SAMA RESOURCES INC./RESSOURCES SAMA INC.

CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013

(Expressed in Canadian Dollars)

TSXV: SME

January 26, 2015

Independent Auditor's Report

To the Shareholders of Sama Resources Inc./Ressources Sama Inc.

We have audited the accompanying consolidated financial statements of Sama Resources Inc./ Ressources Sama Inc., which comprise the consolidated statement of financial position as at September 30, 2014 and the consolidated statements of comprehensive loss, changes in equity and cash flows for the year ended September 30, 2014, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility 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, 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.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Sama Resources Inc./Ressources Sama Inc.as at September 30, 2014 and its financial performance and its cash flows for the year ended September 30, 2014 in accordance with International Financial Reporting Standards.

Emphasis of matter
Without qualifying our opinion, we draw attention to note 1 in the consolidated financial statements which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about Sama Resources' ability to continue as a going concern.

Other matters
The consolidated financial statements of Sama Resources Inc./Ressources Sama Inc. as at September 30, 2013 and for the year then ended were audited by another auditor who expressed an unmodified opinion on those statements on January 22, 2014.

PricewaterhouseCoopers LLP[1]

[1] CPA Auditor, CA, public accountancy permit No. A110416

SAMA RESOURCES INC./RESSOURCES SAMA INC.

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CONSOLIDATED FINANCIAL STATEMENTS

SAMA RESOURCES INC./RESSOURCES SAMA INC.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

		September 30, 2014		September 30, 2013
ASSETS				
Current assets				
Cash	$	443,461	$	2,391,651
Prepaid expenses and deposits		48,295		42,832
Taxes receivable		41,036		87,707
Other amounts receivable		3,474		5,852
		536,266		2,528,042
Property and equipment (Note 5)		859,146		1,033,016
Exploration and evaluation assets (Note 4)		18,724,018		16,591,257
Total assets	$	20,119,430	$	20,152,315
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	$	317,504	$	294,057
SHAREHOLDERS' EQUITY				
Capital (Note 6)		24,513,633		23,378,966
Contributed surplus		2,186,912		1,886,776
Deficit		(6,898,619)		(5,407,484)
Total shareholders' equity		19,801,926		19,858,258
Total liabilities and shareholders' equity	$	20,119,430	$	20,152,315

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
COMMITMENTS (Notes 4 and 10)
EVENTS AFTER THE REPORTING PERIOD (Note 14)

These consolidated financial statements were approved for issue by the Board of Directors on January 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 consolidated financial statements.

SAMA RESOURCES INC./RESSOURCES SAMA INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
YEARS ENDED SEPTEMBER 30, 2014 AND 2013
(Expressed in Canadian Dollars)

	2014	2013
EXPENSES		
Depreciation	6,653	7,518
Consulting	195,960	180,991
Foreign exchange	30,437	54,911
Insurance	81,054	97,178
Investor relations	23,460	41,007
Professional fees	272,369	187,908
Directors fees	26,000	20,715
Office supplies, utilities and rent	115,892	132,664
Office administration	321,102	271,391
Shareholder information	18,110	25,977
Stock-based compensation	277,943	485,531
Transfer agent and filing fees	24,922	19,004
Travel	106,352	107,412
LOSS BEFORE OTHER ITEMS	1,500,254	1,632,207
OTHER ITEMS		
Interest income	9,119	35,584
LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	(1,491,135)	(1,596,623)
LOSS PER SHARE, BASIC AND DILUTED	$ (0.02)	$ (0.02)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	88,771,122	78,009,806

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

SAMA RESOURCES INC./RESSOURCES SAMA INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2014 AND 2013
(Expressed in Canadian Dollars)

		2014		2013
CASH PROVIDED FROM (USED FOR):				
OPERATING ACTIVITIES				
Loss for the year	$	(1,491,135)	$	(1,596,623)
Items not affecting cash:				
Depreciation		6,653		7,518
Stock-based compensation		277,943		485,531
		(1,206,539)		(1,103,574)
Changes in non-cash working capital balances:				
Other amounts receivable		2,378		45,274
Taxes receivable		46,671		35,968
Prepaid expenses and deposits		(5,463)		36,543
Accounts payable and accrued liabilities		(111,466)		21,274
		(1,274,419)		(964,515)
INVESTING ACTIVITIES				
Equipment additions		(37,720)		(481,567)
Exploration and evaluation expenditures		(1,792,911)		(3,087,007)
		(1,830,631)		(3,568,574)
FINANCING ACTIVITIES				
Issuance of common shares		1,200,022		2,572,650
Share issue costs paid		(43,162)		(63,316)
		1,156,860		2,509,334
INCREASE (DECREASE) IN CASH DURING THE YEAR		(1,948,190)		(2,023,755)
CASH, BEGINNING OF YEAR		2,391,651		4,415,406
CASH, END OF YEAR	$	443,461	$	2,391,651

SUPPLEMENTAL CASH FLOW INFORMATION (Note 9)

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

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

SAMA RESOURCES INC./RESSOURCES SAMA INC.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED SEPTEMBER 30, 2014 AND 2013
(Expressed in Canadian Dollars)

	Number of common shares		Capital		Contributed Surplus		Deficit		Total Equity
Balance, September 30, 2012	73,675,498	$	20,863,541	$	1,407,336	$	(3,810,861)	$	18,460,016
Common shares issued for:									
Cash – private placement (Note 6a)	12,825,000		2,565,000		-		-		2,565,000
Cash – exercise of share stock options (Note 6c)	57,500		7,650		-		-		7,650
Share issue costs	-		(63,316)		-		-		(63,316)
Share-based compensation	-		6,091		479,440		-		485,531
Loss for the year	-		-		-		(1,596,623)		(1,596,623)
Balance, September 30, 2013	86,557,998	$	23,378,966	$	1,886,776	$	(5,407,484)	$	19,858,258
Common shares issued for:									
Cash – private placement (Note 6a)	6,666,789		1,200,022		-		-		1,200,022
Share issue costs	-		(65,355)		22,193		-		(43,162)
Share-based compensation	-		-		277,943		-		277,943
Loss for the year	-		-		-		(1,491,135)		(1,491,135)
Balance, September 30, 2014	93,224,787	$	24,513,633	$	2,186,912	$	(6,898,619)	$	19,801,926

The accompanying notes are an integral part of these 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 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 $218,762 and an accumulated deficit of $6,898,619 as at September 30, 2014, and a net cash outflow from operating, financing and investing activities of $1,948,190 for the year ended September 30, 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 (Note 14).

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

These consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

The Company has consistently applied the same accounting policies throughout all the periods presented in these consolidated financial statements except as stated in item (o) below.

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

(b) Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

(c) Basis of consolidation

In addition to the Company, the consolidated financial statements include all subsidiaries. Subsidiaries are all corporations over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. Inter-company transactions and balances are eliminated upon consolidation. They are de-consolidated from the date that control by the Company ceases.

As at September 30, 2014, the subsidiaries of the Company are as follows:

Company	Location of Incorporation	Ownership Interest
Sama Nickel Corporation ("Sama Nickel")	Canada	100%
Sama Nickel Côte d'Ivoire SARL ("Sama CI")	Côte d'Ivoire	100%
Sama Resources Guinee SUCC ("Sama Guinee")	Guinea	100%

(d) Foreign currency translation

(i) Functional and presentation currency

The financial statements of each of the Company's subsidiaries are prepared in the local currency of their home jurisdictions. Consolidation of each subsidiary includes re-measurement from the local currency to the subsidiary's functional currency. Each subsidiary's functional currency, being the currency of the primary economic environment in which the subsidiary operates, is the Canadian dollar. The consolidated financial statements are presented in Canadian dollars.

(ii) Foreign currency transactions

Monetary assets and liabilities denominated in a foreign currency are translated at the exchange rate in effect at the financial position date, whereas non-monetary assets and liabilities denominated in a foreign currency are translated at the exchange rate in effect at the transaction date. Expenses denominated in a foreign currency are translated at the average rate in effect during the period with the exception of depreciation that is translated at the historical rate. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statements of comprehensive loss.

(e) Cash and cash equivalents

Cash is comprised of cash on hand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash that can be withdrawn at any time without penalty and which are subject to an insignificant risk of change in value.

(f) Exploration and evaluation ("E&E") assets

The Company is in the exploration stage with respect to its investment in exploration and evaluation assets and accordingly follows the practice of capitalizing all costs relating to the acquisition of, exploration for and development of mineral properties and crediting all proceeds received against the cost of the related properties. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable reserves.

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

The aggregate costs related to abandoned mineral properties are charged to operations at the time of any abandonment, or when it has been determined that there is evidence of a permanent impairment. E&E expenditures include overhead expenses directly attributable to the related activities.

The Company recognizes in income costs recovered on mineral properties when amounts received or receivable are in excess of the carrying amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, E&E assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets.

(g) Property and equipment

Equipment is carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Equipment is recorded at cost and depreciated as follows:

Computer equipment	30%	Declining balance method
Furniture	20%	Declining balance method
Software	100%	Declining balance method
Land and building	20%	Declining balance method
Exploration equipment	20%	Declining balance method

Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss in the consolidated statements of comprehensive loss. Depreciation is capitalized to E&E assets when related to a specific E&E project.

(h) Impairment of non-financial assets

At each financial position reporting date, the carrying amounts of the Company's non-financial assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An asset's recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

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

(i) Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable and unconditional right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. At initial recognition, the Company classifies its financial instruments in the following categories depending on the purpose for which the instruments were acquired:

Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognized at the amount expected to be received, less, when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are measured at amortized cost using the effective interest method less a provision for impairment.

Other financial liabilities are initially recognized at the amount required to be paid, less, when material, a discount to reduce to fair value. Other liabilities, if any, would be measured at amortized cost using the effective interest method.

The Company's financial instruments consist of the following:

Financial assets:	Classification:
Cash	Loans and receivables
Other amounts receivables	Loans and receivables
Financial liabilities:	**Classification:**
Accounts payable and accrued liabilities	Other financial liabilities

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Company recognizes an impairment loss, as follows:

Financial assets carried at amortized cost: The loss is the difference between the amortized cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

(j) Capital

Common shares issued by the Company are classified as equity. Costs directly attributable to the issue of common shares, share purchase warrants and share options are recognized as a deduction from equity, net of any related income tax effects.

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

(k) Equity financing

These equity financing transactions may involve issuance of common shares or units. Units typically comprise a certain number of common shares and share purchase warrants. Depending on the terms and conditions of the equity financing transaction, the warrants are exercisable into additional common shares at a price prior to expiry as stipulated by the terms of the transaction. The Company adopted a residual value method with respect to the measurement of common shares and share purchase warrants issued as private placement units. The fair value of the common shares issued in the private placements is determined by the closing quoted bid price on the price reservation date, if applicable, or the announcement date. The balance, if any, is allocated to the attached share purchase warrants.

(l) Share-based payments

The fair value, at the grant date, of equity-settled share-based awards is recognized as an expense over the period for which the benefits of employee and others providing similar services are expected to be received using the graded vesting method. The corresponding accrued entitlement is recorded in contributed surplus. The fair value of awards is calculated using the black and scholes option pricing model which considers the following factors:

- Exercise price
- Expected volatility
- Risk-free interest rate
- Expected life of the award
- Current market price of the underlying shares
- Expected forfeitures

The amount recognized as an expense is adjusted to reflect the actual number of share options for which the related service and vesting conditions are met. Consideration received on the exercise of share options is recorded as share capital and the related contributed surplus is transferred to share capital.

Share-based payment transactions with non-employees are measured at the fair value of the goods or services received. However, if the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the non-employee provides the goods or the services.

(m) Current and deferred income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income. Current tax expense, if any, is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

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

(n) Loss per share

Basic loss per share is computed by dividing loss available to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted loss per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on loss per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. The dilutive effect of outstanding options and warrants and their equivalents is reflected in diluted earnings per share by application of the treasury stock method.

(o) New accounting standards issued and in effect

The Company has adopted the following new and revised standards, along with any consequential amendments, effective October 1, 2013. These changes were made in accordance with the applicable transitional provisions.

The IASB issued or amended the following standards which are relevant: IFRS 10, Consolidated Financial Statements; IFRS 11, Joint Arrangements; IFRS 12, Disclosure of Interests in Other Entities; IFRS 13, Fair Value Measurement. Each of the new standards or amendments is effective for annual periods beginning on or after January 1, 2013 with early adoption permitted.

The following is a brief summary of the new standards or amendments:

i) IFRS 10, Consolidated Financial Statements ("IFRS 10")

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12, Consolidation – Special Purpose Entities and parts of IAS 27, Consolidated and Separate Financial Statements. The Company has assessed its consolidation conclusions on October 1, 2013 and determined that the adoption of IFRS 10 did not result in any change in the consolidation status of any of its subsidiaries.

ii) IFRS 11, Joint Arrangements ("IFRS 11")

IFRS 11 supersedes IAS 31, Interests in Joint Ventures and requires joint arrangements to be classified either as joint operations or joint ventures depending on the contractual rights and obligations of each investor that jointly controls the arrangement. For joint operations, a company recognizes its share of assets, liabilities, revenues and expenses of the joint operation. An investment in a joint venture is accounted for using the equity method as set in IAS 28, Investments in Associates and Joint Ventures ("IAS 28"). The adoption of IFRS 11 did not affect the Company's consolidated financial statements.

iii) IFRS 12, Disclosure of Interests in Other Entities ("IFRS 12")

IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose entities and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities. The adoption of IFRS 12 did not affect the Company's consolidated financial statements.

iv) IFRS 13, Fair Value Measurement ("IFRS 13")

IFRS 13, Fair value measurement, provides a single framework for measuring fair value. The measurement of the fair value of an asset or liability is based on assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. The Company adopted IFRS 13 on October 1, 2013 on a prospective basis. The adoption of IFRS 13 did not require any adjustments to the valuation techniques used by the Company to measure fair value and did not result in any measurement adjustments as at January 1, 2013. The adoption of IFRS 13 did not affect the Company's consolidated financial statements.

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

(p) 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 recognised 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. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant estimates and judgements used in applying accounting policies that have most significant effect on the amounts recognized in the consolidated financial statements are as follows:

(i) Going concern

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances (Note 1).

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

(ii) Impairment of non-financial assets

The recoverable amounts with respect to non-financial assets are 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 Company'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 Company's financial position and results of operations. Asset groups are reviewed for an indication of impairment at each consolidated statement of financial position date or when a triggering event is identified. This determination requires significant judgment. 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 will expire in the near future, and is not expected to be renewed; substantive exploration and evaluation expenditures in a specific area is 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 Company 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 nickel and graphite prices.

(iii) The recognition of deferred taxes

The determination of income tax expense and deferred income tax involves judgment and estimates as to the future taxable earnings, expected timing of reversals of deferred tax assets and liabilities, and interpretations of laws in the countries in which the Company operates. The Company is subject to assessments by tax authorities who may interpret the tax law differently. Changes in these estimates may materially affect the final amount of deferred income taxes or the timing of tax payments.

Management continually evaluates the likelihood that it is probable that its deferred tax assets will be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

(iv) Determination of the functional currency of the subsidiaries

A number of judgments were made in the determination of the subsidiaries' functional currencies. If a different conclusion had been reached for any one of those assumptions, it could have resulted in the identification of functional currencies different from the ones actually identified by the Company.

4. 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.

4. 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 $4,904,055 as at September 30, 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 $1,801,929 as at September 30, 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 $1,291,314 as at September 30, 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 $761,774 as at September 30, 2014) before November 7, 2015. The Worofla Property is 100% owned by the Company and is located 130 kilometres northeast of the Samapleu Property.

(Expressed in Canadian Dollars)

4. 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 $1,381,120 as at September 30, 2014) before December 19, 2015. The Zérégouiné Property is 100% owned by the Company and is adjacent to the Samapleu Property.

Summary:

	September 30, 2014	Activity	September 30, 2013	Activity	September 30, 2012
Samapleu Property					
Property acquisition costs and option payments	$ 4,432,484	$ -	$ 4,432,484	$ -	$ 4,432,484
Assaying	111,925	-	111,925	2,307	109,618
Geology and prospecting	2,080,351	183,520	1,896,831	455,165	1,441,666
Geophysics	1,043,944	64,173	979,771	498,932	480,839
Geochemistry	516,694	16,201	500,493	138,011	362,482
Drilling	4,560,121	317,112	4,243,009	432,508	3,810,501
Metallurgical tests	127,691	30,845	96,846	27,145	69,701
Camp operations, field supplies and expenses	3,982,352	760,690	3,221,662	1,298,334	1,923,328
	16,855,562	1,372,541	15,483,021	2,852,402	12,630,619
Lola Property					
Geology and prospecting	304,463	20,642	283,821	93,081	190,740
Geochemistry	-	(2,068)	2,068	-	2,068
Geophysics	16	16	-	-	-
Drilling	112,836	25,540	87,296	45,424	41,872
Camp operations, field supplies and expenses	753,174	244,968	508,206	194,897	313,309
	1,170,489	289,098	881,391	333,402	547,989
Lola Graphite Property					
Geology and prospecting	18,499	17,136	1,363	1,363	-
Geochemistry	12,140	12,140	-	-	-
Metallurgical tests	2,068	2,068	-	-	-
Camp operations, field supplies and expenses	4,045	4,045	-	-	-
	36,752	35,389	1,363	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	2,594	805	805	-
	10,675	2,594	8,081	8,081	-

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS (Cont'd)

	September 30, 2014	Activity	September 30, 2013	Activity	September 30, 2012
Zérégouiné Property					
Geology and prospecting	91,377	77,072	14,305	14,305	-
Drilling	215,762	166,134	49,628	49,628	-
Geophysics	110,982	4,417	106,565	106,565	-
Geochemistry	8,674	4,908	3,766	3,766	-
Camp operations, field supplies, and expenses	223,745	180,608	43,137	43,137	-
	650,540	433,139	217,401	217,401	-
Total exploration and evaluation assets	$ 18,724,018	$ 2,132,761	$ 16,591,257	$ 3,412,649	$ 13,178,608

5. PROPERTY AND EQUIPMENT

	Exploration Equipment	Furniture	Software	Computer Equipment	Land and Buildings	Total
Cost						
Balance, September 30, 2012	$ 875,220	$ 22,610	$ 29,079	$ 14,615	$ -	$ 941,524
Additions (disposals)	438,888	205	-	613	41,861	481,567
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
Accumulated Depreciation						
Balance, September 30, 2012	$ 150,735	$ 5,133	$ 18,656	$ 5,985	-	$ 180,509
Depreciation	188,810	3,507	10,423	2,688	4,138	209,566
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
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

(Expressed in Canadian Dollars)

6. CAPITAL

A. SHARES ISSUED

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

Private Placements

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.

On May 31, 2013, the Company completed a non-brokered private placement of 12,825,000 units at a price of $0.20 per unit for total gross proceeds of $2,565,000. Each unit is comprised of one common share and one-half of one share purchase warrant. Each whole share purchase warrant entitles the holder to purchase for a period of one year from the date of issuance, one additional common share for $0.30.

B. SHARE PURCHASE WARRANTS

A summary of the Company's share purchase warrants and the changes for the year ended September 30, 2014 and 2013 are as follows:

	Number of Warrants	Weighted average exercise price
As at September 30, 2012	5,105,539	0.4725
Granted	6,412,500	0.3000
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

(Expressed in Canadian Dollars)

6. CAPITAL (Cont'd)

A summary of the Company's share purchase warrants as at September 30, 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
8,582,033	$ 0.3621	

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 year ended September 30, 2014 and 2013 are as follows:

	Number of Options	Weighted average exercise price
As at September 30, 2012	6,905,000	0.39
Granted	2,500,000	0.26
Exercised	(57,500)	0.13
Cancelled	(2,125,000)	0.49
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

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.

During the year ended September 30, 2013, the Company granted 2,500,000 stock options to employees, officers, directors and consultants of the Company, 57,500 stock options were exercised by consultants or employees and 2,125,000 options were cancelled. The weighted average grant-date fair value of the stock options granted in the year is $0.17.

(Expressed in Canadian Dollars)

6. CAPITAL (Cont'd)

As at September 30, 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	1,050,000	0.22	June 3, 2018
100,000	100,000	0.27	October 24, 2018
1,175,000	587,500	0.23	January 21, 2019
8,135,000	7,197,500		

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

	September 30, 2014	September 30, 2013
Risk-free interest rate	1.26% – 1.67%	1.20% - 1.27%
Estimated volatility	109.3% – 110.0%	91.8% - 108.7%
Expected life	3.25 – 3.29 years	3.2 – 4.3 years
Expected dividend yield	0.00%	0.00%

7. RELATED PARTY DISCLOSURES

(a) Transactions with key management personnel:

During the year ended September 30, 2014, the Company paid consulting fees of $116,284 (2013 – $112,247) and office administration fees of $45,650 (2013 – $44,650) to officers and directors or corporations controlled by officers and directors.

During the year ended September 30, 2014 the Company paid exploration and evaluation fees of $148,003 (2013 – $147,877) to a corporation controlled by a director. All of these fees have been capitalized to the Company's exploration and evaluation assets.

During the year ended September 30, 2014, the Company incurred stock-based compensation of $225,342 (2013 – $432,500) to officers and directors.

As at September 30, 2014, $22,614 (2013 – $21,594) is due to corporations controlled by a director or officer. These amounts are included in accounts payable and accrued liabilities.

7. RELATED PARTY DISCLOSURES (Cont'd)

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 September 30, 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 September 30, 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.

(b) Transactions with other related parties:

During the year ended September 30, 2014, the Company paid $12,791 (2013 – $5,993) to corporations with a director or officers in common, for office supplies, utilities and rent.

During the year ended September 30, 2014, the Company paid $26,000 (2013 – $20,715) in directors' fees.

8. 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 September 30, 2014, the Company had cash of $443,461 ($2,391,651 as at September 30, 2013) to settle current liabilities of $317,504 ($294,057 as at September 30, 2013).

As at September 30, 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.

8. FINANCIAL RISK FACTORS (Cont'd)

(d) Market risk

(i) Foreign exchange risk:

As at September 30, 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.

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 September 30, 2014, a one percent interest rate fluctuation is expected to impact the net loss by $4,435 on an annual basis.

9. SUPPLEMENTAL CASH FLOW INFORMATION

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

	Year ended September 30, 2014	Year ended September 30, 2013
E&E included in accounts payable and accrued liabilities	$ 258,507	$ 123,594
Depreciation included in E&E	204,936	202,048
Finders warrants included in share issue costs	22,193	-

10. 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 $11,653 at September 30, 2014) to November 30, 2015; and in Conakry, Guinea, Africa, requiring basic annual rent payments of USD$15,600 to April 30, 2015.

(Expressed in Canadian Dollars)

10. COMMITMENTS (Cont'd)

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

2015	52,257
2016	10,029

11. 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 September 30, 2014.

12. OPERATING SEGMENTS

The Company operates in one reportable business segment: the exploration and evaluation of mineral properties. As at September 30, 2014 and September 30, 2013, the Company's assets are located in the two geographic areas as set out below:

	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

	September 30, 2013		
	Canada	Côte d'Ivoire and Guinea	Total
Current assets	$ 2,350,522	$ 177,520	$ 2,528,042
Exploration and evaluation assets	-	16,591,257	16,591,257
Property and equipment	-	1,033,016	1,033,016
	$ 2,350,522	$ 17,801,793	$ 20,152,315

(Expressed in Canadian Dollars)

13. INCOME TAXES

Temporary timing differences between the income tax basis and accounting cost of the Company's assets and liabilities result in the Company's potential deferred income tax assets and liabilities. Significant components of the Company's deferred income tax assets and liabilities at September 30, 2014 and 2013 are as follows:

		2014		2013
Deferred income tax liabilities				
Exploration and evaluation assets	$	(2,854,538)	$	(2,437,471)
Deferred income tax assets				
Non-capital loss carry forwards		4,078,376		3,507,208
Equipment		765		3,774
Deductible share issue costs		29,571		61,024
		4,108,712		3,572,006
Net deferred income tax asset		1,254,174		1,134,535
Deferred tax assets not recognized		(1,254,174)		(1,134,535)
Deferred income tax asset	$	-	$	-

Reconciliation of the statutory income tax rate to the effective tax rate:

		2014		2013
Expected income tax recovery at 25.0% (2013 – 25.0%)	$	(372,784)	$	(399,156)
Non-deductible items		205,407		123,469
Adjustments from prior years		102,472		-
Deductible share issue costs		(42,244)		(40,086)
Change in deferred taxes not recognized		119,639		531,431
Change in tax rate		-		(9,166)
Foreign exchange on deferred tax assets		(44,696)		(181,112)
Other		32,206		(25,380)
	$	-	$	-

The Company has available non-capital loss carry forwards of approximately $16,313,502 (2013 - $13,851,361) which expire at varying dates up to 2034.

14. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the year ended September 30, 2014, the Company granted 300,000 incentive stock options to consultants exercisable at a price of $0.275 per common share. These incentive stock options expire on October 15, 2019.

Subsequent to the year ended September 30, 2014, the Company closed the first tranche of a previously announced $1,500,000 non-brokered private placement with with International Finance Corporation and others of 5,811,092 units. The Units were issued at a price of $0.22 per Unit, for total gross proceeds of $1,278,440.