Columbus Gold Corp.
1090 Hamilton Street
Vancouver, B.C.
V6B 2R9
Canada

Consolidated Financial Statements

For the Year Ended
September 30, 2019 and 2018

(Stated in Canadian Dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Columbus Gold Corp.

Opinion

We have audited the consolidated financial statements of Columbus Gold Corp. (the “Company”), which comprise the consolidated statements of financial position as at September 30, 2019 and 2018, and the consolidated statements of comprehensive loss, cash flows and shareholders’ equity for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which describes events or conditions that indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management’s Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Rakesh Patel.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

December 5, 2019

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

	September 30, 2019 ($)	September 30, 2018 ($)
Assets		
Current assets		
Cash	503	809
Marketable securities (note 6)	711	2,084
Receivables (note 7 and 11)	29	310
Note receivable from Allegiant Gold Ltd. (note 5 and 11)	-	1,604
Prepaid expenses	319	309
	1,562	5,116
Non-current assets		
Note receivable from Allegiant Gold Ltd. (note 5 and 11)	1,142	-
Investment in Compagnie Minière Montagne d'Or SAS (note 8)	34,613	36,538
Exploration and evaluation assets (note 9)	573	145
Equipment	39	38
	37,929	**41,837**
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable (note 11)	128	210
Accrued liabilities (note 11)	148	219
	276	429
Shareholders' equity		
Share capital (note 10)	67,421	65,208
Reserves (note 10e)	9,688	11,183
Deficit	(39,456)	(34,983)
	37,653	41,408
	37,929	**41,837**

Nature of operations and going concern (note 1)
Commitments (note 13)
Subsequent event (note 17)

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

Approved by the Board of Directors

"Robert Giustra"
Robert Giustra – Director

"Peter Gianulis"
Peter Gianulis - Director

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

	Year Ended	
	September 30, 2019 ($)	**September 30, 2018 ($)**
Operating expenses		
Administration and office (note 11)	1,213	1,362
Directors fees (note 11)	305	252
General exploration	2	159
Investor relations	164	309
Management fees (note 11)	133	263
Professional fees	364	326
Share-based payments (note 10b)	72	1,006
Transfer agent and filing fees	104	252
Travel	108	83
Amortization	21	16
Cost recoveries from Allegiant Gold Ltd. (note 11)	(309)	(351)
Loss before other items	(2,177)	(3,677)
Other items		
Finance income (note 11)	126	17
Other income	-	133
Unrealized loss on investments (note 6)	(1,755)	-
Gain from sale of marketable securities	-	166
Loss on note receivable extension (note 11)	(384)	-
Loss from equity accounted investment (note 8)	(319)	(457)
Loss from settlement of receivables (note 7)	(104)	-
Loss from spin-out of Allegiant Gold Ltd. (note 5)	-	(2,081)
Foreign exchange gain (loss)	3	(11)
Net loss before taxes and net loss for the year	(4,610)	(5,910)
Reclassified to net income or loss:		
Unrealized gain on marketable securities	-	(166)
Items that may subsequently be reclassified to net income or loss:		
Unrealized gain on marketable securities	-	291
Foreign currency translation	(1,614)	851
Comprehensive loss for the year	(6,224)	(4,934)
Loss per share (note 10d)		
Basic	(0.03)	(0.04)
Diluted	(0.03)	(0.04)

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

(Expressed in thousands of Canadian Dollars)

	Year Ended September 30, 2019 ($)	Year Ended September 30, 2018 ($)
Operating activities		
Net loss for the year	(4,610)	(5,910)
Items not involving cash		
Unrealized loss on investments (note 6)	1,755	-
Loss on note receivable extension (note 11)	384	-
Loss from equity accounted investment (note 8)	319	457
Loss from settlement of receivables (note 7)	104	-
Finance income from note receivable	(111)	-
Loss on spin-out of Allegiant Gold Ltd. (note 5)	-	2,081
Gain from sale of marketable securities	-	(166)
Share-based payments	72	1,006
Amortization	21	16
Unrealized foreign exchange loss	5	10
	(2,061)	(2,506)
Changes in non-cash working capital		
Receivables and prepaid expenses	(109)	(161)
Accounts payable and accrued liabilities	(153)	(128)
Cash used in operating activities	(2,323)	(2,795)
Investing activities		
Exploration and evaluation assets	(378)	(552)
Proceeds from sale of marketable securities	-	1,914
Reimbursements from Compagnie Minière Montagne d'Or	-	457
Note receivable from Allegiant Gold Ltd.	-	515
Purchase of marketable securities	-	(565)
Equipment	(22)	(38)
Interest received	15	17
Cash deconsolidated from spin-out of Allegiant Gold Ltd. (note 5)	-	(4,261)
Reclamation bonds	-	(52)
Cash used in investing activities	(385)	(2,565)
Financing activities		
Net proceeds from share offerings (note 10)	2,397	-
Proceeds from share options exercised	-	351
Proceeds from warrants exercised	-	303
Net proceeds from Allegiant Gold Ltd. share offering (note 5)	-	4,196
Cash from financing activities	2,397	4,850
Effect of foreign exchange on cash	5	(38)
Decrease in cash	(306)	(548)
Cash, beginning of year	809	1,357
Cash, end of year	**503**	**809**

Supplemental cash flow information (note 15)

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

(Expressed in thousands of Canadian Dollars except for share amounts)

	Share Capital		Reserves				
	Number of Shares (000's)	Share Capital ($)	Share Options and Warrants ($)	Accumulated Other Comprehensive Income (Loss) ($)	Total ($)	Deficit ($)	Total ($)
Balance, October 1, 2017	153,096	62,305	9,463	1,987	11,450	(16,524)	57,231
Share options exercised – cashless (note 10a)	4,326	1,890	(1,890)	-	(1,890)	-	-
Share options exercised (note 10a)	868	523	(172)	-	(172)	-	351
Warrants exercised (note 10c)	480	490	(187)	-	(187)	-	303
Share-based payments (note 10b)	-	-	1,006	-	1,006	-	1,006
Dividends (note 5)	-	-	-	-	-	(12,549)	(12,549)
Comprehensive income (loss)	-	-	-	976	976	(5,910)	(4,934)
Balance, September 30, 2018	**158,770**	**65,208**	**8,220**	**2,963**	**11,183**	**(34,983)**	**41,408**
Private placement of common shares – January 2019 (note 10a)	9,851	1,788	153	-	153	-	1,941
Private placement of common shares – August 2019 (note 10a)	2,988	425	31	-	31	-	456
Share-based payments (note 10b)	-	-	72	-	72	-	72
Reclassification of investment revaluation reserve to deficit (note 4)	-	-	-	(137)	(137)	137	-
Comprehensive loss	-	-	-	(1,614)	(1,614)	(4,610)	(6,224)
Balance, September 30, 2019	**171,609**	**67,421**	**8,476**	**1,212**	**9,688**	**(39,456)**	**37,653**

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

1. Nature of Operations and Going Concern

Columbus Gold Corp. (the "Company" or "Columbus Gold") was incorporated on May 14, 2003 under the laws of the Province of Saskatchewan, Canada and continued on to British Columbia, Canada on December 29, 2003. The Company is currently listed on the Toronto Stock Exchange (the "TSX" or "Exchange") and the OTCQX International.

The Company's principal business activities are the exploration and development of resource properties which are located in French Guiana. The Company is in the process of exploring and developing its resource properties. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production or from proceeds of disposition. The Company's exploration and evaluation activities are not dependent on seasonality and may operate year-round; however, the Company may adjust the level of exploration and evaluation activities to manage its capital structure in light of changes in global economic conditions. To date, the Company has not received any revenue from mining operations and is considered to be in the exploration stage.

These consolidated financial statements have been prepared on a going concern basis which implies that the Company will continue realizing assets and discharging liabilities in the normal course of business for the foreseeable future. Should the going concern assumption not continue to be appropriate, further adjustments to carrying values of assets and liabilities may be required.

All figures in these consolidated financial statements are expressed in thousands of Canadian Dollars except for share, per share amounts, warrants, per warrant amounts, units, per unit amounts or noted otherwise. References to "US$" are to thousands of US Dollars. At September 30, 2019, the Company had working capital of $1,286 (September 30, 2018 – $4,687) and an accumulated deficit of $39,456 (September 30, 2018 - $34,983). Accordingly, the ability of the Company to realize the carrying value of its assets and continue operations as a going concern is dependent upon its ability to raise additional debt or equity to fund ongoing costs of operations and/or secure new or additional partners in order to advance its projects. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. These consolidated financial statements do not include any adjustments relating to the recovery of assets and classification of assets and liabilities that may arise should the Company be unable to continue as a going concern.

The Company's head office and principal address is located at 1090 Hamilton Street, Vancouver, British Columbia, V6B 2R9, Canada.

2. Basis of Presentation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These consolidated financial statements were approved by the Board of Directors and authorized for issue on December 5, 2019.

(b) Basis of measurement

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

2. Basis of Presentation – *continued*

(c) Basis of consolidation

These consolidated financial statements include the accounts of Columbus Gold and its wholly-owned subsidiaries as follows:

Entity
Columbus Gold Corp.
Columbus Gold (Luxembourg) S.à.r.l.
Columbus Guyane SAS
Columbus International (Luxembourg) S.à.r.l
Columbus Investments S.à.r.l
Allegiant Gold Ltd.[1]
Allegiant Gold Holding Ltd. (formerly Columbus Gold (US Property Holding) Corporation) [1]
Allegiant Gold (U.S.) Ltd. (formerly Columbus Gold (U.S.) Corporation) [1]

[1] Deconsolidated effective January 25, 2018.

All inter-company transactions and balances have been eliminated upon consolidation.

Control exists where the parent entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases.

(d) Use of estimates and judgments

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions used by management where there is risk of material adjustments to assets and liabilities in future accounting periods include the estimated useful lives of depreciated and amortized assets, the fair value of its equity investment, the recoverability of the carrying value of marketable securities and exploration and evaluation assets, assumptions used in determination of the fair value of share-based payments, the recoverability and measurement of deferred tax assets, decommissioning, restoration and similar liabilities and contingent liabilities.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in preparing the Company's financial statements include the assumption that the Company will continue as a going concern, classification of expenditures as exploration and evaluation expenditures or operating expenses and the classification of financial instruments.

3. Significant Accounting Policies

(a) Foreign currency translation

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currencies are as follows:

Entity	Functional Currency
Columbus Gold Corp.	Canadian dollar
Columbus Gold (Luxembourg) S.à.r.l.	European euro
Columbus Guyane SAS	European euro
Columbus International (Luxembourg) S.à.r.l	European euro
Columbus Investments S.à.r.l	European euro
Allegiant Gold Ltd.[1]	Canadian dollar
Allegiant Gold Holding Ltd. (formerly Columbus Gold (US Property Holding) Corporation)[1]	Canadian dollar
Allegiant Gold (U.S.) Ltd. (formerly Columbus Gold (U.S.) Corporation)[1]	United States dollar

[1] Deconsolidated effective January 25, 2018.

At the end of each reporting period, assets and liabilities of the entities whose functional currency is not the Canadian dollar are translated at the rate of exchange at the statement of financial position date. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are reflected in other comprehensive income or loss for the year.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are reflected in profit or loss for the year.

(b) Exploration and evaluation assets

Upon acquiring the legal right to explore a property, costs related to the acquisition, exploration and evaluation are capitalized by property. If commercially profitable ore reserves are developed, capitalized costs of the related exploration and evaluation assets are reclassified as mining assets and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable over the estimated economic life of the exploration and evaluation assets, or the exploration and evaluation assets are abandoned, or management deems there to be an impairment in value, the exploration and evaluation assets is written down to its net realizable value.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the exploration and evaluation assets. If payments received exceed the capitalized cost of the exploration and evaluation assets, the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. The recoverability of the exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

General exploration costs consist of exploration expenditures incurred in the process of evaluating potential property acquisitions. Such expenditures will continue to be expensed until the property is acquired.

The proceeds from royalties granted and operator fees earned are deducted from the costs of the related property and any excess is recorded as income.

3. Significant Accounting Policies - *continued*

(c) Equipment

Equipment is recorded at cost less accumulated amortization. Amortization is calculated based on the estimated residual value and estimated economic life of the specific assets using the straight-line method over the period indicated below:

Furniture	5 years
Leasehold improvements	Term of lease
Equipment	3 to 10 years

(d) Impairment of long-lived assets

At each reporting date, the Company reviews the carrying amounts of its long-lived assets to determine whether there are any indications of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. 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. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of cash inflows of other assets or groups of assets (the “cash-generating unit” or “CGU”). This generally results in the Company evaluating its non-financial assets on an exploration asset by exploration asset basis.

If the carrying amount of an asset or CGU exceeds its recoverable amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized as an expense in the statement of comprehensive loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reduced if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

(e) Investment

The Company accounts for its investment, in which the Company has significant influence, using the equity method. Under the equity method, the Company’s investment is initially recognized at fair value and subsequently increased or decreased to recognize the Company's share of net earnings and losses, after any adjustments necessary to give effect to uniform accounting policies, and for impairment losses after the initial recognition date. The Company's share of earnings and losses of the investee are recognized in net earnings during the year. Dividends and repayment of capital received from the investee company are accounted for as a reduction in the carrying amount of the Company’s investment.

The Company has determined that it has significant influence over Compagnie Minière Montagne d’Or SAS (“CMMO”) (note 8).

3. Significant Accounting Policies - *continued*

(f) Restoration provision

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to mining assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit and loss for the year.

(g) Finance income and expenses

Finance income comprises interest income on funds invested (including marketable securities, gains on the disposal of marketable securities and changes in the fair value of financial assets at fair value through profit or loss). Interest income is recognized as it accrues in profit or loss, using the effective interest method.

Finance expense comprises interest expense on borrowings and unwinding of the discount on provisions. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

(h) Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the 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 income taxes are accounted for using the liability method of tax allocation. Under this method deferred income tax assets and liabilities are recognized for the tax consequences of temporary differences by applying substantively enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities.

The effect on deferred taxes for a change in tax rates is generally recognized in income in the period that includes the substantive enactment.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

Deferred income tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis. Current and deferred taxes relating to items recognized directly in equity is recognized in equity and not in the statement of comprehensive loss.

(i) Earnings per share

Earnings per share is calculated using the weighted average number of common shares outstanding during the year. The calculation of diluted loss per share assumes that outstanding options and warrants are exercised and the proceeds are used to repurchase shares

3. Significant Accounting Policies - *continued*

of the Company at the average market price of the shares for the period. The effect is to increase the number of shares used to calculate diluted earnings per share and is only recognized when the effect is dilutive.

(j) Share-based payments

The Company grants share-based awards, including options, as an element of compensation to directors, officers, employees and service providers. Details of the Company's share option plan are disclosed in note 10b.

The Company uses the Black-Scholes Option Pricing Model to measure the fair value for all share options granted, modified or settled during the period. Compensation expense is recorded based on the fair value of the award at the grant date, amortized over the vesting period. Each reporting date prior to vesting, the cumulative expense representing the extent to which the vesting period has expired and management's best estimate of the awards that are ultimately expected to vest is computed. The movement in cumulative expense is recognised in the statement of comprehensive income or as capitalized mineral resource property cost with a corresponding entry within equity, against share-based payments reserve. No expense is recognised for awards that do not ultimately vest. When options are exercised, the proceeds received, together with any related amount in share-based payments reserve, are credited to share capital.

(k) Financial instruments

The Company's financial instruments consist of cash, marketable securities, receivables, note receivable from Allegiant Gold Ltd., and accounts payable.

Upon adoption of *IFRS 9 – Financial Instruments* ("IFRS 9"), the Company's classification of its financial instruments is as follows:

Asset or Liability	Original - IAS 39 Classification	New – IFRS 9 Classification
Cash	FVTPL[1]	FVTPL
Marketable securities	FVTPL	FVTPL
Receivables	Loans and receivables	Amortized cost
Note receivable from Allegiant Gold Ltd.	Loans and receivables	Amortized cost
Accounts Payable	Other liabilities	Amortized cost

[1] *Fair value through profit and loss ("FVTPL")*

Classification

On initial recognition, the Company classifies its financial instruments in the following categories: at ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. Significant Accounting Policies - *continued*

An equity investment that is held for trading is measured at FVTPL. For other equity investments that are not held for trading, the Company may irrevocably elect to designate them as FVTOCI. This election is made on an investment-by-investment basis.

All financial assets not classified or measured at amortized cost or FVTOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has elected to measure them at FVTPL.

Measurement

Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are recognized in profit or loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statement of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities

3. Significant Accounting Policies - *continued*

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4. Changes in Accounting Standards

New Accounting Standards Adopted During the Period

In July 2014, the IASB issued the final version of *IFRS 9 – Financial Instruments* which replaces *IAS 39 Financial Instruments: Recognition and Measurement*. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument.

IFRS 9 amends some of the requirements of *IFRS 7 Financial Instruments: Disclosures*, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. The amended standard was adopted on October 1, 2018 and the impact to the Company's financial statements will be to classify its investments to fair value through profit or loss. The Company adopted IFRS 9 retrospectively without restatement of comparative amounts resulting in a reclassification of $137 from accumulated other comprehensive income to deficit on October 1, 2018. Future changes in the fair value of these investments will be recorded directly in profit or loss. No other differences of any significance have been noted in relation to the adoption of IFRS 9.

New Accounting Standards Not Yet Adopted

New standards, amendments to standards and interpretations that may have a significant effect on the consolidated financial statements of the Company are as follows:

(a) IFRS 16 – *Leases* ("IFRS 16")

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The Company does not expect IFRS 16 to have a significant impact on the Company's financial statements. IFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after 1 January 2019.

(b) Other

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

5. Spin-Out of Allegiant Gold Ltd.

On September 27, 2017, the Company announced the signing of an arrangement agreement (the "Arrangement") providing for the spin-out of its subsidiary Allegiant Gold Ltd. ("Allegiant"), with the intent of listing Allegiant on the TSX Venture Exchange ("TSX-V"). Allegiant indirectly held the Company's United States based exploration and evaluation assets.

On December 8, 2017, the Company completed Allegiant's brokered and non-brokered private placements of subscription receipts for combined gross proceeds of $4,196.

Allegiant was spun-out of Columbus Gold on January 25, 2018, with the Company holding 7,933,496 shares of Allegiant, with a fair value of $3,135, representing approximately 16.7% of Allegiant's issued and outstanding common shares at the time. Assets and liabilities of Allegiant, including exploration and evaluation assets of $19,206, cash of $4,261 and reclamation bonds of $501 were deconsolidated from the Company's consolidated financial statements.

(Expressed in thousands of Canadian Dollars, except where noted)

5. Spin-Out of Allegiant Gold Ltd. - *continued*

In accordance with IFRS, the Company recorded a dividend of $12,549 and a loss on the spin-out of Allegiant of $2,081. As at September 30, 2019, the Company held 6,150,580 shares of Allegiant, with a fair value of $584 (note 6).

6. Marketable Securities

	September 30, 2019 ($)	September 30, 2018 ($)
Allegiant Gold Ltd.	584	2,084
Organto Foods Inc. (“Organto”)	127	-
	711	**2,084**

During the year ended September 30, 2019, the Company recorded an unrealized loss on investments of $1,755 (2018 - $ nil).

7. Receivables

	September 30, 2019 ($)	September 30, 2018 ($)
Due from Organto	7	301
Other receivables	22	9
	29	**310**

On December 14, 2018, Organto issued the Company 2,524,294 Organto common shares to settle $293 of Organto receivables. The fair value of the Organto common shares was $189, resulting in a loss of $104 on the settlement of receivables.

8. Investment in Compagnie Minière Montagne d’Or SAS

The Company entered into an agreement with major gold producer Nord Gold SE (“Nordgold”) on March 13, 2014 (the “Option Agreement”), under which Nordgold was granted the right to acquire a 50.01% interest in the Paul Isnard mining concessions and the exploration permits (the “Paul Isnard Gold Project”), held by the Company’s subsidiary at the time, Compagnie Minière Montagne d’Or SAS (“CMMO”).

On January 12, 2016, the Company entered into an agreement with Nordgold to sell a 5% minority interest in the Paul Isnard Gold Project (the “5% Sale”) for $7,870 (US$6,000) (received). The formal acquisition and transfer of the 5% interest would not occur until Nordgold earned the initial 50.01% interest in the Paul Isnard Gold Project under the Option Agreement.

On September 14, 2017, the Company’s interest in CMMO was diluted to 49.99% through Nordgold’s successful Option Agreement earn-in, and an additional 5% interest in CMMO was transferred to Nordgold to complete the 5% Sale. A Shareholders’ Agreement was signed between the Company and Nordgold, with the Company retaining a 44.99% interest in CMMO, and Nordgold owning the remaining 55.01% interest.

Upon recognition of Nordgold’s earn-in, the Company recorded the carrying value of its investment in CMMO at its fair value of $36,701, resulting in a gain on deconsolidation of $14,116. The fair value of the Company’s investment in CMMO was determined using the consideration it received for an aggregate interest of 55.01%, which was $44,875 (US$36,000).

The Company accounts for its investment in CMMO as an equity accounted investment.

(Expressed in thousands of Canadian Dollars, except where noted)

8. Investment in Compagnie Minière Montagne d'Or SAS - *continued*

Investment in CMMO continuity table:

	($)
Balance, October 1, 2017	36,701
Proportionate share of losses	(457)
Reimbursements from CMMO to the Company	(457)
Foreign exchange gain	751
Balance, September 30, 2018	**36,538**
Proportionate share of losses	(319)
Foreign exchange loss	(1,606)
Balance, September 30, 2019	**34,613**

9. Exploration and Evaluation Assets

On July 19, 2018, the Company entered into an agreement (the "Maripa Option") with a subsidiary of IAMGOLD Corporation ("IAMGOLD") to acquire up to a 70% interest in the Maripa Gold Project ("Maripa"), located in French Guiana, France. The terms of the Maripa Option are as follows:

- Two-stage option to earn up to a 70% interest in Maripa:
    - Initial option (the "First Option") to acquire a 50% interest by incurring $6,621 (US$5,000) in expenditures within 5 years from the date of deemed non-objection of the French Government of the Maripa Option (the "Effective Date"), with Columbus Gold acting as Operator:
        - Firm spending commitment of $265 (US$200) by December 31, 2018 (requirement met);
        - $1,986 (US$1,500) firm cumulative spending commitment by the 2nd anniversary of the Effective Date;
        - $3,642 (US$2,750) cumulative spending by the 3rd anniversary of the Effective Date;
        - $5,297 (US$4,000) cumulative spending by the 4th anniversary of the Effective Date; and
        - $6,621 (US$5,000) cumulative spending and the completion of an internal scoping study by the 5th anniversary of the Effective Date.
    - Election to acquire an additional 20% interest:
        - Following exercise of the First Option, the parties may form a 50/50 joint-venture ("JV"), or if IAMGOLD elects not to participate in the 50/50 JV, then Columbus Gold may provide notice to IAMGOLD that it will aim to earn an additional 20% interest by completing a Preliminary Feasibility Study ("PFS") in an additional 3 years;
        - A 70:30 JV will be formed upon completion of a PFS by Columbus Gold; and
        - If any party's interest in a JV falls below 10% it will convert to a 2% NSR, of which 1% can be purchased by the other party for $3,973 (US$3,000).

The Effective Date has been set to April 10, 2019, corresponding to the date on which the deemed non-objection of the agreement was received from the French Government.

(Expressed in thousands of Canadian Dollars, except where noted)

9. Exploration and Evaluation Assets - *continued*

A summary of the Company's exploration and evaluation asset for the year ended September 30, 2019 is set out below:

	Maripa Gold Project
Balance at October 1, 2018	145
Geology and geophysics	123
Salaries and consulting	280
Supplies	33
Other	14
Foreign exchange	(22)
Balance at September 30, 2019	**573**

A summary of the Company's exploration and evaluation assets for the year ended September 30, 2018 is set out below:

	($)
Balance at October 1, 2017	18,676
Drilling	32
Geology, trenching and geophysics	215
Management and administration	262
Technical studies	14
Travel	29
Foreign exchange	123
Effect of the Arrangement (note 5)	(19,206)
Balance at September 30, 2018	**145**

Property	Balance at October 1, 2017 ($)	Additions ($)	Foreign exchange ($)	Effect of the Arrangement ($)	Balance at September 30, 2018 ($)
French Guiana					
Maripa	-	145	-	-	145
USA					
Big Lime	1	0	1	(2)	-
Bolo	3,969	67	27	(4,063)	-
Clanton Hills	33	14	1	(48)	-
Eastside	14,078	211	92	(14,381)	-
Four Metals	14	0	0	(14)	-
Hugh's Canyon	43	6	0	(49)	-
Mogollon	195	-	1	(196)	-
Monitor Hills	62	1	0	(63)	-
North Brown	14	11	0	(25)	-
Overland Pass	40	3	0	(43)	-
Red Hills	25	31	1	(57)	-
Silver Dome	18	0	0	(18)	-
West Goldfield	151	2	1	(154)	-
White Canyon	0	-	-	(0)	-
White Horse Flats	12	38	0	(50)	-
White Horse Flats North	21	23	(1)	(43)	-
	18,676	**552**	**123**	**(19,206)**	**145**

(Expressed in thousands of Canadian Dollars, except where noted)

10. Share Capital

(a) Common shares

Authorized - unlimited common shares without par value.

At September 30, 2019, the Company had 171,608,660 (September 30, 2018 – 158,769,132) common shares issued and outstanding.

Year ended September 30, 2019

On August 16, 2019, the Company closed the first tranche of a non-brokered private placement (the "August 2019 Private Placement"), raising gross proceeds of $456 through the issuance of 2,850,000 units at a price of $0.16 per unit. Each unit is comprised of one common share of Columbus Gold, and a half warrant. Each full warrant entitles the holder, on exercise, to purchase one common share of Columbus Gold at a price of $0.32, for a period of 18 months from the closing date of the private placement. An aggregate of 137,500 units with a fair value of $22 was paid in finders' fees.

On January 16, 2019, the Company closed a non-brokered unit private placement (the "January 2019 Private Placement"), raising gross proceeds of $1,957 through the issuance of 9,786,778 units at a price of $0.20 per unit. Each unit is comprised of one common share of the Company, and a half warrant. Each full warrant entitles the holder, on exercise, to purchase one common share of the Company at a price of $0.40, for a period of 12 months from the closing date of the private placement. An aggregate of 65,250 common shares of the Company with a fair value of $13 was paid in finder's fees. Share issuance costs totaled $16.

Year ended September 30, 2018:

The Company issued 4,325,546 (2017 – nil) common shares to settle the cashless exercise of 8,659,000 (2017 – nil) share options with exercise prices ranging from $0.30 to $0.65.

Further, 867,500 (2017 – 406,000) share options were exercised between $0.30 and $0.70 (2017 - $0.30 to $0.50) per share for proceeds of $351 (2017 - $129) and 480,000 (2017 – nil) warrants were exercised at $0.63 per share for proceeds of $303 (2017 - $nil).

(b) Share options

The Company has a share option plan to issue share options whereby the total share options outstanding may be up to 10% of its issued capital at the time of an applicable option grant. The Board of Directors may from time to time, grant options to directors, officers, employees or consultants. The exercise price of an option is not less than the closing price on the Exchange on the last trading day preceding the grant date.

	Number of Options	Weighted Average Exercise Price ($)
Balance, September 30, 2017	12,234,000	0.43
Granted	5,000,000	0.48
Exercised	(9,526,500)	0.44
Forfeited	(200,000)	0.48
Expired	(200,000)	0.46
Cancelled	(50,000)	0.90
Balance, September 30, 2018	**7,257,500**	**0.45**
Granted	1,200,000	0.27
Expired	(450,000)	0.62
Balance, September 30, 2019	**8,007,500**	**0.42**

(Expressed in thousands of Canadian Dollars, except where noted)

10. Share Capital - *continued*

A summary of the Company's options at September 30, 2019 is as follows:

	Options Outstanding		Options Exercisable	
Exercise Price ($)	**Number of Options Outstanding**	**Weighted Average Remaining Contractual Life (Years)**	**Number of Options Exercisable**	**Weighted Average Remaining Contractual Life (Years)**
0.25	700,000	4.46	216,667	4.46
0.30	500,000	2.58	500,000	2.58
0.30	100,000	3.53	100,000	3.53
0.30	1,150,000	3.93	1,150,000	3.93
0.40	250,000	1.37	250,000	1.37
0.40	432,500	1.43	432,500	1.43
0.48	4,750,000	3.38	4,750,000	3.38
0.65	125,000	2.28	125,000	2.28
0.25-0.65	**8,007,500**	**3.32**	**7,524,167**	**3.25**

The fair value of share options recognized as an expense during the year ended September 30, 2019 was $72 (2018 - $1,006).

The fair value of each share option is estimated on the date of grant using the Black-Scholes Option Pricing Model that uses the assumptions noted in the table below. Expected volatilities are based on historical volatility of the Company's shares, and other factors. The expected term of share options granted represents the period of time that share options granted are expected to be outstanding. The risk-free rate of periods within the contractual life of the share option is based on the Canadian government bond rate. Assumptions used for share options granted during 2019 and 2018 are as follows:

Grant Date	**Number of Share Options**	**Expected Price Volatility**	**Risk Free Interest Rate**	**Expected Life (Years)**	**Expected Dividend Yield**	**Fair Value Per Option ($)**	**Total Fair Value ($)**
April 30, 2019	500,000	76%	1.60%	2.96	-	0.06	28
March 14, 2019	700,000	76%	1.66%	2.96	-	0.10	72
February 16, 2018	5,000,000	71%	2.03%	2.96	-	0.19	956

(c) Warrants

In connection with the August 2019 Private Placement, 1,493,750 warrants were issued on August 16, 2019, where each warrant entitles the holder, on exercise, to purchase one common share of the Company at a price of $0.32, for a period of 18 months from the closing date of the August 2019 Private Placement.

In connection with the January 2019 Private Placement, 4,893,389 warrants were issued on January 16, 2019, where each warrant entitles the holder, on exercise, to purchase one common share of the Company at a price of $0.40, for a period of 12 months from the closing date of the January 2019 Private Placement.

All warrants are exercisable on the date of issuance.

10. Share Capital - *continued*

	Number of Warrants	Weighted Average Exercise Price ($)
Balance, October 1, 2017	480,000	0.63
Exercised	(480,000)	0.63
Balance at September 30, 2018	-	n/a
Issued	6,387,139	0.38
Balance, September 30, 2019	**6,387,139**	**0.38**

The fair value of each warrant is estimated on the date of grant using the Black-Scholes Option Pricing Model that uses the assumptions noted in the table below. Expected volatilities are based on historical volatility of the Company's shares, and other factors. The expected term of warrants issued represents the period of time which those warrants are expected to be outstanding.

The risk-free rate of periods within the contractual life of the warrants is based on the Canadian government bond rate. Assumptions used for warrants issued during 2019 are as follows:

Issue Date	Number of Warrants	Expected Price Volatility	Risk Free Interest Rate	Expected Life (Years)	Expected Dividend Yield	Fair Value per Warrant ($)	Total Fair Value ($)
August 16, 2019	1,493,750	72.0%	1.39%	1.50	-	0.02	30
January 16, 2019	4,893,389	82.9%	1.90%	1.00	-	0.03	153

(d) Loss per share

	Year Ended September 30, 2019 ($)	Year Ended September 30, 2018 ($)
Basic loss per share	(0.03)	(0.04)
Diluted loss per share	(0.03)	(0.04)
Net loss for the year	**(4,610)**	**(5,910)**

(in thousands)	Year Ended September 30, 2019	Year Ended September 30, 2018
Shares outstanding, beginning of year	158,769	153,096
Effect of share options exercised	-	4,358
Effect of warrants exercised	-	384
Effect of share offerings	7,341	-
Basic weighted average number of shares outstanding	**166,110**	**157,838**
Effect of dilutive share options	-	-
Effect of dilutive warrants	-	-
Diluted weighted average number of shares outstanding	**166,110**	**157,838**

As at September 30, 2019, there were nil (September 30, 2018 – nil) share options and warrants that were potentially dilutive but not included in the diluted earnings per share calculation as the effect would be anti-dilutive.

(Expressed in thousands of Canadian Dollars, except where noted)

10. Share Capital - *continued*

(e) Reserves

Share options and warrants

The share options and warrants reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

Accumulated other comprehensive income (loss)

The accumulated other comprehensive income (loss) reserve records unrealized gains and losses arising on marketable securities, except for impairment losses and foreign exchange gains and losses on monetary items. The reserve also records unrealized exchange differences arising on translation of foreign operations that have a functional currency other than the Company's reporting currency.

11. Related Party Transactions

The Company had an agreement (the "Cost Sharing Agreement") with Allegiant, whereby certain overhead and administration costs were shared, which Allegiant reimbursed to the Company on a periodic basis and was included in cost recoveries. The Cost Sharing Agreement was terminated effective September 30, 2019. The Company and Allegiant have certain directors in common.

The Company has a note receivable of $1,604 from Allegiant (the "Grid Note"), originally due on the later of March 1, 2019 or when Allegiant has completed one or more equity financings with collective proceeds of a minimum of $4,000 subsequent to the date on which Allegiant lists on the TSX-V. On March 5, 2019, the Company received 1,000,000 common shares (the "Extension Shares") of Allegiant in exchange for extending the due date of the Grid Note to December 31, 2020 (the "Extended Grid Note"). The fair value of the Extension Shares was $190 at the time of issuance. The fair value of the Extended Grid Note is $1,221, based on a 15% discount rate. The fair value of the Grid Note has been further reduced by the fair value of the Extension Shares, resulting in a carrying value of $1,031 on initial recognition. The Extended Grid Note will be accreted to its face value of $1,604 by the due date. During the year ended September 30, 2019, the Company recognized finance income of $111 (2018 - $nil) in connection with the Extended Grid Note. The Grid Note is non-interest bearing and unsecured.

A summary of the Grid Note is presented in the following table:

	($)
Balance, January 25, 2018 and September 30, 2018	1,604
15% fair value discount	(384)
Extension Shares	(190)
Finance income	111
Rounding adjustment	1
Balance, September 30, 2019	**1,142**

The Company had an agreement (the "Services Agreement") with Organto, whereby the Company provided certain administration and management services for a fixed monthly fee and is included in other income. The Services Agreement expired on May 30, 2018. The Company and Organto have certain directors and/or officers in common.

(Expressed in thousands of Canadian Dollars, except where noted)

11. Related Party Transactions - *continued*

The following is a summary of related party transactions:

	Year Ended	
	September 30, 2019 ($)	**September 30, 2018 ($)**
Management fees paid to a company controlled by the Chairman of the Company	133	263
Management fees paid to the President and COO of the Company	250	240
Accounting fees paid to the CFO of the Company	156	168
Consulting fees paid or accrued to Cordex Exploration LLC, a company controlled by an officer of a former subsidiary of the Company	-	64
Directors fees paid or accrued	305	252
Finance income from Grid Note	(111)	-
Administration cost recoveries received or accrued from Allegiant	(309)	(351)
Administration fees received or accrued from Organto	-	(127)
	424	**509**

The following summarizes advances or amounts that remain receivable from or payable to each related party:

	September 30, 2019 ($)	**September 30, 2018 ($)**
Note receivable from Allegiant	1,142	1,604
Advances to the Chairman of the Company	32	9
Advances to Columbus Capital Corporation	-	25
Receivables from Organto	7	301
Directors fees payable	(43)	(157)
	1,138	**1,782**

(Expressed in thousands of Canadian Dollars, except where noted)

12. Segmented Disclosure

The Company has one reportable business segment, being mineral exploration and development. Assets by geographical area are as follows:

	September 30, 2019 ($)	September 30, 2018 ($)
Current assets		
Canada	1,279	4,774
Luxembourg	8	167
France (French Guiana)	275	175
	1,562	5,116
Non-current assets		
Canada	1,148	10
France (French Guiana)	35,219	36,711
	36,367	36,721
Total assets		
Canada	2,427	4,784
Luxembourg	8	167
France (French Guiana)	35,494	36,886
	37,929	**41,837**

13. Commitments

The Company has commitments as follows:

	1 year ($)	2-3 years ($)	4-5 years ($)	Total ($)
Office lease payments	110	-	-	110

14. Financial Risk and Capital Management

Financial risk

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments at September 30, 2019 are summarized below. The Board of Directors periodically reviews with management the principal risks affecting the Company and the systems that have been put in place to manage these risks.

(a) Credit risk

The credit risk exposure on cash is limited to its carrying amount at the date of the statements of financial position. Cash is held as cash deposits with creditworthy banks and an investment firm. The Company has receivables consisting of goods and services tax due from the Federal Government of Canada and trade receivables. The Company's note receivable from Allegiant is unsecured. Management believes that the credit risk with respect to cash and receivables as it relates to goods and services tax are low, and medium as it relates to remaining other receivables and the note receivable from Allegiant.

14. Financial Risk and Capital Management - *continued*

(b) Liquidity risk

Liquidity risk arises from the Company's general and capital financing needs. The Company manages liquidity risk by attempting to maintain sufficient cash balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short term obligations. As at September 30, 2019, the Company has working capital of $1,286 (September 30, 2018 – $4,687).

(c) Market risks

(i) Foreign currency risk

The Company's functional currency is the Canadian dollar. The Company is exposed to the currency risk related to the fluctuation of foreign exchange rates in its French subsidiary, Columbus Guyane SAS. The Company also has assets and liabilities denominated in US dollars and the European Euro. A significant change in the currency exchange rates between the Canadian dollar relative to the US dollar or European Euro could have an effect on the Company's results of operations, financial position and/or cash flows. The Company has not hedged its exposure to currency fluctuations.

(ii) Commodity price risk

The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market price of gold. The Company closely monitors commodity prices to determine the appropriate course of action to be taken.

(iii) Interest rate risk

The Company does not have any interest-bearing debt and is therefore not exposed to interest rate risk.

<u>Sensitivity analysis</u>

A 1% change in interest rates does not have a material effect on the Company's profit or loss and equity.

The Company has certain cash balances, receivables and accounts payables in US Dollars and European Euros, currencies other than the functional currency of Company. The Company estimates that a +/-10% change in the value of the Canadian dollar relative to the US dollar and European Euro would have a corresponding effect of approximately $25 to profit or loss.

<u>Capital management</u>

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. As the Company is in the exploration and development stage, its principal source of funds is from the issuance of common shares.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture property arrangements, acquire or dispose of assets or adjust the amount of cash and investments.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The Board of Directors approves the annual and updated budgets. There have been no changes to the Company's capital management policies and procedures since the end of the most recent fiscal year.

(Expressed in thousands of Canadian Dollars, except where noted)

14. Financial Risk and Capital Management - *continued*

Fair value

The fair value of the Company's financial instruments including cash, receivables, and accounts payable approximates their carrying value due to the immediate or short-term maturity of these financial instruments.

The fair value of marketable securities is based on quoted market prices for publicly traded shares.

The note receivable from Allegiant is measured at amortized cost, with a fair value of $1,030 and will be accreted to its face value of $1,604 by the maturity date.

IFRS 7, Financial Instruments: Disclosure establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has determined the estimated fair values of its financial instruments based upon appropriate valuation methodologies. Marketable securities are classified as Level 1. At September 30, 2019, there were no financial assets or liabilities measured and recognized in the statement of position that would be categorized as Level 2 or Level 3 in the fair value hierarchy above.

Financial Instrument	Measurement Method	Associated Risks	Fair value at September 30, 2019 ($)
Cash	Amortized cost	Credit and currency	503
Marketable securities	FVTPL (Level 1)	Exchange	711
Receivables	Amortized cost	Credit and concentration	29
Note receivable from Allegiant Gold Ltd.	Amortized cost	Credit and concentration	1,142
Accounts payable	Amortized cost	Currency	(128)
			2,257

15. Supplemental cash flow information

	Year Ended	
	September 30, 2019 ($)	September 30, 2018 ($)
Extension Shares received (note 11)	190	-
Organto common shares received to settle Organto receivables (note 6)	189	-
	379	**-**

(Expressed in thousands of Canadian Dollars, except where noted)

16. Income Taxes

Income tax expense differs from the amount that would result from applying the Canadian federal and provincial income tax rates to loss before income taxes. These differences result from the following items:

	Year Ended	
	September 30, 2019 ($)	**September 30, 2018 ($)**
Loss before taxes	(4,610)	(5,910)
Canadian federal and provincial income tax rates	27.00%	27.00%
Expected income tax (recovery) expense	(1,245)	(1,595)
Foreign tax differences, rate changes and foreign exchange	(65)	201
Non-taxable items	4	4,627
Share issue costs	(14)	-
True up prior year timing differences	1,343	(4)
Unrealized changes in marketable securities	-	(702)
Non deductible equity loss in affiliate	106	152
Impact of deconsolidation	-	1,038
Change in valuation of deferred tax assets	(129)	(3,717)
Income tax expense	**-**	**-**

The Company has the following deductible temporary differences for which no deferred tax asset has been recognized:

	September 30, 2019 ($)	**September 30, 2018 ($)**
Net operating losses carried forward	3,949	3,082
Share issuance costs	94	130
Equipment and other	74	70
Investments	749	1,003
Capital losses carried forward	425	1,135
Valuation allowance	(5,291)	(5,420)
	-	-

As of September 30, 2019, the Company has Canadian tax loss carry-forwards of approximately $11,296 (2018 - $10,225) available to reduce future years' taxable income. The Company recognizes the benefit of tax losses only to the extent of anticipated future taxable income in the relevant jurisdictions. The Company's tax loss carry-forwards will expire, if not utilized as follows:

(Expressed in thousands of Canadian Dollars, except where noted)

16. Income Taxes – *continued*

	Canada (CDN$)	French Guiana (Euro)	Luxembourg (Euro)
September 30, 2026	765	-	-
September 30, 2027	982	-	-
September 30, 2028	814	-	-
September 30, 2029	543	-	-
September 30, 2030	450	-	-
September 30, 2031	94	-	-
September 30, 2032	861	-	18
September 30, 2033	452	-	19
September 30, 2034	945	-	10
September 30, 2035	165	-	80
September 30, 2036	488	-	119
September 30, 2037	1,932	-	75
September 30, 2038	1,736	493	84
September 30, 2039	1,399	758	107
	11,626	**1,251**	**512**

A valuation allowance has been recorded against the deferred income tax assets associated with the tax losses and temporary differences because of the uncertainty of their recovery.

17. Subsequent Event

On October 23, 2019, the Company closed the first tranche of a private placement fully subscribed by Sandstorm Gold Ltd. ("Sandstorm"), raising gross proceeds of $1,250 through the issuance of 7,812,500 common shares of Columbus Gold, at a price of $0.16 per share and granting to Sandstorm a 0.5% net smelter returns royalty from Columbus Gold's ownership interest on gold production from the Maripa gold project in French Guiana, if and when Columbus Gold earns its interest in the project, and increasing up to 1% depending on Columbus Gold's interest in the project. No finders' fees have been paid in connection with this private placement.