

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in thousands of Canadian dollars ("CAD") except for share amounts)

	At December 31 2018	At December 31 2017 Restated (notes 3, 5)	At January 1 2017 Restated (notes 3, 5)
ASSETS			
Current			
Cash and cash equivalents (note 7)	\$ 23,207	\$ 3,636	\$ 15,894
Investments (note 10)	-	37,807	-
Trade and other receivables (note 8)	4,072	4,791	3,226
Inventories (note 9)	3,584	3,454	3,196
Prepaid expenses and other	843	664	660
	31,706	50,352	22,976
Non-Current			
Inventories-ore in stockpiles (note 9)	2,098	2,098	2,098
Investments (note 10)	2,255	7,359	5,049
Investments in associates (note 11)	5,582	5,305	6,011
Restricted cash and investments (note 12)	12,255	12,184	3,107
Property, plant and equipment (note 13)	258,291	249,002	252,392
Total assets	\$ 312,187	\$ 326,300	\$ 291,633
LIABILITIES			
Current			
Accounts payable and accrued liabilities	\$ 5,554	\$ 5,756	\$ 5,561
Current portion of long-term liabilities:			
Deferred revenue (note 14)	4,567	4,936	-
Post-employment benefits (note 15)	150	250	250
Reclamation obligations (note 16)	877	819	1,088
Other liabilities (note 17)	1,337	3,835	2,850
	12,485	15,596	9,749
Non-Current			
Deferred revenue (note 14)	33,160	33,716	-
Post-employment benefits (note 15)	2,145	2,115	2,209
Reclamation obligations (note 16)	29,187	27,690	27,060
Other liabilities (note 17)	-	-	845
Deferred income tax liability (note 18)	12,963	17,422	20,168
Total liabilities	89,940	96,539	60,031
EQUITY			
Share capital (note 19)	1,331,214	1,310,473	1,295,235
Share purchase warrants (note 20)	435	435	-
Contributed surplus (note 21)	63,634	61,799	60,612
Deficit	(1,174,163)	(1,144,086)	(1,124,523)
Accumulated other comprehensive income (note 22)	1,127	1,140	278
Total equity	222,247	229,761	231,602
Total liabilities and equity	\$ 312,187	\$ 326,300	\$ 291,633
Issued and outstanding common shares (note 19)	589,175,086	559,183,209	540,722,365
Commitments and contingencies (note 27)			
Subsequent events (note 29)			

The accompanying notes are an integral part of the consolidated financial statements

On behalf of the Board of Directors:

Original signed by "Catherine J.G. Stefan"

Catherine J.G. Stefan
Director

Original signed by "Brian D. Edgar"

Brian D. Edgar
Director

Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)

(Expressed in thousands of CAD dollars except for share and per share amounts)	Year Ended December 31	
	2018	2017 Restated (notes 3, 5)
REVENUES (note 24)	\$ 15,550	\$ 16,067
EXPENSES		
Operating expenses (note 23, 24)	(15,948)	(13,758)
Exploration and evaluation (note 24)	(15,457)	(16,643)
General and administrative (note 24)	(7,189)	(7,680)
Impairment reversal (expense) (note 13)	(6,086)	331
Other income (expense) (note 23)	(5,865)	1,995
	(50,545)	(35,755)
Loss before finance charges, equity accounting	(34,995)	(19,688)
Finance expense, net (note 23)	(3,653)	(4,226)
Equity share of income (loss) of associate (note 11)	277	(706)
Loss before taxes	(38,371)	(24,620)
Income tax recovery (note 18):		
Deferred	8,294	5,166
Loss from continuing operations	(30,077)	(19,454)
Net loss from discontinued operations (note 6)	-	(109)
Net loss for the period	\$ (30,077)	\$ (19,563)
Other comprehensive income (loss) (note 22):		
Items that may be reclassified to loss:		
Foreign currency translation change	(13)	862
Comprehensive loss for the period	\$ (30,090)	\$ (18,701)
Basic and diluted net income (loss) per share:		
Continuing operations	\$ (0.05)	\$ (0.04)
Discontinued operations	\$ 0.00	\$ 0.00
All operations	\$ (0.05)	\$ (0.04)
Weighted-average number of shares outstanding (in thousands):		
Basic and diluted	564,976	555,263

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Consolidated Statements of Changes in Equity

(Expressed in thousands of CAD dollars)	Year Ended December 31	
	2018	2017 Restated (notes 3, 5)
Share capital (note 19)		
Balance-beginning of period	\$ 1,310,473	\$ 1,295,235
Shares issued for cash, net of issue costs	4,549	18,871
Flow-through share premium	(1,337)	(3,835)
Shares issued on acquisition of additional Wheeler River property interest (note 13)	17,529	-
Share options exercised-cash	-	90
Share options exercised-non cash	-	112
Balance-end of period	1,331,214	1,310,473
Share purchase warrants (note 20)		
Balance-beginning of period	435	-
Warrants issued in connection with APG Arrangement (note 14)	-	435
Balance-end of period	435	435
Contributed surplus (note 21)		
Balance-beginning of period	61,799	60,612
Stock-based compensation expense	1,835	1,299
Share options exercised-non-cash	-	(112)
Balance-end of period	63,634	61,799
Deficit		
Balance-beginning of period	(1,144,086)	(1,124,523)
Net loss	(30,077)	(19,563)
Balance-end of period	(1,174,163)	(1,144,086)
Accumulated other comprehensive loss (note 22)		
Balance-beginning of period	1,140	278
Foreign currency translation	(13)	862
Balance-end of period	1,127	1,140
Total Equity		
Balance-beginning of period	\$ 229,761	\$ 231,602
Balance-end of period	\$ 222,247	\$ 229,761

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Consolidated Statements of Cash Flow

(Expressed in thousands of CAD dollars)	Year Ended December 31	
	2018	2017
CASH PROVIDED BY (USED IN):		Restated (notes 3, 5)
OPERATING ACTIVITIES		
Net loss for the period	\$ (30,077)	\$ (19,563)
Items not affecting cash and cash equivalents:		
Depletion, depreciation, amortization and accretion	8,585	9,135
Impairment expense (reversal) (note 13)	6,086	(331)
Stock-based compensation (note 21)	1,835	1,299
Recognition of deferred revenue (note 14)	(4,239)	(4,443)
Losses on reclamation obligation revisions (note 16)	369	71
Gain on extinguishment of toll milling liability (note 17, 23)	-	(899)
Loss on divestiture of Africa Mining Division (note 6)	-	109
Losses (gains) on property, plant and equipment disposals (note 23)	135	(27)
Losses (gains) on investments (note 23)	5,411	(2,417)
Equity loss of associate (note 11)	472	1,015
Dilution gain of associate (note 11)	(749)	(309)
Non-cash inventory adjustments and other	56	172
Deferred income tax recovery (note 18)	(8,294)	(5,166)
Foreign exchange losses (note 23)	1	853
Deferred revenue cash receipts (note 14)	-	39,980
Post-employment benefits (note 15)	(142)	(168)
Reclamation obligations (note 16)	(755)	(981)
Change in non-cash working capital items (note 23)	355	(1,455)
Net cash provided by (used in) operating activities	(20,951)	16,875
INVESTING ACTIVITIES		
Divestiture of asset group, net of cash and cash equivalents divested:		
Africa Mining Division (note 6)	-	(109)
Increase in loans receivable (note 8)	(250)	-
Sale of investments (note 10)	37,500	2,500
Purchase of investments (note 10)	-	(40,200)
Expenditures on property, plant and equipment (note 13)	(1,567)	(1,086)
Proceeds on sale of property, plant and equipment	361	248
Increase in restricted cash and investments	(71)	(9,077)
Net cash provided by (used in) investing activities	35,973	(47,724)
FINANCING ACTIVITIES		
Repayment of debt obligations (note 17)	-	(370)
Issuance of common shares for:		
New share issues-net of issue costs (note 19)	4,549	18,871
Share options exercised (note 19)	-	90
Net cash provided by financing activities	4,549	18,591
Increase (decrease) in cash and cash equivalents	19,571	(12,258)
Cash and cash equivalents, beginning of period	3,636	15,894
Cash and cash equivalents, end of period	\$ 23,207	\$ 3,636
Supplemental cash flow disclosure (note 23)		

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