



**CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS**

**For the three and nine months ended September 30, 2020**

In Canadian dollars

**UNAUDITED**

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**Notice to Reader**

The accompanying unaudited condensed interim consolidated financial statements of Reunion Gold Corporation have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these unaudited condensed interim consolidated financial statements.

# Reunion Gold Corporation

## Consolidated Statements of Financial Position

<i>(unaudited, in Canadian dollars)</i>	September 30, 2020	December 31, 2019
	\$	\$
<b>ASSETS</b>		
Current		
Cash (Note 4)	5,675,581	3,367,241
Receivable from related parties	81,593	98,816
Sales taxes receivable	57,914	52,200
Other receivables	1,978	10,255
Prepaid expenses and deposits	268,288	281,513
	<b>6,085,354</b>	<b>3,810,025</b>
Non-current		
Property and equipment (Note 5)	554,075	1,123,785
Exploration and evaluation assets (Note 6)	2,385,431	2,855,150
<b>TOTAL ASSETS</b>	<b>9,024,860</b>	<b>7,788,960</b>
<b>LIABILITIES</b>		
Current		
Accounts payable and accrued liabilities	1,775,691	2,385,684
Payable to Barrick (Note 6)	579	97,605
Note payable (Note 7)	-	123,121
Lease liabilities (Note 8)	12,177	127,530
	<b>1,788,447</b>	<b>2,733,940</b>
Non-current		
Lease liabilities (Note 8)	-	3,878
<b>TOTAL LIABILITIES</b>	<b>1,788,447</b>	<b>2,737,818</b>
<b>EQUITY</b>		
Share capital (Note 9)	140,839,881	134,883,021
Contributed surplus	22,625,279	19,778,140
Deficit	(155,243,491)	(148,436,471)
Cumulative translation adjustment	(985,256)	(1,173,548)
<b>TOTAL EQUITY</b>	<b>7,236,413</b>	<b>5,051,142</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>9,024,860</b>	<b>7,788,960</b>

Going Concern (Note 2), Commitments and Contingencies (Note 6).

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

On behalf of the Board,

/s/ Réjean Gourde  
Réjean Gourde, Director

/s/ Elaine Bennett  
Elaine Bennett, Director

# Reunion Gold Corporation

## Consolidated Statements of Comprehensive Loss

<i>(unaudited, in Canadian dollars)</i>	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
	\$	\$	\$	\$
<b>Expenses and other items</b>				
Exploration (Note 11)	1,099,542	3,347,847	2,993,684	7,494,867
Management and administration (Note 12)	282,621	574,572	906,899	1,629,855
Share-based compensation (Note 10)	210,847	725,690	796,665	947,009
Write-off of exploration and evaluation assets (Note 6)	766,315	-	766,315	-
Depreciation and amortization	244,613	216,371	607,925	542,716
Gain on sale of property and equipment	(4,019)	-	(4,019)	-
Accretion (Notes 7 and 8)	540	16,915	8,983	39,454
Expected credit loss	-	-	-	39,365
Finance income	(1,830)	(59,002)	(11,757)	(128,995)
Loss (gain) on foreign exchange	(6,893)	(42,618)	28,016	(228,561)
<b>Net loss for the period</b>	<b>(2,591,736)</b>	<b>(4,779,775)</b>	<b>(6,092,711)</b>	<b>(10,335,710)</b>
Other comprehensive loss				
Item that will not be subsequently reclassified to income				
Foreign currency translation adjustment	9,129	(26,852)	188,292	(337,356)
<b>Comprehensive loss for the period</b>	<b>(2,582,607)</b>	<b>(4,806,627)</b>	<b>(5,904,419)</b>	<b>(10,673,066)</b>
Basic and diluted loss per common share	(0.01)	(0.01)	(0.01)	(0.03)
Weighted average number of shares - basic and diluted	476,971,358	417,681,901	442,850,526	399,082,684

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

# Reunion Gold Corporation

## Consolidated Statements of Changes in Shareholders' Equity

<i>(unaudited, in Canadian dollars)</i>	Number of issued and outstanding common shares	Share capital	Contributed surplus	Deficit	Cumulative translation adjustment	Total equity
		\$	\$	\$	\$	\$
Balance at December 31, 2019	418,605,271	134,883,021	19,778,140	(148,436,471)	(1,173,548)	5,051,142
Private placement (Note 9)	<b>88,400,000</b>	<b>5,917,835</b>	<b>1,824,165</b>	-	-	<b>7,742,000</b>
Share issue expenses (Note 9)	-	-	<b>265,334</b>	<b>(714,309)</b>	-	<b>(448,975)</b>
Redemption of RSUs (Note 10)	<b>165,000</b>	<b>39,025</b>	<b>(39,025)</b>	-	-	-
Share-based compensation (Note 10)	-	-	<b>796,665</b>	-	-	<b>796,665</b>
Net loss for the period	-	-	-	<b>(6,092,711)</b>	-	<b>(6,092,711)</b>
Foreign currency translation adjustment	-	-	-	-	<b>188,292</b>	<b>188,292</b>
<b>Balance at September 30, 2020</b>	<b>507,170,271</b>	<b>140,839,881</b>	<b>22,625,279</b>	<b>(155,243,491)</b>	<b>(985,256)</b>	<b>7,236,413</b>
Balance at December 31, 2018	320,541,587	119,822,784	18,520,659	(133,691,123)	(800,057)	3,852,263
Private placements	96,763,684	14,893,500	-	-	-	14,893,500
Share issue expenses and broker warrants	-	-	36,733	(820,064)	-	(783,331)
Exercise of stock options	550,000	67,017	(27,017)	-	-	40,000
Exercise of warrants	150,000	30,000	-	-	-	30,000
Share-based compensation	-	-	947,009	-	-	947,009
Net loss for the period	-	-	-	(10,335,710)	-	(10,335,710)
Foreign currency translation adjustment	-	-	-	-	(337,356)	(337,356)
<b>Balance at September 30, 2019</b>	<b>418,005,271</b>	<b>134,813,301</b>	<b>19,477,384</b>	<b>(144,846,897)</b>	<b>(1,137,413)</b>	<b>8,306,375</b>

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

# Reunion Gold Corporation

## Consolidated Statements of Cash Flows

<i>(unaudited, in Canadian dollars)</i>	Nine months ended September 30,	
	2020	2019
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Net loss for the period	(6,092,711)	(10,335,710)
Adjustments		
Share-based compensation (Note 10)	796,665	947,009
Write-off of exploration and evaluation assets (Note 6)	766,315	-
Depreciation and amortization (Note 5)	607,925	542,716
Gain on sale of property and equipment (Note 5)	(4,019)	-
Accretion (Notes 7 and 8)	8,983	39,454
Expected credit loss	-	39,365
Loss (gain) on foreign exchange	28,016	(228,561)
Changes in working capital items (Note 13)	(728,658)	1,174,304
	<b>(4,617,484)</b>	<b>(7,821,423)</b>
<b>INVESTING ACTIVITIES</b>		
Proceeds on disposal of property and equipment (Note 5)	13,133	-
Acquisition of property and equipment (Note 5)	(6,794)	(135,388)
Additions to exploration and evaluation assets (Note 6)	(135,392)	(66,086)
	<b>(129,053)</b>	<b>(201,474)</b>
<b>FINANCING ACTIVITIES</b>		
Private placement (Note 9)	7,742,000	14,893,500
Share issue expenses (Note 9)	(448,975)	(783,331)
Issuance of shares from the exercise of stock options and warrants	-	70,000
Reimbursement of note payable (Note 7)	(131,571)	(290,328)
Repayment of lease liabilities (Note 8)	(126,561)	(205,377)
	<b>7,034,893</b>	<b>13,684,464</b>
Effect of exchange rate changes on cash held in foreign currency	19,984	53,847
Net change in cash and cash equivalents	2,308,340	5,715,414
Cash and cash equivalents, beginning of period	3,367,241	1,262,635
Cash and cash equivalents, end of period	<b>5,675,581</b>	<b>6,978,049</b>

Supplemental cash flow information (Note 13)

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

# Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2020 (unaudited - in Canadian dollars)

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## 1. GENERAL INFORMATION

Reunion Gold Corporation (“**Reunion Gold**” or the “**Company**”) is a Canadian-based company engaged in the acquisition, exploration and development of gold mineral properties in the Guiana Shield region in South America. To date, the Company has not earned significant revenue. The Company’s mineral assets include option agreements to acquire gold projects in French Guiana, Guyana and Suriname. The main projects in French Guiana are Boulanger and Dorlin. The projects in Guyana include Aremu North, which is part of a Strategic Alliance (the “**Alliance**”) with Barrick Gold Corporation (“**Barrick**”), Oko West and other early-stage exploration projects. In Suriname, the Company has an option agreement on the NW Extension gold project.

All financial results in these unaudited condensed interim consolidated financial statements are expressed in Canadian dollars unless otherwise indicated. Reunion Gold’s common shares are listed on the TSX Venture Exchange (“**TSXV**”) under the symbol RGD.

The Board of Directors approved these unaudited condensed interim consolidated financial statements on November 19, 2020.

### *COVID-19*

The outbreak of the coronavirus (COVID-19) in early 2020 has resulted in a major global health crisis which at the date of these condensed interim consolidated financial statements continues to have a significant impact on the global economy and the financial markets. The duration of the COVID-19 outbreak and the resultant travel restrictions, social distancing, government response actions and business disruptions, have had and continue to have an impact on the Company’s activities. There can be no assurance that the Company will not be further impacted by adverse consequences of the COVID-19 pandemic, which may include reduced resource prices, share prices and financial liquidity and thereby severely limiting the financing capital available in the mineral exploration sector as well as impair access to supplies, contractors and affect the Company’s ability to retain its staff and management.

# Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

**Three and nine months ended September 30, 2020** *(unaudited - in Canadian dollars)*

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## 2. GOING CONCERN

These condensed interim consolidated financial statements have been prepared on the basis of a going concern, which assumes that the Company will continue operations in the foreseeable future and will realize its assets and discharge its liabilities and commitments in the normal course of operations.

The Company is subject to a number of risks and uncertainties associated with its future exploration activities including the impact of the COVID-19 pandemic, as described in Note 1, and the ability of the Company to obtain the necessary financing to meet existing commitments, to provide for management and administration expenses for at least the next 12 months and to carry out its planned exploration program.

At September 30, 2020, the Company had a working capital of \$4,296,907 (\$1,076,085 at December 31, 2019), had an accumulated deficit of \$155,243,491 (\$148,436,471 at December 31, 2019) and incurred a net loss of \$6,092,711 for the nine months ended September 30, 2020 (a net loss of \$10,335,710 for the nine months ended September 30, 2019). Working capital at September 30, 2020 included cash of \$776,653 (\$1,346,848 at December 31, 2019) to be spent on projects which are part of the Alliance with Barrick, in accordance with the terms of the Alliance agreement.

The Company estimates that the working capital available at September 30, 2020 will not be sufficient to cover all existing commitments, to provide for management and administration expenses for at least the next 12 months and to carry-out its planned exploration program. Since the Company does not generate cash flows, it will need to raise additional funds through the issuance of equity instruments or other type of arrangement. 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 will be available to 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 condensed interim consolidated financial statements. These circumstances indicate the existence of material uncertainties that cast 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 condensed interim consolidated financial statements do not reflect the adjustments to the carrying value of the assets and liabilities, expenses and financial position classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

# Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2020 (unaudited - in Canadian dollars)

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## 3. BASIS OF PREPARATION

### *Change in Year End*

During the nine months ended December 31, 2019, the Company changed its financial year end to December 31, from March 31. The Company's transition period is the nine months ended December 31, 2019, and the comparative period for these condensed interim consolidated financial statements is the three and nine months ended September 30, 2019. The new financial year aligns the Company with its peer group in the mineral resources sector.

### *Basis of presentation*

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting* and follow the same accounting policies as the Company's most recent annual consolidated financial statements. These condensed interim consolidated financial statements do not contain all of the information and disclosures required for annual financial statements and should be read in conjunction with the Company's annual audited consolidated financial statements for the nine months ended December 31, 2019 and the year ended March 31, 2019 which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

## 4. CASH

Cash at September 30, 2020 includes an amount of \$776,653 to be spent on the projects which are part of the Alliance with Barrick, in accordance with the terms of the Alliance agreement described in Note 6 (\$1,346,848 at December 31, 2019).

## 5. PROPERTY AND EQUIPMENT

Assets subject to depreciation and amortization are as follows:

	\$
Net book value at December 31, 2019	1,123,785
Acquisitions	<b>6,794</b>
Disposals	<b>(9,114)</b>
Depreciation and amortization	<b>(607,925)</b>
Net exchange difference	<b>40,535</b>
Net book value at September 30, 2020	<b>554,075</b>



# Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2020 (unaudited - in Canadian dollars)

## 6. EXPLORATION AND EVALUATION ASSETS

Amounts invested in exploration and evaluation assets not subject to depreciation and amortization are as follows:

	December 31, 2019	Additions	Write-off	Net exchange Difference	September 30, 2020
	\$	\$	\$	\$	\$
Bou langer (French Guiana)	1,662,462	-	-	119,472	1,781,934
Oko West and Kartuni (Guyana)	200,015	135,392	-	3,403	338,810
Aremu North (Guyana)	192,617	-	-	5,375	197,992
Arawini (Guyana)	389,640	-	(338,481)	15,536	66,695
Waiamu (Guyana)	410,416	-	(427,834)	17,418	-
Total	2,855,150	135,392	(766,315)	161,204	2,385,431

### *Strategic Alliance with Barrick*

At September 30, 2020, each of Reunion Gold and Barrick held a beneficial interest of 50% in the assets related to the Aremu North gold project in Guyana and the NW Extension gold project in Suriname. On January 30, 2020, following a review of the results from the exploration work done at the Waiamu, Arawini, Oko West and Kartuni projects, Barrick elected to exclude these projects from the Alliance and as a result, Barrick's 50% beneficial interest in those projects reverted to the Company.

The Company recognizes in its unaudited condensed interim consolidated financial statements only its share of the assets, liabilities and expenses of the Alliance projects. The Company used the carrying amount of the excluded projects from the Alliance, prior to their exclusion from the Alliance, as the carrying amount for the Company's 100% interest in those Guyana Projects. As part of the Alliance agreement with Barrick ("SAA"), the Company agreed to spend at least 25% of the proceeds of the private placement completed in February 2019 on the Guyana Projects within a period of two years (Note 4).

### *NW Extension Project (Suriname)*

On May 27, 2020, the Company entered into an agreement under which a Surinamese private company has granted to the Company an option to acquire the NW Extension gold project, located in Suriname. Payments of US \$12,500 are due to the rights holder in the first and second year of the agreement. Upon exercise of the option and transfer of the mineral rights to the Company, the rights holder will retain a 0.25% net smelter return royalty. In accordance with the SAA, the Company notified Barrick and on September 21, 2020, Barrick elected to include the NW Extension Project in the Alliance.

# Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

**Three and nine months ended September 30, 2020** (unaudited - in Canadian dollars)

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## 6. EXPLORATION AND EVALUATION ASSETS (continued)

### *Majorodam Project (Suriname)*

On July 7, 2020, the Company entered into an agreement with a Surinamese private company outlining the terms and conditions under which the Company would have the option to acquire a 100% interest in the Majorodam gold project in Suriname. The entering into the option agreement is subject to the Company completing technical and legal due diligence to its satisfaction. On September 21, 2020, Barrick advised the Company that it had elected not to include the Majorodam Project in the Alliance.

### *Boulanger Project (French Guiana)*

On July 8, 2020, the Boulanger option agreement was amended to further extend the option period by an additional one-year period to July 27, 2022.

### *Dorlin Project (French Guiana)*

The Dorlin Exploitation Permit (the “**Dorlin PEX**”) was renewed on July 30, 2020. The approval of the renewal application which was originally filed in 2015 has extended the validity of the Dorlin PEX until July 31, 2020. On June 2, 2020, the titleholder, in collaboration with the Company, filed an application to obtain a 25-year concession to replace the Dorlin PEX. In accordance with the French Mining Code, the filing of the Dorlin concession application has the effect of extending the validity of the Dorlin PEX while the concession application is being processed by the French mining administration, thus enabling the Company to continue to work on the Dorlin Project.

### *Waiamu Project (Guyana)*

On August 10, 2020, the Company gave notice to the titleholders of the Waiamu Project that it was terminating the option agreement due to disappointing exploration results, and as a result has written-off accumulated exploration and evaluation assets of \$427,834 during the three-months ended September 30, 2020.

### *Arawini Project (Guyana)*

On October 6, 2020, the Company formally gave notice to the titleholder of the Arawini Project that it was terminating the option agreement due to disappointing exploration results, and as a result has written-off accumulated exploration and evaluation assets of \$338,481 during the three-months ended September 30, 2020. At September 30, 2020, the Company continues to have an interest in one mineral property in the vicinity of the Arawini Project.

# Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2020 (unaudited - in Canadian dollars)

## 6. EXPLORATION AND EVALUATION ASSETS (continued)

### *Crique Sophie Project (French Guiana)*

On August 6, 2020, the Company entered into an option agreement with a French private company entitling the Company to acquire an interest of 65% in the Crique Sophie Project, an exploration permit located in proximity to the Dorlin Project in French Guiana. To exercise its option to acquire such interest, the Company must spend a minimum of US \$2,000,000 in exploration work on the Crique Sophie Project over a period of five years from the date of signature of the option agreement.

### *Contractual commitments*

The following table summarizes the contractual commitments of the Company to maintain in good standing the agreements under which the Company has an option to acquire mineral properties in French Guiana and Guyana, at September 30, 2020. All agreements can be terminated by the Company at any time without further financial obligations.

	Date of option agreement	Term Years	Option to acquire %	Annual option payments			
				2020	2021	2022	2023
				US \$			
<b>Alliance with Barrick projects</b>							
Aremu North, Guyana (i) (ii)	Dec 2017 and Oct 2018	Up to 5	100	25,000	475,000	75,000	-
NW Extension, Suriname	May 2020	11	100	-	12,500	12,500	-
<b>Non-Alliance projects</b>							
Dorlin, French Guiana (iii)	Feb 2017	(iv)	75 to 80	-	-	-	-
Boulangier, French Guiana (iii)	July 2017	5	100	-	-	-	-
Haute Mana, French Guiana	Dec 2016	Up to 5	80	-	-	-	-
Crique Sophie, French Guiana (v)	August 2020	Up to 5	65	-	-	-	-
Oko West and Kartuni, Guyana	Aug 2018	5	100	100,000	125,000	150,000	150,000
Arawini, Guyana (ii)	Mar 2018	4	100	-	25,000	25,000	100,000

(i) Represents 100% of the contractual commitments, subject to terms of the Alliance with Barrick.

(ii) Titleholders agreed to defer to 2021 some of the option payments that were due in 2020.

(iii) Minimum spending requirements, in accordance with the option agreements, were met in 2019.

(iv) The Dorlin Exploitation Permit ("PEX") (renewed on July 30, 2020) expired on July 31, 2020. However, under the French Mining Code, the filing of the concession application by the holder of the PEX on June 2, 2020 has the effect of extending the validity of the Dorlin PEX while the concession application is being processed.

(v) Spending requirement of US \$2,000,000 by August 2025.

# Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2020 (unaudited - in Canadian dollars)

## 6. EXPLORATION AND EVALUATION ASSETS (continued)

*Contingent considerations*

**Boulanger Project:** a payment of EUR1,000,000 upon decision to exercise the option plus a payment of EUR1,000,000 following approval of the transfer to the Company of the concessions and exploration permit by the French regulatory authorities and a 2% NSR royalty to be paid to the optionor; **Projects in Guyana:** up to US\$5.00 per ounce of gold to be produced from the projects; **NW Extension Project:** a 0.25% NSR royalty to be paid to the optionor.

## 7. NOTE PAYABLE

On May 30, 2018, the Company entered into a 2-year non-interest bearing note payable related to the purchase of mobile equipment to conduct exploration activities in Guyana. The Company accounted for its estimated fair value using a discount rate of 12%. The balance of the note payable (the last payment was made on April 30, 2020) was determined as follows:

	Nine months ended September 30, 2020
	\$
Balance at December 31, 2019	123,121
Accretion expense	3,225
Reimbursement of note payable	(131,571)
Effect of foreign exchange	5,225
Balance at September 30, 2020	-

## 8. LEASE LIABILITIES

The balance of the lease liabilities at September 30, 2020, accounted for in accordance with IFRS 16, *Leases*, using a discount rate of 12%, is as follows:

	Nine months ended September 30, 2020
	\$
Balance at December 31, 2019	131,408
Accretion expense	5,758
Repayment of liabilities	(126,561)
Effect of foreign exchange	1,572
Balance at September 30, 2020	12,177

# Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2020 (unaudited - in Canadian dollars)

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## 9. SHARE CAPITAL AND WARRANTS

### *Issued and outstanding*

At September 30, 2020, the Company had 507,170,271 issued and outstanding common shares and 94,274,495 outstanding share purchase warrants (418,605,271 issued and outstanding common shares and 45,882,495 outstanding share purchase warrants at December 31, 2019).

### *Issuance of securities*

On August 6, 2020, the Company completed a non-brokered private placement and issued 75,000,000 units (“Units”) at a price of \$0.08 per Unit for total proceeds of \$6,000,000. Each Unit consists of one common share and one half of one common share purchase warrant. Each whole warrant may be exercised for one common share at a price of \$0.12 per common share for a period of 24 months. The fair value of the common shares was calculated by using the TSXV share price on the date of the issuance and the fair value of the warrants was estimated at \$0.06 per warrant by applying the Black-Scholes option pricing model, using an expected time-period of 2 years, a weighted average risk-free interest of 0.30%, a weighted average volatility rate of 88% and a 0% dividend factor. An amount of \$1,700,760 was allocated to the share purchase warrants and presented as part of contributed surplus. Share issue expenses related to this private placement amounted to \$393,363, including finders’ fees of \$350,400.

On March 27, 2020, the Company completed a non-brokered private placement and issued 13,400,000 Units at a price of \$0.13 per Unit for total proceeds of \$1,742,000. Each Unit consists of one common share and one half of one common share purchase warrant. Each whole warrant may be exercised for one common share at a price of \$0.20 per common share for a period of 36 months. The fair value of the common shares was calculated by using the TSXV share price on the date of the issuance and the fair value of the warrants was estimated at \$0.02 per warrant by applying the Black-Scholes option pricing model, using an expected time-period of 3 years, a weighted average risk-free interest of 0.50%, a weighted average volatility rate of 73% and a 0% dividend factor. An amount of \$123,405 was allocated to the share purchase warrants and presented as part of contributed surplus. Share issue expenses related to this private placement amounted to \$55,612.

The underlying expected volatility described above was determined by reference to historical data of the Company’s share price over the expected life of the warrants.

### *Share purchase warrants*

On August 6, 2020, as part of the private placement completed on the same date, the Company issued a total of 4,192,000 non-transferrable finders’ compensation warrants, exercisable for 2 years at \$0.12 per share. The fair value of each warrant was estimates at \$0.06 per warrant by applying the Black-Scholes option pricing model, using an expected time-period of 2 years, a weighted average risk-free interest of 0.30%, a weighted average volatility rate of 88% and a 0% dividend factor. The estimated fair value of the warrants in the amount of \$265,334 was presented as share issue expenses.

# Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2020 (unaudited - in Canadian dollars)

## 9. SHARE CAPITAL AND WARRANTS (continued)

### Share purchase warrants (continued)

The underlying expected volatility described above was determined by reference to historical data of the Company's share price over the expected life of the warrants.

The following table reflects the activity related to share purchase warrants:

Grant date	Number of warrants		Number of warrants	Price per share	Expiry date
	December 31, 2019	Granted			
				\$	
September 8, 2017 (i)	39,003,595	-	<b>39,003,595</b>	0.20	Mar 31, 2021
September 19, 2017 (i)	3,078,900	-	<b>3,078,900</b>	0.20	Mar 31, 2021
October 30, 2017 (ii)	2,800,000	-	<b>2,800,000</b>	0.20	Oct 30, 2020
March 12, 2019	1,000,000	-	<b>1,000,000</b>	0.20	Mar 12, 2021
March 27, 2020	-	6,700,000	<b>6,700,000</b>	0.20	Mar 27, 2023
August 6, 2020	-	37,500,000	<b>37,500,000</b>	0.12	Aug 6, 2022
August 6, 2020	-	4,192,000	<b>4,192,000</b>	0.12	Aug 6, 2022
	45,882,495	48,392,000	<b>94,274,495</b>	0.17	

- (i) On August 25, 2020, the Company received the consent of the TSXV to extend the expiry date of these warrants from September 8, 2020 and September 18, 2020, respectively to March 31, 2021; these warrants are subject to the Company's right to accelerate the expiry date in the event that the Company's shares trade at a price of \$0.40 or greater for 20 consecutive trading days.
- (ii) These share purchase warrants expired unexercised on October 30, 2020.

# Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2020 (unaudited - in Canadian dollars)

## 10. SHARE-BASED PAYMENTS

### Stock options

The following table sets out the activity in stock options:

	Nine months ended September 30, 2020	
	Number	Weighted average exercise price (C\$)
Options, beginning of period	23,885,000	0.16
Granted	1,100,000	0.13
Expired	(1,220,000)	(0.25)
Options, end of period	23,765,000	0.16

On August 20, 2020, the Company granted 250,000 stock options to a consultant. The stock options have a five-year term and are exercisable at a price of \$0.13 per share. The stock options granted will vest over a two-year period. The fair value of the stock options was estimated at \$0.06 per option by applying the Black-Scholes option pricing model, using an expected time period of 5 years, a risk-free interest rate of 0.4%, a volatility rate of 94% and a 0% dividend factor.

On June 19, 2020, the Company granted 850,000 stock options to directors and to a consultant. The stock options have a five-year term and are exercisable at a price of \$0.13 per share. The stock options granted will vest over a two-year period. The fair value of the stock options was estimated at \$0.04 per option by applying the Black-Scholes option pricing model, using an expected time period of 5 years, a risk-free interest rate of 0.4%, a volatility rate of 95% and a 0% dividend factor.

The following table reflects the stock options issued and outstanding at September 30, 2020:

Issue date	Number of stock options	Exercise price	Remaining contractual life (years)	Number of exercisable options	Exercise price of exercisable options
		\$			\$
February 9, 2017	7,945,000	0.07	1.3	7,945,000	0.07
February 14, 2017	700,000	0.10	1.4	700,000	0.10
December 4, 2017	500,000	0.16	2.2	500,000	0.16
January 4, 2018	5,500,000	0.16	2.3	5,500,000	0.16
January 22, 2018	600,000	0.16	0.7	600,000	0.16
November 14, 2018	300,000	0.19	0.7	300,000	0.19
August 19, 2019	7,120,000	0.27	3.4	5,013,334	0.27
June 19, 2020	850,000	0.13	4.7	283,333	0.13
August 20, 2020	250,000	0.13	4.9	83,333	0.13
	23,765,000	0.16	2.3	20,925,000	0.15

# Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

**Three and nine months ended September 30, 2020** (unaudited - in Canadian dollars)

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## 10. SHARE-BASED PAYMENTS (continued)

### *Restricted share units ("RSUs")*

The following table sets out the activity in restricted share units:

	<b>Nine months ended September 30, 2020</b>
	<b>Number</b>
RSUs, beginning of period	2,748,816
Granted	<b>60,000</b>
Redeemed	<b>(165,000)</b>
Expired	<b>(70,000)</b>
RSUs, end of period	<b>2,573,816</b>

On June 19, 2020, the Company granted 60,000 RSUs to directors. The RSUs granted will vest in two stages, 50% on June 19, 2021 and 50% on June 19, 2022. Each vested RSU entitles the holder to receive one common share of the Company by delivering an exercise notice.

### *Share-based compensation costs*

During the three and nine months ended September 30, 2020, the Company recorded share-based compensation costs related to stock options in the amount of \$144,541 and \$543,354, respectively (\$641,964 and \$766,086, respectively during the comparative periods in 2019).

During the three and nine months ended September 30, 2020, the Company recorded share-based compensation costs related to RSUs in the amount of \$66,306 and \$253,311, respectively (\$83,726 and \$180,923, respectively during the comparative periods in 2019).



# Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2020 (unaudited - in Canadian dollars)

## 11. EXPLORATION EXPENSES

The Company incurred the following exploration expenses:

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
	\$	\$	\$	\$
Wages and fees	504,262	1,078,892	1,524,985	2,791,760
Drilling and assaying	158,914	1,429,418	244,614	2,059,735
Studies and geophysics	22,200	71,853	167,750	646,740
Camp costs	141,400	221,472	304,236	588,165
Field supplies	56,551	102,727	91,017	199,975
Transportation and travel	41,037	208,985	125,629	620,960
Property lease payments	92,691	14,283	238,096	81,235
Others	82,487	220,217	297,357	506,297
	1,099,542	3,347,847	2,993,684	7,494,867

## 12. MANAGEMENT AND ADMINISTRATION EXPENSES

The Company incurred the following management and administration expenses:

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
	\$	\$	\$	\$
Wages and fees	241,766	372,615	777,981	1,165,798
Professional fees	2,382	66,652	19,957	99,770
Office and others	16,870	(556)	35,408	90,482
Investor relations and travel	18,244	132,540	53,488	222,642
Reporting issuer costs	3,359	3,321	20,065	51,163
	282,621	574,572	906,899	1,629,855

# Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2020 (unaudited - in Canadian dollars)

## 13. CASH FLOWS

	Nine months ended September 30,	
	2020	2019
	\$	\$
<b>Changes in working capital items</b>		
Receivables from related parties	17,223	(74,320)
Sales taxes receivable	(5,714)	(1,926)
Other receivables	8,726	51,087
Prepaid expenses and deposits	23,478	(107,329)
Accounts payable and accrued liabilities	(675,345)	873,831
Payable to Barrick	(97,026)	434,588
Income taxes payable	-	(1,627)
	<b>(728,658)</b>	<b>1,174,304</b>
<b>Non-cash items</b>		
Lease liabilities included in property and equipment	-	416,071
Fair value of warrants granted	265,334	36,733

## 14. SEGMENTED INFORMATION

The Company has one reportable operating segment being the acquisition and exploration of mineral properties in the Guyana Shield, South America. Assets are located as follows:

	September 30, 2020			
	Canada	French Guiana	Guyana	Total
	\$	\$	\$	\$
Current assets	5,629,582	253,406	202,366	6,085,354
Property and equipment	5,349	121,949	426,777	554,075
Exploration and evaluation assets	-	1,781,934	603,497	2,385,431
<b>Total assets</b>	<b>5,634,931</b>	<b>2,157,289</b>	<b>1,232,640</b>	<b>9,024,860</b>
	December 31, 2019			
	Canada	French Guiana	Guyana	Total
	\$	\$	\$	\$
Current assets	3,239,133	148,736	422,156	3,810,025
Property and equipment	102,461	217,022	804,302	1,123,785
Exploration and evaluation assets	-	1,662,462	1,192,688	2,855,150
<b>Total assets</b>	<b>3,341,594</b>	<b>2,028,220</b>	<b>2,419,146</b>	<b>7,788,960</b>



## MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2020

The following interim management's discussion and analysis – quarterly highlights ("**Interim MD&A**") of Reunion Gold Corporation ("**Reunion Gold**" or the "**Company**") for the three months ended September 30, 2020 provides material information about the Company's business activities during the interim period and updates disclosure previously provided in the Company's management's discussion and analysis for the financial year ended December 31, 2019 ("**Annual MD&A**").

This Interim MD&A should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and related notes for the three and nine months ended September 30, 2020 (the "**Interim Financial Statements**"), the Company's audited consolidated financial statements for the nine months ended December 31, 2019 and the year ended March 31, 2019 (the "**Annual Financial Statements**"), and the Company's Annual MD&A, including the section describing risks and uncertainties.

During the nine-month financial year ended December 31, 2019, the Company changed its financial year-end to December 31, from March 31. The Company's transition year was the nine months ended December 31, 2019, and the comparative period for this MD&A is the three months ended September 30, 2019.

The effective date of this Interim MD&A is November 19, 2020.

All financial results presented in this Interim MD&A are expressed in Canadian dollars unless otherwise indicated.

### ***Description of Business***

Reunion Gold is a Canadian-based company focused on acquiring, exploring and developing mineral projects located in the Guiana Shield region of South America. The Company has entered into agreements entitling it to acquire an interest in various gold exploration projects in French Guiana, Guyana and Suriname.

In February 2019, the Company and Barrick Gold Corporation ("**Barrick**") formed a 50-50 strategic alliance to jointly explore for, develop and mine mineral projects in the Guiana Shield (the "**Alliance**"). Reunion manages all Alliance projects during the exploration phase. The projects that are currently part of the Alliance are Aremu North in Guyana and NW Extension, a gold exploration project in Suriname, under a May 2020 option agreement with a Surinamese private company.

Reunion Gold's common shares trade on the TSX Venture Exchange ("**TSXV**") under the symbol RGD. As of November 19, 2020, the Company has 507,195,271 issued and outstanding common shares.

### ***Financing and Financial Condition***

On August 6, 2020, the Company completed a non-brokered private placement financing for gross proceeds of \$6,000,000 through the issuance of 75,000,000 units (the “Units”) at \$0.08 per Unit (the “Offering”). Each Unit consisted of one common share of the Company and one half of one common share purchase warrant (each whole warrant, a “Warrant”). Each Warrant entitles its holder to acquire one common share of the Company at a price of \$0.12 per share until August 6, 2022. The Company paid finders’ fees of \$350,400 in cash and issued a total of 4,192,000 finders compensation warrants exercisable at a price of \$0.12 until August 6, 2022. Dundee Corporation acquired 18,750,000 Units increasing its shareholding in the Company from 12.2% to 14.1% on a non-diluted basis. In addition, 1,677,000 of the above-mentioned finders’ warrants were issued to Dundee Goodman Merchant Partners, a subsidiary of Dundee Corporation. Certain directors and senior officers of the Company also acquired 7,205,673 Units in the Offering.

As of September 30, 2020, the Company had a working capital of \$4,296,907, including cash of \$5,675,581, of which an amount of \$776,653 remained restricted to be spent on projects that are part of the Alliance with Barrick.

Taking into account the planned exploration work programs to be conducted by the end of 2020, the Company will subsequently require additional funds to meet existing commitments, to provide for management and administration expenses for the year 2021, and to carry-out further exploration activities. Given the current COVID-19 pandemic, the volatility of the financial markets and disruptions in the world economy, there can be no assurance that the Company will be able to raise the additional funds when required. If the Company is not successful in raising such additional funds, it may be required to delay, reduce the scope of, or eliminate its exploration activities, and / or relinquish some or all of its assets, any of which could have a negative impact on the business, financial condition and results of operation of the Company.

### ***COVID-19 Pandemic***

The COVID-19 pandemic is present in all countries in which the Company has mineral projects, with cases being reported in Guyana, French Guiana and Suriname, and all countries have imposed travel restrictions which has an impact on the Company’s operations. With the resumption of activities in July 2020, the Company has implemented several procedures to ensure the well-being of its staff, including the daily monitoring of temperature and blood oxygen levels, both onsite and during travel to and from projects, under the guidance of local medical consultants.

The extent to which the COVID-19 pandemic impacts the Company’s business will depend on future developments, which are highly uncertain and cannot be predicted at this time. In addition to the potentially adverse impact on the Company’s ability to raise additional funds to continue its planned activities, the

continued spread of the COVID-19 globally could also have an impact on employees' health, the availability of personnel, the execution of planned exploration programs and other impacts beyond the Company's control, all of which may have a material and adverse effect on the Company's business, financial condition and results of operations.

### ***Exploration programs***

During the period, the Company focused its activities at the Boulanger project in French Guiana, and at the Aremu North and Oko West projects in Guyana. An initial work program is being planned for the NW Extension project in Suriname.

The **Boulanger** project is located 60 km to the south of Cayenne (by paved road), the capital city of French Guiana. The Company has an option to acquire 100% of the Boulanger project. During the early part of the year, a detailed review and reinterpretation of both the Company's and historical data was completed. Field teams returned to site during the first week of August, with some roadcut sampling, trenching and drill site preparation. A 2,000-meter diamond drilling program commenced in mid-September. At the Boulanger project, the priority is the advancement of the Crique Filon prospect, aiming to expand the footprint of gold mineralization interpreted as hosted in multiple parallel shear deformation zones that cross the southern portion of the project area. Eight drill holes have been completed at the Crique Filon prospect since mid-September, for a total of 1,215 meters. Assay results will be released when available. The focus of the remainder of the current drill program will be on targets in the main central shear zone at Crique Filon.

The **Aremu North** project located in the Cuyuni Mining District in Guyana some 95 km west of Georgetown, is part of the 50-50 Alliance with Barrick. An initial trenching program started in March 2020 but was suspended a few weeks later due to the impact of the COVID-19. Field activities resumed in mid-July with all planned work (consisting of geochemical sampling, trenching and augering) now completed. Trenching and mechanical auger holes tested four main prospects identified from an airborne magnetic and radiometric survey completed in Q4 2019, and subsequent geochemical sampling completed in Q1 2020. The Company and Barrick continue reviewing available results. At this stage, no further exploration activity is planned for Aremu North in 2020, and a decision on additional work will be made after a joint site visit later in November.

The **Oko West** project is also located in the Cuyuni Mining District in Guyana, and it covers an area of 9,420 acres. It is located immediately due south of G2 Goldfields' "Oko" project, which has been the subject of an active drill program in 2020. The Company has an option to acquire 100% of the Oko West project. Sampling carried out in Q1 of 2020 defined a 2 km-long gold-in-soil anomaly coincident with a major north-south striking shear zone identified from an airborne geophysical survey completed in late 2019. This anomaly is interpreted as being related to the southern extension of the mineralized structures intersected in diamond drilling by G2 Goldfields. Following the completion of the private placement in early August, the Company set-up an

exploration camp at Oko West and mobilized heavy equipment to the project location. In early September, the Company initiated a trenching program, which continues to this date, with 14 trenches having been completed. Recent trench samples have returned encouraging results, which prompted follow-up working. A drill rig is also being mobilized with the objective of initiating a maiden drill program at the Oko West project of approximately 1,000 meters by the end of November. Steps are also underway to secure additional ground in the surrounding region.

The **NW Extension** project, comprising three rights of exploration totaling 925 square km, is located 60 km to the west-southwest of Paramaribo and covers what is interpreted to be a continuation (based on interpretation of regional magnetic geophysical data) of the Paleoproterozoic greenstone belt hosting several gold deposits in the region. The Company has an option to acquire a 100% interest in the project. After a review of the project data, Barrick has recently elected to include the project in the Alliance. An airborne mag survey is provisionally being scheduled for early 2021. A second reconnaissance trip to the project area is also underway.

No field work has been conducted or is planned for the **Dorlin** project in 2020.

#### ***Extension of the option period, Boulanger project***

On July 8, 2020, the option agreement under which the Company is entitled to acquire 100% of the Boulanger project was amended to extend the option period by an additional one-year period to July 27, 2022.

#### ***Renewal of the Dorlin project PEX***

The Dorlin Exploitation Permit (the "**Dorlin PEX**") was renewed on July 30, 2020. The approval of the renewal application, which was originally filed in 2015, has extended the validity of the Dorlin PEX until July 31, 2020. On June 2, 2020, the titleholder, in collaboration with the Company, filed an application to obtain a 25-year concession to replace the Dorlin PEX. Under the French Mining Code, the filing of the Dorlin concession application has the effect of extending the validity of the Dorlin PEX while the concession application is being processed by the French mining administration, thus enabling the Company to continue to work on the Dorlin project. The Company' option to acquire an interest of 75% in the Dorlin project is exercisable by completing a feasibility study by January 30, 2025 (that is 54 months from the date of the renewal of the Dorlin PEX).

#### ***Termination of the Waiamu and Arawini option agreements***

The Company recently gave notice to the titleholders of the Waiamu and Arawini projects, both located in Guyana, that it was terminating the option agreements due to disappointing exploration results. During the third quarter ended September 30, 2020, the Company wrote-down the capitalized expenses related to these two projects for a total amount of \$766,315.

### Qualified Person

Carlos H. Bertoni, P. Geo., a consultant to Reunion Gold and a qualified person pursuant to NI 43-101, has reviewed and approved the scientific and technical data in this interim MD&A.

### Financial Review

During the three months ended September 30, 2020, the Company incurred a loss of \$2,591,736 (\$0.01 per share) compared to \$4,779,775 (\$0.01 per share) during the three months ended September 30, 2019. The loss during the three months ended September 30, 2020 includes the following non-cash expense items: i) the write-off of exploration and evaluation assets related to the Waiamu and Arawini projects in the amount of \$766,315 (nil in 2019) following termination notices sent by the Company to the titleholders due to disappointing exploration results; ii) depreciation and amortization expense of \$244,613 (\$216,371 in 2019); and iii) share based compensation of \$210,837 (\$725,690 in 2019).

The Company's share in exploration expenses during the reporting period amounted to \$1,099,542 (\$3,347,847 during the comparative period in 2019). During the three months ended September 30, 2020, Barrick has also spent an amount of \$204,984 in exploration expenses on the Aremu North project in Guyana. The detail of exploration and evaluation expenses by project is as follows:

					3 months ended	3 months ended
					September 30,	September 30,
					2020	2019
	Boulanger	Aremu North	Oko West	Other projects	Total	Total
	\$	\$	\$	\$	\$	\$
Wages and fees	127,843	127,627	35,022	297,752	588,244	1,653,187
Drilling and assaying	154,031	32,399	19,180	-	205,610	1,516,349
Studies	7,639	-	-	14,561	22,200	65,085
Camp costs	26,952	50,904	10,529	86,415	174,800	414,776
Field supplies	9,793	36,155	15,756	14,641	76,345	172,236
Transportation and travel	-	19,202	8,150	24,048	51,400	362,475
Property lease payments	-	5,179	11,653	75,859	92,691	86,403
Others	27,072	38,375	6,035	21,754	93,236	376,980
	353,330	309,841	106,325	535,030	1,304,526	4,647,491
Barrick's share of expenses	-	(204,984)	-	-	(204,984)	(1,299,644)
	353,330	104,857	106,325	535,030	1,099,542	3,347,847

Management and administration expenses totaled \$282,621 during the three months ended September 30, 2020 compared to \$574,572 in 2019. Wages and fees to consultants of \$241,766 (\$372,615 in 2019) reflect the reduction in wages and fees of the Company's directors and senior officers effective January 1, 2020 by up to 50%. Professional fees of \$2,382 during the current period were lower than the amount of \$66,652

incurred in 2019. In 2019, professional fees consisted mostly of expenses related to governmental relations in French Guiana. Lower investor relations and travel expenses of \$18,244 (\$132,540 in 2019) reflect the lower activities and the suspension of all travels due to the COVID-19 pandemic. The Company also incurred office expenses of \$16,870 (a credit of \$556 in 2019) and reporting issuer costs of \$3,359 (\$3,321 in 2019).

The Company incurred an amount of \$210,847 as stock-based compensation during the three months ended September 30, 2020 (\$725,690 in 2019). The decreased expense relates mostly to the grant during the current period of 1,100,000 stock options at an average price of \$0.13 per share and 60,000 RSUs to directors and consultants compared to the grant of 7,640,000 stock options at an average price of \$0.27 per share and 1,476,316 RSUs to directors, officers, employees and consultants during the comparative period in 2019. Depreciation and amortization expense related to property and equipment acquired for its projects in Guyana and French Guiana and to right-of-use-assets capitalized in accordance with IFRS 16 totaled \$244,613 during the three months ended September 30, 2020 (\$216,371 in 2019). The Company recently advised the titleholders of the Waiamu and Arawini projects that it was terminating the option agreements due to disappointing exploration results, and as a result has written-off accumulated exploration and evaluation assets of \$766,315 during the reporting period (nil in 2019). The Company also realized finance income of \$1,830 on liquidities held (\$59,002 in 2019). Lower finance income in 2020 is attributable to lower average liquidities held and lower returns on liquidities.

#### *Investing Activities*

During the nine months ended September 30, 2020, the Company acquired property and equipment in an amount of \$6,794 and sold some of the equipment located at Waiamu for proceeds of \$13,133 (acquisition of property and equipment of \$135,388 during the comparative period in 2019, consisting mostly of service vehicles).

The Company paid an amount of \$135,392 in option payments during the nine months ended September 30, 2020 related to the Oko West project in Guyana (\$66,086 in 2019).

#### *Financing Activities*

On August 6, 2020, the Company completed a financing by way of private placement and issued a total of 75,000,000 Units at a price of \$0.08 per Unit for proceeds of \$6,000,000 and paid finders' fees of \$350,400 and other share issue expenses of \$42,963 (see description of the private placement in the *Financing and Financial Condition* section).

In March 2020, the Company completed a private placement financing and issued a total of 13,400,000 Units at a price of \$0.13 per Unit for proceeds of \$1,742,000 and incurred share issue expenses of \$55,612.



During the nine months ended September 30, 2019, the Company had completed two private placement financings and had issued 87,290,000 shares at a price of \$0.15 per share for total proceeds of \$13,093,500 and 9,473,684 shares at a price of \$0.13 per share for total proceeds of \$1,800,000 and incurred total share issue expenses of \$783,331.

The Company made total payments of \$131,571 during the nine months ended September 30, 2020 on the May 2018 non-interest-bearing note payable (\$290,328 in 2019). The last payment was made on April 30, 2020 and the note has now been fully repaid.

The repayment of lease liabilities in accordance with IFRS 16 totaled \$126,561 during the nine months ended September 30, 2020 (\$205,377 in 2019).

### ***Liquidity and Capital Resources***

At September 30, 2020, the Company had a working capital of \$4,296,907 compared to a working capital of \$1,076,085 at December 31, 2019. The increase in the working capital during the nine months ended September 30, 2020 is mainly attributable to net proceeds of \$7,293,025 received from the private placement financings completed in March and August 2020, partially offset by exploration expenses of \$2,993,684, management and administration expenses of \$906,899, the reimbursement of amounts due under the note payable of \$131,571 and the repayment of lease liabilities of \$126,561.

As more fully described in the *Financing and Financial Condition* section, the Company will require additional funds to meet all existing commitments, to provide for management and administration expenses for the year 2021 and to carry out continued exploration programs.

### ***Outstanding Share Data***

As at November 19, 2020, a total of 507,195,271 common shares are issued and outstanding, 51,582,495 share purchase warrants are exercisable at a price of \$0.20 per share at various dates until March 2023, 41,692,000 share purchase warrants are exercisable at a price of \$0.12 per share by August 6, 2022, 23,765,000 stock options are outstanding with exercise prices ranging between \$0.07 and \$0.27 and expiring until June 2025 and 2,523,816 RSUs are outstanding with vesting until June 2022.

### ***Related Party Transactions***

During the three and nine months ended September 30, 2020, the Company provided administrative services to Highland Copper Company Inc. and Odyssey Resources Limited, two TSXV-listed companies related by virtue of common management. The services are provided at cost for all direct expenses plus a fixed monthly

charge to cover overhead expenses. Amounts recovered for administrative services during the nine months ended September 30, 2020 totaled \$96,685 (\$118,641 in 2019).

The remuneration awarded to directors and to senior key management, including the executive chairman, the president and chief executive officer and the chief financial officer totalled \$944,919 during the nine months ended September 30, 2020, including \$485,219 in share-based compensation (total remuneration of \$1,422,136 in 2019, including \$653,934 in share-based compensation).

The participation of insiders in the August 2020 private placement of Units as described under the *Financing and Financial condition* section above also constitute a related party transaction.

### ***Risk Factors***

The activities of the Company are highly speculative due to the nature of mineral exploration generally and the Company's present stage of development. Risks and uncertainties that the Company is subject to include, but are not limited to: risks and uncertainties related to the effects of the COVID-19 pandemic, the Company's ability to continue raising sufficient funds to fund its share of future costs and expenditures in the Alliance with Barrick, to fund option payments and exploration expenditures on projects that are not part of the Alliance, and to fund general and administrative costs in a timely manner and on acceptable terms; risks related to the completion and results of planned exploration programs; risks of mineral rights being subject to prior unregistered agreements, transfers, non-compliance with regulatory requirements or claims and other defects in title; uncertainties related to the grant of mining concessions for the projects under option agreements in French Guiana, uncertainties related to obtaining permits required to conduct exploration activities; uncertainties related to the Company's ability to meet the terms and conditions to exercise option agreements and risks related to the Company's ability to obtain regulatory approvals required to transfer mineral rights following the exercise of option agreements by the Company; and uncertainties related to environment and social acceptability.

Renewal of mineral rights in French Guiana is a very detailed and long process. Under French mining law, the period of validity of mineral rights is extended until the French government makes a decision on the renewal application. The concessions with respect to the Boulanger and Haute Mana projects expired on December 31, 2018. Renewal applications have been filed in December 2016 and are still pending. The Dorlin exploitation permit ("PEX") expired on July 31, 2020. The filing of a concession application in June 2020 has the effect of extending the validity of the Dorlin PEX while the concession application is being processed. However, the Company expects that the concession application process will be a long process and there can be no certainty that the concession will be granted.

Resource exploration and development is highly speculative, characterized by a number of significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Refer to the risk factors described in the Annual MD&A for additional information.

### ***Forward-Looking Statements***

This news release contains "forward-looking information" within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to expectations, beliefs, plans, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", "anticipates", "plans", "estimates", "proposes" "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this MD&A, forward-looking statements relate to the potential of the Company's projects, expected work programs, geological interpretation, exploration results, grant of various concessions for projects in French Guiana, and the Company's ability to raise additional funds and to acquire new projects in Guyana and Suriname.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, the Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

### **Additional Information and Continuous Disclosure**

Additional information on the Company is available through regular filings of press releases and financial statements on SEDAR ([www.sedar.com](http://www.sedar.com)) and on the Company's website ([www.reuniongold.com](http://www.reuniongold.com)).