have been renewed for a two year term effective to November 21, 2015.

The Lola Property is 100% owned by the Company and is located in eastern Guinea and is adjacent to the Samapleu Property across the border in Côte d'Ivoire.

C. **Lola Graphite Property**

On September 2, 2013, the Company obtained four licenses to explore a combined 380 square kilometres of property in Guinea. The Company has agreed to complete an exploration program of GNF 8,020,000,000 (approximately $1,353,127 as at December 31, 2014) by September 2, 2016. The Lola Graphite Property is 100% owned by the Company and is located in eastern Guinea and is adjacent to the Samapleu Property across the border in Côte d'Ivoire.

D. **Worofla Property**

On November 7, 2012, the Company obtained Permit No. 301 ("PR301") which covers 400 square kilometres of property in Côte d'Ivoire.

In accordance with PR301, the Company must incur expenditure commitments of F CFA 353,000,000 (approximately $755,420 as at December 31, 2014) before November 7, 2015. The Worofla Property is 100% owned by the Company and is located 130 kilometres northeast of the Samapleu Property.

(Unaudited - Expressed in Canadian Dollars)

3. EXPLORATION AND EVALUATION ASSETS (Cont'd)

E. Zérégouiné Property

On December 19, 2012, the Company obtained Permit No. 300 ("PR300") which covers 394 square kilometres of property in Côte d'Ivoire.

In accordance with PR300, the Company must incur expenditure commitments of F CFA 640,000,000 (approximately $1,369,600 as at December 31, 2014) before December 19, 2015. The Zérégouiné Property is 100% owned by the Company and is adjacent to the Samapleu Property.

Summary:

	December 31, 2014	Activity	September 30, 2014	Activity	September 30, 2013
Samapleu Property					
Property acquisition costs and option payments	$ 4,432,484	$ -	$ 4,432,484	$ -	$ 4,432,484
Assaying	111,925	-	111,925	-	111,925
Geology and prospecting	2,121,590	41,239	2,080,351	183,520	1,896,831
Geophysics	1,043,944	-	1,043,944	64,173	979,771
Geochemistry	509,624	(7,070)	516,694	16,201	*500,493*
Drilling	4,571,741	11,620	4,560,121	317,112	4,243,009
Metallurgical tests	138,091	10,400	127,691	30,845	96,846
Camp operations, field supplies and expenses	4,059,629	77,277	3,982,352	760,690	3,221,662
	16,989,028	133,466	16,855,562	1,372,541	15,483,021
Lola Property					
Geology and prospecting	304,463	-	304,463	20,642	283,821
Geochemistry	-	-	-	(2,068)	2,068
Geophysics	16	-	16	16	-
Drilling	113,290	454	112,836	25,540	87,296
Camp operations, field supplies and expenses	777,852	24,678	753,174	244,968	508,206
	1,195,621	25,132	1,170,489	289,098	881,391
Lola Graphite Property					
Geology and prospecting	26,124	7,625	18,499	17,136	1,363
Geochemistry	12,140	-	12,140	12,140	-
Metallurgical tests	5,345	3,277	2,068	2,068	-
Camp operations, field supplies and expenses	4,045	-	4,045	4,045	-
	47,654	10,902	36,752	35,389	1,363
Worofla Property					
Geology and prospecting	1,364	-	1,364	-	1,364
Geophysics	5,912	-	5,912	-	5,912
Camp operations, field supplies, and expenses	3,399	-	3,399	2,594	805
	10,675	-	10,675	2,594	8,081

(Unaudited - Expressed in Canadian Dollars)

3. EXPLORATION AND EVALUATION ASSETS (Cont'd)

	December 31, 2014	Activity	September 30, 2014	Activity	September 30, 2013
Zérégouiné Property					
Geology and prospecting	115,456	24,079	91,377	77,072	14,305
Drilling	225,274	9,512	215,762	166,134	49,628
Geophysics	110,982	-	110,982	4,417	106,565
Geochemistry	8,674	-	8,674	4,908	3,766
Camp operations, field supplies, and expenses	252,729	28,984	223,745	180,608	43,137
	713,115	62,575	650,540	433,139	217,401
Total exploration and evaluation assets	$ 18,956,093	$ 232,075	$ 18,724,018	$ 2,132,761	$ 16,591,257

4. PROPERTY AND EQUIPMENT

	Exploration Equipment	Furniture	Software	Computer Equipment	Land and Buildings	Total
Cost						
Balance, September 30, 2013	$ 1,314,108	$ 22,815	$ 29,079	$ 15,228	$ 41,861	$ 1,423,091
Additions (disposals)	27,972	6,869	-	2,879	-	37,720
Balance, September 30, 2014	1,342,080	29,684	29,079	18,107	41,861	1,460,811
Additions (disposals)	-	-	-	-	-	-
Balance, December 31, 2014	$ 1,342,080	$ 29,684	$ 29,079	$ 18,107	$ 41,861	$ 1,460,811
Accumulated Depreciation						
Balance, September 30, 2013	$ 339,545	8,640	$ 29,079	$ 8,673	$ 4,138	$ 390,075
Depreciation	197,549	4,251	-	2,402	7,388	211,590
Balance, September 30, 2014	537,094	12,891	29,079	11,075	11,526	601,665
Depreciation	40,263	836	-	519	1,507	43,125
Balance, December 31, 2014	$ 577,358	$ 13,726	$ 29,079	$ 11,594	$ 13,033	$ 644,790
Carrying Value						
Balance, September 30, 2013	$ 974,563	$ 14,175	$ -	$ 6,555	$ 37,723	$ 1,033,016
Balance, September 30, 2014	$ 804,986	$ 16,793	$ -	$ 7,032	$ 30,335	$ 859,146
Balance, December 31, 2014	$ 764,722	$ 15,958	-	$ 6,513	$ 28,828	$ 816,021

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

(Unaudited - Expressed in Canadian Dollars)

5. CAPITAL

A. SHARES ISSUED

Authorized:
Unlimited number of voting common shares without par value.

Private Placements

On December 19, 2014, the Company completed the first tranche of a non-brokered private placement of 5,811,092 units at a price of $0.22 per unit for total gross proceeds of $1,278,440. Each unit is comprised of one common share and one share purchase warrant. Each warrant will entitle the holder to purchase for a period of twenty-four months from the date of issuance, one additional share for $0.28. The Company paid a cash commission of approximately $990 in finder's fees and issued 4,500 finder's warrants in connection with the non-brokered private placement. Each finder's warrant will entitle the holder thereto to purchase for a period of twenty-four months one additional common share at an exercise price of $0.28. The fair value of the 4,500 finders' warrants was estimated at $572 using the Black & Scholes option pricing formula with the following assumptions: expected dividend yield 0%, expected volatility 124.19%, risk free rate of return 1.04%, and expected maturity of two years.

On June 23, 2014, the Company completed the second tranche of a non-brokered private placement of 2,777,890 units at a price of $0.18 per unit for total gross proceeds of $500,020. Each unit is comprised of one common share and one-half of one share purchase warrant. Each whole warrant will entitle the holder to purchase for a period of twenty-four months from the date of issuance, one additional share for $0.20.

On May 16, 2014, the Company completed the first tranche of a non-brokered private placement of 3,888,899 units at a price of $0.18 per unit for total gross proceeds of $700,002. Each unit is comprised of one common share and one-half of one share purchase warrant. Each whole warrant will entitle the holder to purchase for a period of twenty-four months from the date of issuance, one additional share for $0.20. The Company paid a cash commission of approximately $25,800 in finder's fees and issued 143,100 finder's warrants in connection with the non-brokered private placement. Each finder's warrant will entitle the holder thereto to purchase for a period of twenty-four months one additional common share at an exercise price of $0.20. The fair value of the 143,100 finders warrants was estimated at $22,193 using the Black & Scholes option pricing formula with the following assumptions: expected dividend yield 0%, expected volatility 120.82%, risk free rate of return 1.04%, and expected maturity of two years.

B. SHARE PURCHASE WARRANTS

A summary of the Company's share purchase warrants and the changes for the period ended December 31, 2014 and year ended September 30, 2014 are as follows:

	Number of Warrants	Weighted average exercise price
As at September 30, 2013	11,518,039	0.3765
Expired	(6,412,500)	0.3000
Granted May 16, 2014	2,087,549	0.2000
Granted June 23, 2014	1,388,945	0.2000
As at September 30, 2014	8,582,033	$0.3621
Granted December 19, 2014	5,815,592	0.2800
As at December 31, 2014	14,397,625	$0.3289

(Unaudited - Expressed in Canadian Dollars)

5. CAPITAL (Cont'd)

A summary of the Company's share purchase warrants as at December 31, 2014 is as follows:

Number	Exercise Price	Expiry Date
5,105,539	$ 0.4725	December 22, 2015
1,388,945	0.2000	May 16, 2016
2,087,549	0.2000	June 23, 2016
5,815,592	0.2800	December 19, 2016
14,397,625	$ 0.3289	

C. STOCK OPTIONS

The Company has adopted a rolling stock option plan (the "Plan"), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The exercise price of each option ("Option") shall not be less than the closing price of the common shares on the trading day immediately preceding the day on which the Option is granted, less any discount permitted by the TSX-V and, in any event, the exercise price per Option will not be less than $0.05, being the minimum exercise price allowable under TSX-V policy.

A summary of the Company's stock options and the changes for the period ended December 31, 2014 and year ended September 30, 2014 are as follows:

	Number of Options	Weighted average exercise price
As at September 30, 2013	7,222,500	$0.32
Granted	1,275,000	0.23
Expired	(362,500)	0.39
As at September 30, 2014	8,135,000	$0.31
Granted	300,000	0.28
As at December 31, 2014	8,435,000	$0.30

During the period ended December 31, 2014, the Company granted 300,000 stock options to consultants of the Company. The weighted average grant-date fair value of the stock options granted in the period is $0.13.

During the year ended September 30, 2014, the Company granted 1,275,000 stock options to employees, officers, directors and consultants of the Company and 362,500 options expired. The weighted average grant-date fair value of the stock options granted in the year is $0.13.

The weighted average fair value of the stock options granted was determined by using the Black-Scholes option pricing model with the following assumptions:

	December 31, 2014	September 30, 2014
Risk-free interest rate	1.18%	1.26% – 1.67%
Estimated volatility	111.8%	109.3% – 110.0%
Expected life	3.52 years	3.25 – 3.29 years
Expected dividend yield	0.00%	0.00%

(Unaudited - Expressed in Canadian Dollars)

5. CAPITAL (Cont'd)

As at December 31, 2014, the Company had outstanding stock options enabling holders to acquire common shares of the Company as follows:

Number Outstanding	Number Exercisable	Exercise Price	Expiry Date
1,000,000	1,000,000	$ 0.33	March 25, 2015
250,000	250,000	0.42	April 25, 2015
150,000	150,000	0.40	July 19, 2015
100,000	100,000	0.40	November 23, 2015
200,000	200,000	0.35	December 20, 2015
250,000	250,000	0.47	May 5, 2016
400,000	400,000	0.35	August 25, 2016
225,000	225,000	0.38	January 29, 2017
400,000	400,000	0.35	February 12, 2017
1,400,000	1,400,000	0.32	June 6, 2017
1,000,000	1,000,000	0.33	October 14, 2017
85,000	85,000	0.22	January 22, 2018
1,400,000	1,400,000	0.22	June 3, 2018
100,000	100,000	0.27	October 24, 2018
1,175,000	587,500	0.23	January 21, 2019
300,000	75,000	0.275	October 15, 2019
8,435,000	7,622,500		

6. RELATED PARTY DISCLOSURES

(a) Transactions with key management personnel:

During the period ended December 31, 2014, the Company paid consulting fees of $29,644 (2013 – $27,790) and office administration fees of $11,250 (2013 – $11,900) to officers and directors or corporations controlled by officers and directors.

During the period ended December 31, 2014 the Company paid exploration and evaluation fees of $37,001 (2013 – $37,001) to a corporation controlled by a director. All of these fees have been capitalized to the Company's exploration and evaluation assets.

During the period ended December 31, 2014, the Company incurred stock-based compensation of $20,418 (2013 – $58,462) to officers and directors.

As at December 31, 2014, $39,609 (2013 – $20,527) is due to corporations controlled by a director or officer. These amounts are included in accounts payable and accrued liabilities.
Termination and Change of Control Provisions

Certain employment agreements between the executive team and the Company contain termination without cause and change of control provisions. Assuming that all members of the executive team had been terminated without cause on December 31, 2014, the total amounts payable to the executive team in respect of severance would have totaled $266,576. If a change of control had occurred on December 31, 2014, the total amounts payable to the executive team in respect of severance, if elected by each executive team member would have totaled $81,576.

6. RELATED PARTY DISCLOSURES (Cont'd)

(b) Transactions with other related parties:

During the period ended December 31, 2014, the Company paid $2,395 (2013 – $1,597) to corporations with a director or officers in common, for office supplies, utilities and rent.

During the period ended December 31, 2014, the Company paid $6,500 (2013 – $6,500) in directors' fees.

7. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

(a) Credit risk:

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company views credit risk on other amounts receivable as minimal. The Company is also exposed to credit concentration risk by holding cash. This risk is minimized by holding cash balances with large Canadian financial institutions.

(b) Liquidity risk:

The Company manages its liquidity risk by using budgets that enable it to determine the amounts required to fund its E&E programs. The Company also ensures that it has sufficient working capital available to meet its day-to-day commitments.

As at December 31, 2014, the Company had cash of $1,355,382 ($443,461 as at September 30, 2014) to settle current liabilities of $419,941 ($317,504 as at September 30, 2014).

As at December 31, 2014, Management estimates that funds available will not be sufficient to meet the Company's obligations and budgeted expenditures through September 30, 2015 (Note 1).

Any funding shortfall may be met in the future in a number of ways including but not limited to, the issuance of new equity instruments, further expenditures reductions or other measures. While Management has been successful in securing financing in the past, there can be no assurance it will be able to do so in the future or that these sources of funding or initiatives will be available for the Company or that they will be available on terms which are acceptable to the Company. If Management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets might be less than amounts reflected in these financial statements.

(c) Fair value

The Company's financial assets and liabilities approximate their fair values due to their relatively short periods to maturity.

(d) Market risk

(i) Foreign exchange risk:

As at December 31, 2014 and 2013, the majority of the Company's cash balances were held in Canada in Canadian dollars. As a result, the Company's exposure to fluctuations in foreign exchange rates on cash is limited.

(Unaudited - Expressed in Canadian Dollars)

7. FINANCIAL RISK FACTORS (Cont'd)

The Company enters into contracts for drilling and other services denominated in CFA and other currencies. These contracts are generally short term in nature. Management believes that the Company is not exposed to significant fluctuations in foreign exchange rates over the life of these contracts.

(ii) Commodity price risk:

Commodity price risk is the risk that the fair value or expected future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for minerals are impacted by world economic events that dictate the levels of supply and demand as well as the relationship between the Canadian and other currencies, as outlined above. As the Company has not yet developed commercial mineral interests, its exposure to commodity price risk at this time is limited. However, the Company is indirectly exposed to commodity price risk as it impacts the Company's access to capital and funding.

(iii) Interest rate risk:

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of cash is limited because of its short-term investment nature. A variable rate of interest is earned on cash and changes in market interest rates at the period end would not have a material impact on the Company's financial statements. Based on the cash balances held at December 31, 2014, a one percent interest rate fluctuation is expected to impact the net loss by $13,554 on an annual basis.

8. SUPPLEMENTAL CASH FLOW INFORMATION

The following significant non-cash transactions have been excluded from the statements of cash flows:

	Period ended December 31, 2014	Period ended December 31, 2013
E&E included in accounts payable and accrued liabilities	$ 320,416	$ 284,037
Depreciation included in E&E	41,770	57,525
Finders warrants included in share issue costs	572	-

9. COMMITMENTS

The Company has an operating lease commitment for office premises in Vancouver, British Columbia, Canada, requiring basic annual rent payments of $32,346 to December 31, 2015; in Abidjan, Côte d'Ivoire, Africa, requiring basic annual rent payments of F CFA 5,400,000 (approximately $11,556 at December 31, 2014) to November 30, 2015; and in Conakry, Guinea, Africa, requiring basic annual rent payments of USD$15,600 to April 30, 2015.

Minimum annual payments relating to the above commitments in each of the next two fiscal years are as follows:

2015	38,959
2016	10,013

(Unaudited - Expressed in Canadian Dollars)

10. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which will allow it to pursue its exploration and evaluation activities. Therefore, the Company monitors the level of risk associated with its E&E assets relative to its capital structure.

The Company considers its capital structure to include working capital and shareholders' equity. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets and capital markets. In order to facilitate the management of capital and the exploration and evaluation of its E&E assets, the Company prepares annual expenditure budgets which are monitored and updated as considered necessary.

To maintain or adjust the capital structure, the Company may issue new equity if available on favorable terms, option its E&E assets for cash and/or expenditure commitments from optionees and enter into joint venture arrangements or dispose of E&E assets.

The Company is not subject to externally imposed capital requirements. There has been no change in the Company's approach to capital management during the year ended December 31, 2014.

11. OPERATING SEGMENTS

The Company operates in one reportable business segment: the exploration and evaluation of mineral properties. As at December 31, 2014 and September 30, 2014, the Company's assets are located in the two geographic areas as set out below:

	December 31, 2014		
	Canada	Côte d'Ivoire and Guinea	Total
Current assets	$ 1,351,871	$ 48,400	$ 1,400,271
Exploration and evaluation assets	-	18,956,093	18,956,093
Property and equipment	-	816,021	816,021
	$ 1,351,871	$ 19,820,514	$ 21,172,385

	September 30, 2014		
	Canada	Côte d'Ivoire and Guinea	Total
Current assets	$ 457,919	$ 78,347	$ 536,266
Exploration and evaluation assets	-	18,724,018	18,724,018
Property and equipment	-	859,146	859,146
	$ 457,919	$ 19,661,511	$ 20,119,430

12. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the period ended December 31, 2014, the Company closed the second tranche of a previously announced non-brokered private placement by issuing 180,909 units at a price of $0.22 per unit for gross proceeds of $39,800.