THOR EXPLORATIONS LTD

Consolidated Financial Statements

For the Years Ended December 31, 2018 and 2017

(in Canadian Dollars)

THOR EXPLORATIONS LTD.

December 31, 2018

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THOR EXPLORATIONS LIMITED

Opinion

We have audited the consolidated financial statements of Thor Explorations Limited ("the Company") and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2018 and 2017, and the consolidated statements of comprehensive loss, consolidated statement of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2018 and 2017, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRSs).

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 and the Group 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.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's discussion and analysis ("MD&A").

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

In connection with our audits of the consolidated 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 consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the MD&A prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Material Uncertainty Related to Going Concern

We draw attention to the disclosures made in note 2c to the financial statements concerning the Group's ability to continue as a going concern which explain that the Group's cash flow projections indicate further funding is required to enable it to meet its liabilities as they fall due. As stated in note 2c this condition indicates the existence of a material uncertainty which may cast significant doubt as to the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group'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 Group'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 Entity 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 Stuart Barnsdall.

BDO LLP, Chartered Accountants
London
United Kingdom
April 30 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

THOR EXPLORATIONS LTD.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In Canadian dollars

	Note	December 31, 2018 $	December 31, 2017 $
ASSETS			
Current			
Cash		**304,067**	239,605
Amounts receivable	6	**1,711,261**	5,470
Prepaid expenses, advances and deposits	7	**137,977**	51,988
Total current assets		**2,153,305**	297,063
Investment		**2**	2
Prepaid expenses, advances and deposits	7	**23,327**	30,114
Property, plant and equipment	8	**255,482**	142,048
Exploration and evaluation assets	5, 9	**42,802,187**	35,582,761
Total non-current assets		**43,080,998**	35,754,925
TOTAL ASSETS		**45,234,303**	36,051,988
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	10	**1,506,438**	685,284
Deferred payment	11	**893,405**	2,245,498
Total current liabilities		**2,399,843**	2,930,782
Non-current liabilities			
Deferred income tax liabilities		**1,047**	18,896
Total non-current liabilities		**1,047**	18,896
SHAREHOLDERS' EQUITY			
Common shares	12	**52,268,870**	41,324,813
Shares subscription	12	**-**	383,820
Share purchase warrants	12	**533,000**	-
Option Reserve	12	**4,764,308**	2,582,308
Currency translation reserve		**1,341,031**	693,104
Deficit		**(16,073,796)**	(11,881,735)
Total shareholders' equity		**42,833,413**	33,102,310
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**45,234,303**	36,051,988

These consolidated financial statements were approved for issue by the Board of Directors on April 30, 2019 and are signed on its behalf by:

(Signed) "Adrian Coates"
Director

(Signed) "Olusegun Lawson"
Director

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

THOR EXPLORATIONS LTD.

CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS
FOR THE YEARS ENDED DECEMBER 31,
In Canadian dollars

	Note	2018 $	2017 $
Expenses:			
Audit and legal		**165,091**	142,079
Bank charges		**15,439**	14,122
Consulting fees		**515,613**	390,401
Accretion - unwinding of discount on deferred consideration	11	**271,547**	386,555
Directors fees	13	**381,166**	195,924
Depreciation		**50,922**	31,840
Foreign exchange loss		**139,851**	23,076
Listing and filing fees		**31,542**	22,483
Office and miscellaneous		**184,037**	338,856
Shareholder information and transfer agent fees		**141,299**	40,158
Travel		**166,783**	103,210
Other gains		**-**	(869)
Share-based payments	12	**2,110,354**	970,000
Loss from operations		**(4,173,644)**	(2,657,835)
Interest expense		**(35,449)**	-
Net loss before taxes		**(4,209,093)**	(2,657,835)
Current income taxes	15	**(1,166)**	(1,116)
Deferred income tax recovery	15	**18,198**	12,941
Net loss for the year		**(4,192,061)**	(2,646,010)
Other comprehensive income			
Foreign currency translation gain attributed to equity shareholders of the company		**647,927**	204,742
Total comprehensive (loss) for the year		**(3,544,134)**	(2,441,268)
Net loss per share - basic and diluted		**(0.01)**	(0.01)
Weighted average number of common shares outstanding - basic and diluted		**335,082,147**	294,846,084

All losses arose from continuing operations

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

THOR EXPLORATIONS LTD.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,
In Canadian dollars

	Note	**2018**	2017
Cash flows from (used in):			
Operating activities			
Net loss for the period		**$ (4,192,061)**	$ (2,646,010)
Adjustments for:			
Foreign exchange loss / (gain)		**158,609**	(35,053)
Accretion - unwinding of discount on deferred consideration	11	**271,547**	386,555
Depreciation		**50,922**	31,840
Share based payments		**2,110,354**	970,000
Current income taxes	15	**1,166**	(1,116)
Deferred income tax recovery	15	**(18,198)**	(11,825)
Interest expense	11	**35,449**	-
Changes in non-cash working capital items	14	**(13,713)**	297,233
Cash utilized in operations		**(1,595,925)**	(1,008,376)
Adjustments to net loss for cash items			
Realized foreign exchange loss		**(25,182)**	(21,789)
Net operating cash flows		**(1,621,107)**	(1,030,165)
Investing activities			
Acquisition of exploration and evaluation assets, net of cash acquired	5(a)	**(11,707)**	(13,547)
Payment of deferred payable	11	**(1,776,935)**	-
Purchases of property, plant and equipment	8	**(193,878)**	(32,000)
Exploration and evaluation expenditures	9	**(5,725,747)**	(2,930,111)
Net investing cash flows		**(7,708,267)**	(2,975,658)
Financing			
Proceeds from issuance of equity securities	12	**10,146,921**	2,418,895
Share subscriptions	12	**-**	383,820
Share issue costs	12	**(707,153)**	(132,622)
Deferred payable interest paid	11	**(29,451)**	-
Net financing cash flows		**9,410,317**	2,670,093
Effect of exchange rates on cash		**(16,481)**	106,320
Net change in cash		**64,462**	(1,229,410)
Cash, beginning of the year		**239,605**	1,469,015
Cash, end of the year		**$ 304,067**	$ 239,605

Supplemental cash flow information (Note 14)

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

THOR EXPLORATIONS LTD.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
In Canadian dollars

	Note	Issued capital: Number of common shares	Issued capital: Amount	Share subscription	Share purchase warrants	Option Reserve	Currency translation reserve	Deficit	Total shareholders' equity
Balance on December 31, 2016		**285,193,003**	**$ 39,038,540**	**$ -**	**$ -**	**$ 1,539,308**	**$ 488,362**	**$ (9,235,725)**	**$ 31,830,485**
Net loss for the year		-	-	-	-	-	-	(2,646,010)	(2,646,010)
Comprehensive income		-	-	-	-	-	204,742	-	204,742
Total comprehensive loss							204,742	(2,646,010)	(2,441,268)
Private placements	12	16,125,967	2,418,895	-	-	-	-	-	2,418,895
Share issuance costs		-	(132,622)	-	-	-	-	-	(132,622)
Share subscription received		-	-	383,820	-	-	-	-	383,820
Share based payments		-	-	-	-	1,043,000	-	-	1,043,000
Balance on December 31, 2017		**301,318,970**	**$ 41,324,813**	**$ 383,820**	**$ -**	**$ 2,582,308**	**$ 693,104**	**$ (11,881,735)**	**$ 33,102,310**
Net loss for the year		-	-	-	-	-	-	(4,192,061)	(4,192,061)
Comprehensive income		-	-	-	-	-	647,927	-	647,927
Total comprehensive loss							647,927	(4,192,061)	(3,544,134)
Private placements	12	69,363,995	11,852,592	-	-	-	-	-	11,852,592
Share issuance costs	12	-	(759,355)	-	-	-	-	-	(759,355)
Share subscription received	12		383,820	(383,820)					-
Issue of share warrants	12	-	(533,000)	-	533,000	-	-	-	-
Share based payments		-	-	-	-	2,182,000	-	-	2,182,000
Balance on December 31, 2018		**370,682,965**	**52,268,870**	**-**	**533,000**	**4,764,308**	**1,341,031**	**(16,073,796)**	**42,833,413**

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

1. CORPORATE INFORMATION

Thor Explorations Ltd. N.P.L. was incorporated on September 11, 1968 under certificate number 81705 as a specially limited company pursuant to the Company Act (British Columbia, Canada). On December 4, 2001, Thor Explorations Ltd. N.P.L. changed its name to Thor Explorations Ltd. ("Old Thor"). On March 28, 2006 Old Thor transitioned to the British Columbia Business Corporations Act and on August 24, 2007 Old Thor resolved to remove the pre-existing company provisions applicable to Old Thor. Effective on September 1, 2009, Old Thor amalgamated with Magnate Ventures Inc. The amalgamated entity continued as Thor Explorations Ltd. ("Thor" or the "Company"). Thor trades on the TSX Venture exchange under the symbol "THX-V".

The Company is a junior natural resources company with no revenue, engaged in the acquisition, exploration and development of mineral properties, and is currently focused on gold exploration and development projects located in West Africa.

The Company's registered office is located at 1010 – 1075 West Georgia Street, Vancouver, British Columbia, V6E 3C9, Canada.

2. BASIS OF PREPARATION

a) Statement of compliance

These audited consolidated financial statements, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

b) Basis of measurement

These audited consolidated financial statements have been prepared on a historical cost basis, and are presented in Canadian dollars, unless otherwise indicated.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. A precise determination of many assets and liabilities is dependent upon future events, the preparation of consolidated financial statements for a period involves the use of estimates, which have been made using careful judgment. Actual results may differ from these estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed in Note 4.

2. BASIS OF PREPARATION (continued)

c) Nature of operations and going concern

The Group is a junior natural resources company and is pre-revenue.

As at December 31, 2018, the Company had cash of $304,067 and a net working capital deficit of ($246,538). In April 2019 the Company made the following announcements for its Segilola Gold Project in Nigeria:

- On April 15, 2019 announced that it had received Investment Committee approval for US$78 million financing package with the Africa Finance Corporation ("AFC"). The funding package consists of a US$54 million senior secured credit facility, a US$9 million gold stream prepayment and a US$15 million equity investment in Thor.
- On April 16, 2019 announced that it had received a commitment from Norinco International Cooperation Limited ("Norinco International") for 10% financing of a US$65 million turnkey, engineering, procurement and construction contract value awarded to Norinco International.
- On April 30 the Company also announced plans to undertake a private placement for up to US$15 million. As at the date of approval of these financial statements the Company has received share subscriptions totalling US$1.5 million under the terms of the share placement. It is anticipated that the share subscription amounts will be received imminently.

The Board has reviewed the Group's cash flow forecasts up until June 2020 having regard to its current financial position and operational objectives. These forecasts indicate that the Group currently needs additional funding to enable it to meet its existing liabilities and its ongoing working capital requirements over the next twelve months. The Board is satisfied that the private placement, if successful in raising US$15 million, will provide the Group with sufficient financial resources to meet its commitments for the next twelve months. Additionally, the Group does not have any material work commitments on any of its licenses within the next twelve months in the absence of available funding and is able to cut discretionary expenditure and reduce headcount to reduce financing requirements further. Accordingly, the Board continue to adopt the going concern basis for the preparation of these financial statements.

However at the date of approval of these financial statements, with the exception of US$1.5 million in committed subscription agreements as stated above there are no legally binding agreements in place relating for debt of equity financing commitment. There can be no certainty that these additional funds will be forthcoming and this condition indicates the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies described below have been applied consistently to all periods presented in these audited consolidated financial statements unless otherwise stated.

a) Consolidation principles

Assets, liabilities, revenues and expenses of the subsidiaries are recognized in accordance with the Company's accounting policies. Intercompany transactions and balances are eliminated upon consolidation.

In Canadian dollars, except where noted

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Details of the group

In addition to the Company, these audited consolidated financial statements include all subsidiaries of the Company. Subsidiaries are all corporations over which the Company has power over the Subsidiary and it is exposed to variable returns from the Subsidiary and it has the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.. The consolidated financial statements present the results of the Company and its subsidiaries ("the Group") as if they formed a single entity, with Subsidiaries being fully consolidated from the date on which control is acquired by the Company. They are de-consolidated from the date that control by the Company ceases.

The subsidiaries of the Company are as follows:

Company	Location	Incorporated	Interest
Thor Investments (BVI) Ltd. ("Thor BVI")	British Virgin Islands	June 30, 2011	100%
African Star Resources Incorporated ("African Star")	British Virgin Islands	March 31, 2011	100%
African Star Resources SARL ("African Star SARL")	Senegal	July 14, 2011	100%
Argento Exploration BF SARL ("Argento BF SARL")	Burkina Faso	September 15, 2010	100%
AFC Constelor Panafrican Resources SARL ("AFC Constelor SARL")	Burkina Faso	December 9, 2011	100%
Segilola Resources Operating Limited ("SROL")	Nigeria	August 18, 2016	100%
Segilola Gold Limited ("SGL")	Nigeria	August 18, 2016	100%

c) Foreign currency translation

Functional and presentation currency
The Company's presentation currency is the Canadian dollar ("$"). The functional currency for the Company, being the currency of the primary economic environment in which the Company operates, is the Canadian dollar. The individual financial statements of each of the Company's wholly owned subsidiaries are prepared in the currency of the primary economic environment in which it operates (its functional currency)

Exchange rates published by the Bank of Canada and Oanda were used to translate the Thor BVI, African Star, African Star SARL, Argento BF SARL, AFC Constelor SARL, SROL and SGL's financial statements into the Canadian dollar in accordance with IAS 21 *The Effects of Changes in Foreign Exchange Rates*. This standard requires that assets and liabilities be translated using the exchange rate at period end, and income, expenses and cash flow items are translated using the rate that approximates the exchange rates at the dates of the transactions (i.e. the average rate for the period). The foreign exchange differences on translation of subsidiaries Thor BVI, African Star and African Star SARL, Argento BF SARL, AFC Constelor SARL, SROL and SGL are recognized in other comprehensive income (loss).

Foreign currency transactions
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit and loss.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are only offset and the net amount reported in the consolidated statement of financial position and the consolidated statement of comprehensive loss when there is a currently enforceable legal right to offset the recognised amounts and the Group intends to settle on a net basis or realise the asset and liability simultaneously.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Derecognition of financial assets and liabilities

<u>Financial assets</u>
A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

<u>Financial liabilities</u>
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Financial Assets

Under IFRS 9, the Group classifies its financial assets into the following categories: those to be held at amortised cost, and those to be measured subsequently at fair value through profit and loss.

Classification depends on the business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of financial assets at initial recognition. The Group's business model is primarily that of "hold to collect" (where assets are held in order to collect contractual cash flows).

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial Assets (continued)

Amortised cost: these assets arise principally from the provision of goods and services to customers, but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Amounts receivables are measured at amortised cost using the effective interest rate method, less impairment.

Cash and cash equivalents
Cash and cash equivalents represent cash balances held at bank and on demand deposits. Cash and cash equivalents are measured at amortised cost.

The Group does not hold any financial assets that meet conditions for subsequent recognition at fair value through other comprehensive income.

Impairment of Financial Assets

The Group recognizes a loss allowance for expected credit losses ("ECL") on financial assets that are measured at amortised cost which comprise mainly of receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. Impairment provisions for other receivables are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Financial Liabilities

The classification of financial liabilities at initial recognition depends on the purpose for which the financial liability was issued and its characteristics.

Financial liabilities are initially recorded on trade date, being the date on which the Group becomes party to the contractual requirements of the financial liability. Unless otherwise indicated the carrying amounts of the Group's financial liabilities approximate to their fair values.

The Group's financial liabilities consist of financial liabilities measured at amortised cost. These comprise accounts payable, accrued liabilities and deferred payment.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Property, plant and equipment

Recognition and Measurement
On initial recognition, property, plant and equipment is valued at cost, being the purchase price and directly attributable cost of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company, including appropriate borrowing costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognized within provisions. Property, plant and equipment is subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses, with the exception of land which is not depreciated.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent Costs
The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Gains and Losses
Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount, and are recognized net within other income in profit or loss.

Depreciation
Depreciation is recognized in profit or loss and is provided on a straight-line basis over the estimated useful life of the assets as follows:

	Rate
Motor vehicles	20-33%
Plant and machinery	20-25%
Office furniture	20-33%
Software	20-25%

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Exploration and evaluation expenditures

Acquisition costs

The fair value of all consideration paid to acquire an unproven mineral interest is capitalized, including amounts due under option agreements. Consideration may include cash, loans or other financial liabilities, and equity instruments including common shares and share purchase warrants.

Exploration and evaluation expenditures

All costs incurred prior to legal title are expensed in the consolidated statement of comprehensive loss in the year in which they are incurred. Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the year in which they occur.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation assets in respect of that project are deemed to be impaired. As a result, those exploration and evaluation assets, in excess of estimated realisable value, are written off to the statement of comprehensive loss.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

At such time as commercial feasibility is established, project finance has been raised, appropriate permits are in place and a development decision is reached, the costs associated with that property will be transferred to and re-categorised as Projects in Construction and upon commercial production being achieved, re-categorised as Mining Property. Upon achieving commercial production, any costs will be depleted using a units of production method.

Farm-in agreements

As is common practice in the mineral exploration industry, the Company may acquire or dispose of all, or a portion of, an exploration and evaluation asset under a farm-in agreement. Farm-in agreements typically call for the payment of cash, issue of shares and/or incurrence of exploration and evaluation costs over a period of time, often several years, entirely at the discretion of the party farming-in. The Company recognizes amounts payable under a farm-in agreement when the amount is due and when the Company has no contractual rights to avoid making the payment. The Company recognizes amounts receivable under a farm-in agreement only when the party farming-in has irrevocably committed to the transfer of economic resources to the Company, which often occurs only when the amount is received. Amounts received under farm-in agreements reduce the capitalized costs of the optioned unproven mineral interest to nil, and are then recognized as income.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Impairment of non-current assets

Impairment tests for non-current assets are performed when there is an indication of impairment. At each reporting date, an assessment is made to determine whether there are any indications of impairment. Prior to carrying out impairment reviews, the significant cash generating units are assessed to determine whether they should be reviewed under the requirements of IFRS 6 - Exploration for and Evaluation of Mineral Resources or IAS 36 - Impairment of Assets. Such determination is by reference to the stage of development of the project and the level of reliability and surety of information used in calculating value in use or fair value less costs to sell.

Impairment reviews performed under IFRS 6 are carried out on a project by project basis, with each project representing a potential single cash generating unit. An impairment review is undertaken when indicators of impairment arise; typically when one of the following circumstances applies:

(i) sufficient data exists that render the resource uneconomic and unlikely to be developed
(ii) title to the asset is compromised
(iii) budgeted or planned expenditure is not expected in the foreseeable future
(iv) insufficient discovery of commercially viable resources leading to the discontinuation of activities

If any indication of impairment exists, an estimate of the non-current asset's recoverable amount is calculated. The recoverable amount is determined as the higher of fair value less direct costs to sell and the asset's value in use. If the carrying value of a non-current asset exceeds its recoverable amount, the asset is impaired and an impairment loss is charged to the statement of comprehensive loss so as to reduce the carrying amount of the non-current asset to its recoverable amount.

h) Income taxes

Income tax expense is comprised of current and deferred income taxes. Current and deferred income taxes are recognized in profit and loss, except for income taxes relating to items recognized directly in equity or other comprehensive income.

Current income tax, if any, is the expected amount payable or receivable on the taxable income or loss for the year, calculated in accordance with applicable taxation laws and regulations, using income tax rates enacted or substantively enacted at the end of the reporting period, and any adjustments to amounts payable or receivable relating to previous years.

Deferred income taxes are provided using the liability method based on temporary differences arising between the income tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using income tax rates and income tax laws and regulations that have been enacted or substantively enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the temporary differences 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.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes (continued)

The following temporary differences do not result in deferred tax assets or liabilities:

- the initial recognition of assets or liabilities, not arising in a business combination, that do not affect accounting or taxable profit
- goodwill
- investments in subsidiaries, associates and jointly controlled entities where the timing of reversal of the temporary differences can be controlled and reversal in the foreseeable future is not probable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and 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.

i) Basic and diluted income or loss per share

Basic loss per share is computed by dividing the loss for the year by the weighted average number of commons shares outstanding during the year. Diluted income per share reflects the potential dilution that could occur if potentially dilutive securities were exercised or converted to common stock. Fully diluted amounts are not presented when the effect of the computations are anti-dilutive due to the losses incurred. Accordingly, there is no difference in the amounts for the basic and diluted loss per share.

j) Comprehensive income (loss)

Comprehensive income (loss) is defined as the change in equity from transactions and other events from non-owner sources. Other comprehensive income refers to items recognized in comprehensive income (loss) that are excluded from net earnings (loss).

k) Share-based payments

The fair value, at the grant date, of equity-settled share awards is charged to income or loss over the period for which the benefits of employees and others providing similar services are expected to be received. The corresponding accrued entitlement is recorded in the options reserve. Where vesting is conditional upon the existence of market conditions the amount recognized as an expense is adjusted to reflect the number of share options expected to vest. The fair value of awards is calculated using the Black-Scholes option pricing model which considers the following factors:

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

In Canadian dollars, except where noted

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

l) Interest income

Interest income is recognized as earned, provided that collection is assessed as being reasonably assured.

m) Application of new and revised International Financial Reporting Standards

IFRS 9 has replaced IAS 39 Financial Instruments: Recognition and Measurement. The Group's principal financial assets comprise cash and other receivables. All of these financial assets continue to be classified and measured at amortised cost. The Group's principal financial liabilities comprise trade and other payables and deferred payment. All of these financial liabilities continue to be classified and measured at amortised cost.There are no material financial assets subject to the expected credit loss model defined within IFRS 9, except for cash and amounts receivables. The level of credit risk that the Group is exposed to has not given rise to any allowances within the expected credit loss model.

IFRS 15 became effective for all periods beginning on or after 1 January 2018. IFRS 15 does not impact the Group as it is not currently revenue generating.

n) Future accounting pronouncements

(i) There are a number of standards and interpretations which have been issued by the International Accounting Standards Board that are effective in future accounting periods that the Group has decided not to adopt early. The most significant of these are:

Standard	Impact on initial application	Effective date
IFRS 16	Leases	1 January 2019
Annual Improvements	2015 – 2017 Cycle	1 January 2019
IFRIC 23	Uncertainty over Income Tax treatments	1 January 2019

The Group does not have any assets or liabilities arising from a lease as at December 31, 2018. It is not considered that the impact of IFRS16 will be material.

(ii) *There are no other standards issued by IASB, but not yet effective, that are expected to have a material impact of the group.*

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in net and/or comprehensive loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

a) Critical accounting estimates

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, relate to, but are not limited to, the following:

(i) *Fair value of share options and warrants*

The fair value of options is calculated using appropriate estimates of expected volatility, risk free rates of return, expected life of the options/warrants, the dividend growth rate, the number of options expected to vest and the impact of any attached conditions of exercise. See note 12 for further details of these assumptions.

b) Critical accounting judgments

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

(i) *Impairment of exploration and evaluation assets*
In accordance with IFRS 6 *Exploration for and Evaluation of Mineral Resources*, management is required to assess impairment in respect of the intangible exploration and evaluation assets. In making the assessment, management is required to make judgments on the status of each project and the future plans towards finding commercial reserves. The nature of exploration and evaluation activity is such that only a proportion of projects are ultimately successful and some assets are likely to become impaired in future periods.

Management has determined that there were no impairment indicators present in respect of the exploration and evaluation assets and as such, no impairment test was performed.

In Canadian dollars, except where noted

5. ASSET ACQUISITION

a) Acquisition of Nigerian Exploration Licenses

December 31, 2018

In December 2018 the Company, through its wholly owned subsidiary Segilola Gold Limited, applied for two new gold exploration licences, located in southwest Nigeria. Subsequent to the reporting date, on April 1, 2019, the Office of the Nigera Mining Cadastre granted the two licenses to SGL. The new licences, which total 178 km^2, are located between 17km and 25km south of the Segilola Gold Project and cover significant sections of the structural trends that extend southwards from the Segilola high grade gold deposit.

The total consideration paid was comprised of the following:

Purchase price	
Acquisition of exploration licenses	
Cash (NGN 1,332,000)	$ 11,707
Total consideration December 31, 2018	**$ 11,707**

December 31, 2017

On December 28, 2017 the the Office of the Nigeria Mining Cadastre granted, through Thor's wholly owned subsidiary SGL, four new gold exploration licences, located in southwest Nigeria. The new licences, which total 334 square kilometres, are located between 30km and 80km from the Segilola Gold Project and cover significant sections of the structural trends that extend northwards from the Segilola high grade gold deposit.

The total consideration paid was comprised of the following:

Purchase price	
Acquisition of exploration licenses	
Cash (NGN 3,879,300)	$ 13,547
Total consideration	**$ 13,547**

6. AMOUNTS RECEIVABLE

		December 31, 2018		December 31, 2017
Goods & Services Tax - Canada	**$**	**952**	**$**	854
Other receivables		**1,710,309**		4,616
	$	**1,711,261**	**$**	5,470

The majority of Other receiveables consists of share placement subscription funds pursuant to the August 2018 share placement to be received from a subscriber. As at the date of signing this report approximately US$600,000 remains outstanding.

The value of receivables recorded on the balance sheet is approximate to their fair value. There are no expected material credit losses. Please refer to note 16 for discussion on credit risk.

In Canadian dollars, except where noted

7. PREPAID EXPENSES, ADVANCES AND DEPOSITS

		December 31, 2018		December 31, 2017
Current:				
Insurance	**$**	**18,084**	$	10,639
Other deposits		**111,165**		24,055
Other prepaids		**8,728**		17,294
	$	**137,977**		51,988
Non-current:				
Other prepaids	**$**	**23,327**	$	30,114
	$	**23,327**	$	30,114

8. PROPERTY, PLANT AND EQUIPMENT

		Motor vehicles		Plant and machinery		Software		Office furniture		Total
Costs										
Balance, December 31, 2016	$	314,652	$	344,935	$	18,535	$	59,672	$	737,794
Additions		-		565		-		31,435		32,000
Foreign exchange movement		(31,166)		17,888		444		(391)		(13,225)
Balance, December 31, 2017	$	283,486	$	363,387	$	18,979	$	90,716	$	756,569
Additions		128,685		16,589		-		48,603		193,878
Foreign exchange movement		20,559		13,031		535		3,587		37,711
Balance, December 31, 2018	**$**	**432,730**	**$**	**393,007**	**$**	**19,514**	**$**	**142,906**	**$**	**988,159**
Accumulated depreciation and impairment losses										
Balance, December 31, 2016	$	123,143	$	338,945	$	18,535	$	43,267	$	523,890
Depreciation		51,714		5,602		-		14,948		72,264
Foreign exchange movement		(2,447)		18,307		444		2,063		18,367
Balance, December 31, 2017	$	172,410	$	362,853	$	18,979	$	60,278	$	614,521
Depreciation		86,380		2,073		-		18,735		107,188
Foreign exchange movement		(3,726)		12,702		535		1,457		10,969
Balance, December 31, 2018	**$**	**255,064**	**$**	**377,628**	**$**	**19,514**	**$**	**80,470**	**$**	**732,677**
Carrying amounts										
Carrying value at December 31, 2016	$	191,509	$	5,990	$	-	$	16,405	$	213,904
Carrying value at December 31, 2017	$	111,076	$	534	$	-	$	30,438	$	142,048
Carrying value at December 31, 2018	**$**	**177,666**	**$**	**15,379**	**$**	**-**	**$**	**62,436**	**$**	**255,482**

During the year ended December 31, 2018, depreciation of $56,266 (year ended December 31, 2017 - $40,470) has been capitalized to exploration and evaluation assets. The accumulated depreciation capitalized to exploration expenditures to December 31, 2018 amounts to $595,901 (December 31, 2017 - $539,636).

In Canadian dollars, except where noted

9. EXPLORATION AND EVALUATION ASSETS

The Company's exploration and evaluation assets costs are as follows:

	Douta Gold Project, Senegal	Central Houndé Project, Burkina Faso	Segilola Gold Project, Osun Nigeria	Exploration licenses, Nigeria	Total
Costs					
Balance, December 31, 2016	$ 11,188,179	$ 1,479,743	$ 19,806,764	$ -	$ 32,474,686
Acquisition costs	-	-	-	13,547	13,547
Exploration costs	558,802	14,868	2,393,692	-	2,967,362
Foreign exchange movement	325,995	62,344	(261,269)	96	127,166
Balance, December 31, 2017	$ 12,072,976	$ 1,556,955	$ 21,939,187	$ 13,643	$ 35,582,761
Acquisition costs	-	-	-	11,707	11,707
Exploration costs	1,508,986	12,577	5,030,150	-	6,551,713
Foreign exchange movement	315,287	37,878	301,738	1,103	656,006
Balance, December 31, 2018	**$ 13,897,249**	**$ 1,607,410**	**$ 27,271,075**	**$ 26,453**	**$ 42,802,187**

a) Douta Gold Project, Senegal:

The Douta Gold Project consists of an early stage gold exploration license located in southeastern Senegal, approximately 700km east of the capital city Dakar.

The Company is party to an option agreement (the "Option Agreement") with International Mining Company ("IMC"), by which the Company has acquired a 70% interest in the Douta Gold Project located in southeast Senegal held through African Star SARL.

Effective February 24, 2012, the Company exercised its option to acquire a 70% interest in the Douta Gold Project pursuant to the terms of the Option Agreement between the Company and IMC. As consideration for the exercise of the option, the Company issued to IMC 11,646,663 common shares, based on a Volume Weighted Average Price (VWAP) for the 20 trading days preceding the option exercise date of $0.2014 (or US$0.2018) per share, valued at $2,678,732 based on the Company's closing share price on February 24, 2012. The share payment includes consideration paid to IMC for extending the time period for exercise of the option.

Pursuant to the terms of the Option Agreement, IMC's 30% interest will be a "free carry" interest until such time as the Company announces probable reserves on the Douta Gold Project (the "Free Carry Period"). Following the Free Carry Period, IMC must either elect to sell its 30% interest to African Star at a purchase price determined by an independent valuer commissioned by African Star or fund its 30% share of the exploration and operating expenses.

Further to the completion of the 2018 RC Program completed on the Makosa deposit of the Douta Project, the company carried out a 1,000 metre reconnaissance reverse circulation (RC) program on a number of previously defined drill targets identified by soil geochemistry in th Maka area located in the north-east of the licence.

In Canadian dollars, except where noted

9. EXPLORATION AND EVALUATION ASSETS (continued)

On August 28, the Company announced the results from the reconnaisance drilling program at Maka with the significant intersection of the discovery hole shown in the table below.Drillhole DMRC012 on the Maka South Target intersected 3.2 metres true width at 11.4g/tAu from 18m downhole (Table 1).

Table 1: Discovery hole Significant Drillhole Intersection

HOLE ID	Easting	Northing	RL	Total Depth (m)	Azimuth	Dip	From (m)	To (m)	Downhole Interval (m)	True Thickness (m)	Aérage Grade (Aug/t) AAS
DMRC012	185324	1447895	126	80	150	-50	18	22	4.00	3.2	11.4
Includes							20	22	2.00	1.6	20.1
and							43	44	1.00	0.8	1.1

b) Central Houndé Project, Burkina Faso:

(i) Bongui and Legue gold permits, Burkina Faso:

AFC Constelor SARL held a 100% interest in the Bongui and Legue gold permits covering an area of approximately 233 km^2 located within the Houndé belt, 260 km southwest of the capital Ouagadougou, in western Burkina Faso.

(ii) Ouere Permit, Central Houndé Project, Burkina Faso:

Argento BF SARL held a 100% interest in the Ouere gold permit, covering an area of approximately 241 km^2 located within the Houndé belt.

The three permits together cover a total area of 474km2 over the Houndé Belt which form the Central Houndé Project.

(iii) Acacia Option Agreement, Central Houndé Project, Burkina Faso:

On April 8, 2015, the Company entered into the Acacia Option Agreement with Acacia, formerly known as African Barrick Gold Plc, whereby Acacia will have the exclusive option to earn up to a 51% interest in Central Houndé Project by satisfying certain conditions over a specified 4-year period and then the right to acquire an additional 29%, for an aggregate 80% interest in Central Hounde Project, upon declaration of a Pre-Feasibility Study. As at September 30, 2018, Acacia has met the minimum spending requirement for the Phase 1 Earn-in. As a result, Acacia earned a 51% interest in the Central Houndé Project. The Group currently holds a 49% interest in the Central Houndé Project.

9. EXPLORATION AND EVALUATION ASSETS (continued)

b) Central Houndé Project, Burkina Faso (continued)

Acacia Mining Plc (“Acacia”) continued its exploration work as per its Joint Venture Agreement with Thor. Detailed field geological mapping, rock-chip sampling and soil sampling continued on the Légué-Bongui Corridor and on the Ouéré gold soil anomaly. Regional soil sampling covered the northwestern part of the Ouéré license. An IP geophysical survey, comprising 40 line kilometres, was conducted on the Legué South-West target.

A number of anomalies were identified and followed up by drilling. A programme of 6,658 metres of combined air-core and reverse circulation drilling was completed. The programme was aimed at testing targets on the Légué-Bongui Corridor (LBC) and on the recently identified targets on the Péké-Poya Corridor (PPC). At LBC 4,406 metres were completed. The purpose of the drilling was to test a four-kilometre-long arsenic gold + IP chargeability shear trend.

The programme for the year on the Central Houndé project comprises 11,500 metres of air-core drilling to test the continuity of the gold mineralisation along strike and to test soil anomalies.

Best results include:
CHAC00129: 4m @ 3g/t Au
CHAC00131: 18m @ 0.56g/t Au
CHAC00134: 4m @ 1.4g/t Au
CHAC00081: 6m @ 0.7g/t A
CHAC00042: 2m @ 2.1g/t Au
CHAC00017: 4m @ 1 g/t Au

The drilling defined a wide alteration halo consistently developed along the targeted trend (sericite, silicification, kaolinite and carbonate) with anomalous Au grades, which confirms the presence of an Au fertile structure. Au anomalism form a consistent trend over four kilometres that will require follow-up testing, particularly considering the widely spaced drill lines completed (800-2,000 metre line spacing).

At PPC 2,252 metres were completed. The drilling aimed to test prospective gold anomalous soils, coincidental with mapped NE & NNW structures, sericite altered diorite dykes and mineralised contacts with granitoids and intermediate volcanics.

Best results received so far include:
CHAC00165: 2m @ 10.5g/t Au
CHAC00186: 4m @ 1.5g/t Au
CHAC00185: 5m @ 2.4g/t Au
CHAC00190: 8m @ 0.5g/t Au

Follow-up drilling is planned for early 2019. A number of additional drill targets remain untested.

c) Segilola Project, Osun Nigeria

The Segilola Gold Project ("the Project") is located in Osun State of Nigeria, approximately 120km northeast of Lagos. The property comprises mining and exploration licenses that covers an area of 17.2km^2.

Thor undertook a Definitive Feasibility Study ("DFS") during 2018, results of which were announced post year end on February 4, 2019. The study demonstrated robust economicsfor the open pit project with a Post-tax NPV5% US$138m, 50% IRR and Payback in under 1.4 years with pre-production Capex of US$87 million and development capital of US$13 million.

The DFS was compiled in accordance with the guidelines set out in Canadian National Instrument ("NI") 43-101. The DFS was prepared through the collaboration of a number of specialist consulting firms including Roscoe Postle Associates Inc., GR Engineering Services Limited, NORINCO International, Auralia Mining Consulting and Knight Piesold Consulting.

DFS activities covered resource drilling interpretation, metallurgical testwork, process design, geotechnical evaluation and mining engineering. The completion of the DFS has paved the way for financing and development of the Segilola Gold Project the Project.

The metallurgical testwork program was completed and the DFS process design criteria has been established. The testwork has confirmed that a 98% total recovery is achieveable at a grind size of P80 106μm, gravity recovery circuit and a combined leach / carbon in leach residence time of 48 hours with air sparging only. The proposed DFS design criteria materially improves on the Pre-Feasibility Study design as a result of the introduction of a Knelson, Acacia gravity recovery circuit.

NORINCO EPC MOU

On September 17 2018, the Company announced that it had has signed a Memorandum of Understanding with NORINCO International Cooperation Ltd ("NORINCO International") to enter into an EPC contract on a comprehensive lump sum turnkey basis ("LSTK") to build the required plant and associated infrastructure for the Company's Segilola Gold Project in Nigeria ("The Project").

The scope of the EPC Turnkey Contract covers the design, engineering, procurement, site preparation, construction, commissioning, performance testing and hand-over of the Project and its associated infrastructure.

d) Exploration Licenses, Nigeria

The Company, through wholly owned subsidiary SGL has acquired six gold exploration licenses in South West Nigeria. Two licenses were applied for in December 2018, and granted subsequent to reporting date in April 2019. These two licenses which are located between 17km and 25km from the Segiloal Gold Project ("Segilola") and cover significant sections of the structural trends that extend southwards from the Segilola high grade gold deposit. Four licenses were acquired in December 2017 which are located between 30km and 80km from Segilola and cover significant sections of the structural trends that extend northwards from the Segilola high grade gold deposit. In total the six cover an area of 512km^2. See also Note 5(a).

In Canadian dollars, except where noted

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		December 31, 2018		December 31, 2017
Trade payables	**$**	**1,087,873**	$	380,848
Accrued liabilities		**418,565**		304,436
	$	**1,506,438**	$	685,284

Accounts payable and accrued liabilities are classified as financial liabilities and approximate their fair values.

11. DEFERRED PAYMENT

		Total
Balance as at December 31, 2016	**$**	2,002,810
Accretion		386,555
Interest		-
Foreign exchange movement		(143,867)
Balance December 31, 2017	**$**	2,245,498
Accretion		271,547
Interest expense		35,449
Principal repayments		(1,776,935)
Interest payments		(29,451)
Foreign exchange movement		147,297
Balance December 31, 2018	**$**	**893,405**

The deferred payment (US$2,000,000) forms part of the acquisition of the Segilola Project in Osun, Nigeria becoming payable at the earlier of August 22, 2018 or completion of the financing for full scale development of the Project. Upon acquisition of the Segilola Project the Deferred Payment was recognised at its discounted value using an annualized rate of 20%. Subsequent to initial recognition an accretion expense of the fair value of the Deferred Payment over a period of two (2) years until August 22, 2018 was charged through the Statement of Comprehensive Loss. The deferred payment became subject to an annual interest rate of LIBOR plus 2% from August 22 2018. In November 2018 a total of $1,806,386 was paid with agreement with the third party reached to defer the US$650,000 balance payable until February 28, 2019. Upon agreement for the deferral being reached, the annual interest rate increased to LIBOR plus 5%. As at the date of signing these financial statements the balance payable together with interest remains unpaid and continues to incur interst at a rate of LIBOR plus 5%.

In Canadian dollars, except where noted

12. CAPITAL AND RESERVES

a) Authorized

Unlimited common shares without par value.

b) Issued

	December 31, 2018 Number		**December 31, 2018**	December 31, 2017 Number		December 31, 2017
As at start of the year	301,318,970	$	41,324,813	285,193,003	$	39,038,540
Issue of new shares:						
- Issue June 26, 2017 [i]	-		-	16,125,967		2,286,273
- Issue March 29, 2018 [ii]	24,910,660		3,990,862	-		-
- Issue August 31, 2018[iii]	44,453,335		7,486,195	-		-
- Value of warrants Issue[iii]	-		(533,000)	-		-
	370,682,965	$	52,268,870	301,318,970	$	41,324,813

Private placement of 16,125,967 common shares at a price of $0.15 per share.
[iii] Private placement of 24,910,660 common shares at a price of $0.17 per share.
[iii] Private placement of 44,453,335 units at a price of $0.18 per unit. Each unit consisted of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase a common share of the Company at a price of $0.28 for a period of 36 months.

c) Share subscription

As at December 31, 2017 the Company was undertaking a non-brokered private placement of up to 25,000,000 common shares at a price of $0.17 per share. This placement closed on March 29, 2018. As at December 31, 2017 a total of $383,820 subcription monies representing 2,177,647 shares had been received by the Company. These funds have been recognized as Share subscriptions in the Consolidated Statement of Financial Position.

As at December 31, 2018 the entire balance of Share subscriptions was transferred to Common Shares upon closing of the share placement in March 2018.

d) Share-based compensation

The Company has granted directors, officers and consultants share purchase options. These options were granted pursuant to the Company's stock option plan.

Under the 2018 Share Option Plan, 30,000,000 common shares of the Company are reserved for issuance upon exercise of options.

On October 5, 2018 750,000 stock options were granted at an exercise price of $0.14 per share for a period of five years.

On March 12, 2018 12,800,000 stock options were granted at an exercise price of $0.145 per share for a period of five years.

In Canadian dollars, except where noted

12. CAPITAL AND RESERVES (continued)

d) Share-based compensation (continued)

On May 7, 2017 500,000 stock options were granted at an exercise price of $0.12 per share for a period of three years.

On January 16, 2017 9,750,000 stock options were granted at an exercise price of $0.12 per share for a period of three years.

22,050,000 of the stock options vested immediately. These options did not contain any market conditions and the fair value of the options where charged to the statement of comprehensive loss or capitalized as an intangible asset in the period. The assumptions inherent in the use of these models are as follows:

Vesting period (years)	First vesting date	Expected remaining life (years)	Risk free rate	Exercise price	Volatility of share price	Fair value	Options vested	Options granted	Expiry
3	01/16/2017	1.05	1.05%	$0.12	197.32%	$0.14	8,000,000	9,750,000	01/16/2020
3	05/07/2017	1.35	0.87%	$0.12	192.23%	$0.15	500,000	500,000	05/07/2020
5	03/12/2018	4.20	2.00%	$0.145	105.09%	$0.14	12,800,000	12,800,000	02/19/2023
5	10/05/2018	4.76	2.43%	$0.14	100.69%	$0.14	750,000	750,000	10/05/2023

The remaining unvested 1,750,000 stock options vest based on certain performance conditions over the life of the option. 875,000 of the options contain market conditions and the remainder have performance conditions where the probability of the milstones being achieved have been estimated by management.

The share price volatility measure for options granted in 2017 was the historical volatility in Thor’s share price measured over same number of years as the life of the options granted. In 2018 the Company elected to measure volatility by calculating the average volatility of a collection of three peer companies historical share prices for the exercising period of each parcel of options. Management believes that given the transformational change that the Company has undergone since the acquisition of the Segilola Gold Project in August 2016, the Company’s historical share price is not reflective of the current stage of development of the Company, and that adopting the volatility of peer companies who have advanced from exploration to development is a more accurate measure of share price volatility for the purpose of options valuation.

In Canadian dollars, except where noted

12. CAPITAL AND RESERVES (continued)

d) Share-based compensation (continued)

The following is a summary of changes in options from January 1, 2018 to December 31, 2018 and the outstanding and exercisable options at December 31, 2018:

Grant Date	Expiry Date	Exercise Price	Contractual Lives Remaining (Years)	January 1, 2018 Opening Balance	During the period: Granted	During the period: Exercised	During the period: Expired / Forfeited	December 31, 2018 Closing Balance	December 31, 2018 Number of Options: Vested and Exercisable	December 31, 2018 Number of Options: Unvested
16-Jan-2017	16-Jan-2020	$0.12	1.05	9,750,000	-	-	-	9,750,000	8,000,000	1,750,000
7-May-2017	7-May-2020	$0.12	1.35	500,000	-	-	-	500,000	500,000	-
12-Mar-2018	12-Mar-2023	$0.145	4.20	-	12,800,000	-	-	12,800,000	12,800,000	-
5-Oct-2018	5-Oct-2023	$0.14	4.76	-	750,000	-	-	750,000	750,000	-
Totals			**2.87**	**10,250,000**	**13,550,000**	**-**	**-**	**23,800,000**	**22,050,000**	1,750,000
Weighted Average Exercise Price				**$0.120**	**$0.145**	**-**	**-**	**$0.134**	**$0.135**	**$0.12**

The following is a summary of changes in options from January 1, 2017 to December 31, 2017 and the outstanding and exercisable options at December 31, 2017:

Grant Date	Expiry Date	Exercise Price	Contractual Lives Remaining (Years)	January 1, 2017 Opening Balance	During the period: Granted	During the period: Exercised	During the period: Expired / Forfeited	December 31, 2017 Closing Balance	December 31, 2017 Number of Options: Vested and Exercisable	December 31, 2017 Number of Options: Unvested
16-Jan-2017	16-Jan-2020	$0.12	2.56	-	9,750,000	-	-	9,750,000	6,250,000	3,500,000
7-May-2017	7-May-2020	$0.12	2.85	-	500,000	-	-	500,000	500,000	-
Totals			**2.57**	**-**	**10,250,000**	**-**	**-**	**10,250,000**	**6,750,000**	3,500,000
Weighted Average Exercise Price				**-**	**$0.12**	**-**	**-**	**$0.12**	**$0.12**	**$0.12**

In Canadian dollars, except where noted

12. CAPITAL AND RESERVES (continued)

e) Share purchase warrants

On August 31, 2018 the Company issued 44,453,335 warrants pursuant to the private share placement closed on the same date, whereby one warrant was issued for every common share subscribed for (“Placement Warrants”). The warrants were issued with an exercise price of $0.28 for a period of thirty-six (36) months.

On August 31, 2018 the Company issued a total of 1,664,534 warrants to and Agent for broker and advisory services pursuant to the private share placement closed on the same date (“Broker Warrants”). The warrants were issued with an exercise price of $0.18 for a period of twenty-four (24) months.

Right to accelerate exercise of warrants

If at any time after four months and one day after August 31, 2018 the Common Shares trade on the TSX Venture Exchange (the "TSX-V”) at a closing price equal to or greater than $0.36 for a period of twenty (20) consecutive trading days, the Company may exercise a right to accelerate the expiry date of the Placement Warrants and/or Broker Warrants by giving notice to the holders of the Placing Warrants and, with respect to the Broker Warrants within five trading days after such event that the Placing Warrants and/or Broker Warrants shall expire (30) days from the date of such notice.

	Number of Warrants	Weighted Average Exercise Price	Carrying Value
Balance, December 31, 2017			$ -
Private placement	44,453,335	$0.28	475,000
Broker	1,664,534	$0.18	58,000
Balance, December 31, 2018	**46,117,869**		**533,000**

The value of the private placement and broker warrants of is net of the value of the Company’s right to accelerate exercise of the warrants.

The aggregate value of the Warrants is $533,000 which was determined using the Black Scholes model. The inputs to the model are listed in the table below:

Vesting period (years)	First vesting date	Expected life (years)	Risk free rate	Exercise price	Volatility of share price	Fair value	Warrants vested	Warrants granted	Expiry
3	31/08/2018	2.67	2.08%	$0.28	82.43%	$0.08	44,453,335	44,453,335	31/08/2021
2	31/08/2018	1.67	2.08%	$0.18	73.06%	$0.07	1,664,534	1,664,534	31/08/2020

The volatility was determined by calculating the average volatility of a collection of three peer companies historical share prices for the exercise period of each parcel of warrants.

In Canadian dollars, except where noted

12. CAPITAL AND RESERVES (continued)

e) Share purchase warrants (continued)

The Company's right to accelerate the exercising of the warrants arises in the event that the Common Shares trade on the TSX Venture Exchange (the "TSX-V") at a closing price equal to or greater than $0.36 for a period of twenty (20) consecutive trading days, the Company may give notice to the holders of the warrants requiring that they exercise the warrants with a period of thirty (30) days from the date of notice, failing which the Warrants shall expire.

The inputs to the model for the Company's right to accelerate the exercising of the warrants are listed in the table below:

Vesting period (years)	First vesting date	Expected life (years)	Risk free rate	Exercise price	Volatility of share price	Fair value	Warrants vested	Warrants granted	Expiry
3	31/08/2018	2.67	2.08%	$0.36	82.43%	$0.07	44,453,335	44,453,335	31/08/2021
2	31/08/2018	1.67	2.08%	$0.36	73.06%	$0.04	1,664,534	1,664,534	31/08/2020

f) Nature and purpose of equity and reserves

The reserves recorded in equity on the Company's statement of financial position include 'Reserves', 'Currency translation reserve', and 'Deficit'.

'Share subscription' is used to record the share subscription monies received before a share placement has closed and shares issued.

'Option reserve' is used to recognize the value of stock option grants prior to exercise or forfieture.

'Currency translation reserve' is used to recognize the exchange differences arising on translation of the assets and liabilities of foreign branches and subsidiaries with functional currencies other than Canadian dollars.

'Deficit' is used to record the Company's accumulated deficit.

'Share purchase warrants' is used to recognize the value of share purchase warrants prior to exercise or forfeiture.

In Canadian dollars, except where noted

13. RELATED PARTY DISCLOSURES

A number of key management personnel, or their related parties, hold or held positions in other entities that result in them having control or significant influence over the financial or operating policies of the entities outlined below. A number of these entities transacted with the Company during the current or comparative reporting periods.

a) Trading transactions

The Company's related parties consist of companies owned by executive officers and directors as follows:

	Nature of transactions
Alcester Projects Limited	Management
Goldstream Capital Corporation	Director Fees

b) Compensation of key management personnel

The remuneration of directors and other members of key management during the years ended December 31, 2018 and 2017 were as follows:

			Year ended December 31, 2018		Year ended December 31, 2017
Consulting fees					
Current directors and officers	(i) (ii)	$	**136,134**	$	100,204
Directors fees					
Current directors and officers	(i) (ii)		**381,166**		193,387
Share-based payments					
Current directors and officers			**826,000**		595,000
		$	**1,343,300**	$	888,591

(i) Key management personnel were not paid post-employment benefits, termination benefits, or other long-term benefits during the years ended December 31, 2018 and 2017.

(ii) The Company paid consulting and director fees to private companies controlled by directors and officers of the Company for services. Accounts payable and accrued liabilities at December 31, 2018 include $62,027 (December 31, 2017 - $26,069) due to private companies controlled by an officer and director of the Company. Amounts due to or from related parties are unsecured, non-interest bearing and due on demand.

In Canadian dollars, except where noted

14. SUPPLEMENTAL CASH FLOW INFORMATION

a) Changes in non-cash working capital are as follows:

		December 31, 2018		December 31, 2017
Amounts receivable	**$**	**(98)**	$	(1,929)
Prepaid expenses and deposits		**(74,494)**		30,603
Accounts payable and accrued liabilities		**815,596**		265,340
Change in non-cash working capital accounts	**$**	**741,004**	$	294,014
Relating to:				
Operating activities	**$**	**(13,713)**	$	297,233
Financing activities		**52,202**		-
Investing activities		**702,515**		(3,219)
	$	**741,004**	$	294,014

Accounts payable and accrued liabilities includes $927,294 (December 31, 2017 - $280,301) related to exploration and acquisition costs.

b) The Company has $nil income tax outlays for the year ended December 31, 2018 (December 31, 2017 - $nil).

15. INCOME TAX

The difference between tax expense for the year and the expected income taxes based on the Canadian statutory income tax rate is as follows:

		Year ended December 31, 2018		Year ended December 31, 2017
Loss before income taxes	**$**	**4,209,092**	$	2,657,835
Potential expected income tax recovery at a statutory rate of 26% (2017 – 26%)		**(1,094,364)**		(691,030)
Higher statutory tax rate on earnings of foreign subsidiaries		**(11,753)**		(6,355)
Permanent and other differences		**555,184**		300,613
Changes in unrecognized deferred tax assets		**533,901**		384,947
Current income taxes		**(1,166)**		(1,116)
Deferred income tax recovery	**$**	**18,198**	$	12,941

During the years ended December 31, 2018 and 2017 the Canadian federal corporate income tax rate remained unchanged at 15%. The British Columbia provincial corporate income tax remained unchanged at 11%.

In Canadian dollars, except where noted

15. INCOME TAX (continued)

Deferred Income Tax Assets and Liabilities (continued)

The Senegalese income tax rate remained unchanged at 30% and Burkina Faso corporate income tax rate increased from 27.5% to 28%.

The Nigerian corporate income tax rate remained unchanged at 30%.

Deferred Income Tax Assets and Liabilities

Significant components of the Company's deferred income tax assets and liabilities, after applying enacted corporate income tax rates, are as follows:

		Year ended December 31, 2018		Year ended December 31, 2017
Eligible capital	**$**	**24,507**	$	24,507
Share issue costs		**73,363**		73,363
Other timing differences		**110,842**		81,590
Resource related deductions		**34,351**		11,006
Non-capital losses carried forward		**1,995,944**		1,482,612
		2,239,007		1,673,078
Unrecognised deferred tax asset		**(2,240,054)**		(1,691,974)
Deferred income tax liabilities	**$**	**(1,047)**	$	(18,896)

The Company will only recognize deferred income tax assets to the extent to which it is probable that sufficient taxable income will be realized, or taxable temporary differences will reverse, during the carry forward periods to utilize the deferred tax assets.

In Canadian dollars, except where noted

15. INCOME TAX (continued)

Deferred Income Tax Assets and Liabilities (continued)

The Company has available non-capital losses in Canada of approximately $7,510,000 (2017 - $ 5,625,000). The Canadian non-capital losses may be utilized to offset future taxable income and have carry forward periods of up to 20 years. The losses, if not utilized, expire through 2038. A summary of these tax losses is provided below.

Year of Expiry		Taxable Losses
2026		267,000
2027		245,000
2028		295,000
2029		287,000
2030		105,000
2031		468,000
2032		642,000
2033		535,000
2034		391,000
2035		427,000
2036		616,000
2037		1,349,000
2038		1,883,000
	$	**7,510,000**

The other deductible temporary differences do not expire and may be utilized to reduce future taxable income. The potential benefits of these carry-forward non-capital losses and deductible temporary differences has not been recognized in these financial statements as it is not considered probable that sufficient future taxable profit will allow the deferred tax asset to be recovered.

16. FINANCIAL INSTRUMENTS

The Group's financial instruments consist of cash, amounts receivable, investment, accounts payable and accrued liabilities and deferred payment.

Fair value of financial assets and liabilities
Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The carrying amount for cash, accounts receivable, and accounts payable and accrued liabilities on the statement of financial position approximate their fair value because of the limited term of these instruments. The carrying value of deferred payment approximates its fair value. The investment is carried at cost as it is not traded on an active market.

Financial risk management objectives and policies
The Group has exposure to the following risks from its use of financial instruments

- Credit risk
- Liquidity and funding risk
- Market risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these consolidated financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in these notes.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below.

Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

31 December 2018		Total
Assets		
Cash and cash equivalents	$	304,067
Amounts receivable		1,711,261
Total assets measured at amortised cost		**2,015,328**

		Total
Liabilities		
Accounts payable and accrued liabilities	$	1,506,438
Deferred payment		893,405
Total liabilities measured at amortised cost	**$**	**2,399,843**

In Canadian dollars, except where noted

16. FINANCIAL INSTRUMENTS (continued)

31 December 2017		Total
Assets		
Cash and cash equivalents	$	239,605
Amounts receivable		5,470
Total assets		**245,075**

		Total
Liabilities		
Accounts payable and accrued liabilities	$	685,284
Deferred payment		2,245,498
Total liabilities	**$**	**2,930,782**

Credit risk
Credit risk is the risk of an unexpected loss if a counterparty to a financial instrument fails to meet its contractual obligations. The credit risk associated with cash and receivables is believed to be minimal.

Cash consists of cash on deposit in Canadian, UK, Nigerian, and Senegalese Chartered banks that are believed to be creditworthy.

At December 31, 2018 amounts receivable is comprised primarily of share subscription monies to be received from a subscriber pursuant to the private placement completed in August 2018, .. The Company does not believe it is exposed to significant credit risk and counterparty risks. As at the date of signing this report approximately US$600,000 remains outstanding. In accordance with the provisions of IFRS 9 the Company has undertaken a credit assessment risk with regards to this outstanding receivable. The risk was assessed in terms of the likelihood of a default occurring. Based on the Company's knowledge of the financial solvency of the subscriber, past experience and other factors, as at 31 December 2018 it is believed that the credit risk is limited and as such no impairment has been recognised.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at December 31, 2018 and 2017 were as follows:

		Year ended December 31, 2018		Year ended December 31, 2017
Cash	$	304,067	$	239,605
Amounts receivable		1,711,261		5,470
Total	**$**	**2,015,328**	**$**	**245,075**

Liquidity and funding risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash is held in business accounts and are available on demand. Funding risk is the risk that the Company may not be able to raise equity financing in a timely manner and on terms acceptable to management. There are no assurances that such financing will be available when, and if, the Company requires additional equity financing.

In the normal course of business, the Company enters into contracts and performs business activities that give rise to commitments for future minimum payments.

In Canadian dollars, except where noted

16. FINANCIAL INSTRUMENTS (continued)

Liquidity and fundraising risk (continued)

The following table summarizes the Company's significant remaining contractual maturities for financial liabilities at December 31, 2018 and 2017.

Contractual maturity analysis as at December 31, 2018

	Less than 3 months $	3 – 12 Months $	1 – 5 Year $	Longer than 5 years $	Total $
Accounts payable	888,522	199,351	-	-	1,087,873
Accrued liabilities	418,565	-	-	-	418,565
Other current liabilities	893,405	-	-	-	893,405
	2,200,492	**199,351**	**-**	**-**	**2,399,843**

Contractual maturity analysis as at December 31, 2017

	Less than 3 months $	3 – 12 Months $	1 – 5 Year $	Longer than 5 years $	Total $
Accounts payable	200,848	180,000	-	-	380,848
Accrued liabilities	304,436	-	-	-	304,436
Other current liabilities	-	2,509,000	-	-	2,509,000
	505,284	**2,689,000**	**-**	**-**	**3,194,284**

Market risk

The Company is subject to normal market risks including fluctuations in foreign exchange rates and interest rates. Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company’s financial instruments. While the Company manages its operations in order to minimize exposure to these risks, the Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure.

a) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets. The Group is exposed to interest rate risk in relation to its deferred payment. The deferred payment incurs a variable rate that expose the Group to cash flow interest rate risk. See note 11 also. The Group's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

16. FINANCIAL INSTRUMENTS (continued)

Market risk (continued)

The following table shows the interest rate profile of interest-bearing financial instruments as at December 31, 2018 and December 31, 2017:

		Year ended December 31, 2018		Year ended December 31, 2017
Variable rate instruments				
Financial assets	$	-	$	-
Financial liabilities		(893,405)		-
	$	**(893,405)**	**$**	**-**

The deferred payment was not subject to interest until August 18, 2018 and thus the Group did not have interest rate exposure as at December 31, 2017.

<u>Sensitivity analysis</u>

An increase of 100 basis points in interest rates at each reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. For a decrease of 100 basis points there would be an equal and opposite impact on the profit and other equity.

		Profit and loss		
		Year ended December 31, 2018		Year ended December 31, 2017
Variable rate instruments	$	8,934	$	-

b) Foreign currency risk

The Group seeks to manage its exposure to this risk by ensuring that where possible, the majority of expenditure and cash of individual subsidiaries within the Group are denominated in the same currency as the functional currency of that subsidiary.

The Group's exploration expenditures, certain acquisition costs and other operating expenses are denominated in United States Dollars, UK Pounds Sterling and Australian Dollars. The Company's exposure to foreign currency risk arises primarily on fluctuations between the Canadian Dollars and the United States Dollars, UK Pounds Sterling, and Australian Dollars. The Company has not entered into any derivative instruments to manage foreign exchange fluctuations.

The following table shows the currency of net monetary assets and liabilities by functional currency of the underlying companies for the year ended 31 December 2018:

In Canadian dollars, except where noted

16. FINANCIAL INSTRUMENTS (continued)

	Functional currency					
	Canadian dollar	US dollar	Pound Sterling	Nigerian Naira	West African Franc	Total
Currency of net monetary asset/(liability)	December 31, 2018 CAD$	December 31, 2018 CAD$	December 31, 2018 CAD$	December 31, 2018 CAD$	December 31, 2018 CAD$	December 31, 2018 CAD$
Canadian dollar	(245,994)	-	-	-	-	(245,994)
US dollar	623,661	-	-	421	-	624,082
Pound Sterling	(185,567)	-	9	-	-	(185,558)
Nigerian Naira	-	-	-	(80,707)	-	(80,707)
West African Franc	-	-	-	-	(244,190)	(244,190)
Australian dollar	(90,843)	-	-	-	-	(90,843)
Total	101,257	-	9	(80,286)	(244,190)	(223,210)

The following table shows the currency of net monetary assets and liabilities by functional currency of the underlying companies for the year ended 31 December 2017:

	Functional currency					
	Canadian dollar	US dollar	Pound Sterling	Nigerian Naira	West African Franc	Total
Currency of net monetary asset/(liability)	December 31, 2017 CAD$	December 31, 2017 CAD$	December 31, 2017 CAD$	December 31, 2017 CAD$	December 31, 2017 CAD$	December 31, 2017 CAD$
Canadian dollar	(167,092)	-	-	-	-	(167,092)
US dollar	(2,109,210)	-	-	387	-	(2,108,823)
Pound Sterling	(78,002)	-	(11,191)	-	-	(89,193)
Nigerian Naira	-	-	-	12,654	-	12,654
West African Franc	-	-	-	-	(229,999)	(229,999)
Australian dollar	(21,151)	-	-	-	-	(21,151)
Total	(2,375,455)	-	(11,191)	13,041	(229,999)	(2,603,604)

The following table discusses the Company's sensitivity to a 5% increase or decrease in the Canadian Dollar against the United States Dollar:

December 31, 2018	Canadian Dollar Appreciation By 5%	Canadian Dollar Depreciation By 5%
Comprehensive income (loss)		
Financial assets and liabilities	$ 36,116	$ (36,116)
December 31, 1017		
Comprehensive income (loss)		
Financial assets and liabilities	$ 105,800	$ (105,800)

In Canadian dollars, except where noted

17. CAPITAL MANAGEMENT

The Company manages, as capital, the components of shareholders' equity. The Company's objectives, when managing capital, are to safeguard its ability to continue as a going concern in order to explore its unproven mineral interests and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages its 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 its capital structure, the Company may attempt to issue common shares, borrow, acquire or dispose of assets or adjust the amount of cash.

18. SEGMENTED DISCLOSURES

Geographic Information

The Company's operations comprise one reportable segment, being the exploration of mineral resource properties. The carrying value of the Company's assets on a country-by-country basis is as follows:

December 31, 2018	Senegal	Burkina Faso	British Virgin Islands	Nigeria	Canada	Total
Current assets	$ 11,235	$ 5,339	$ -	$ 149,880	$ 1,986,851	$ 2,153,305
Investment	-	-	-	-	2	2
Prepaid expenses and deposit	-	-	-	-	23,327	23,327
Property, plant and equipment	33,216	1,687	-	212,487	8,092	255,482
Exploration and evaluation assets	13,897,249	1,607,410	-	27,297,528	-	42,802,187
Total assets	$ 13,941,700	$ 1,614,436	$ -	$27,659,895	$ 2,018,272	$45,234,303

December 31, 2017	Senegal	Burkina Faso	British Virgin Islands	Nigeria	Canada	Total
Current assets	$ 11,686	$ 5,532	$ -	$ 31,829	$ 248,016	$ 297,063
Investment	-	-	-	-	2	2
Prepaid expenses and deposit	-	-	-	6,787	23,327	30,114
Property, plant and equipment	2,628	2,267	-	121,602	15,551	142,048
Exploration and evaluation assets	12,076,346	1,553,585	-	21,952,830	-	35,582,761
Total assets	$ 12,090,660	$ 1,561,384	$ -	$22,113,048	$ 286,896	$36,051,988

19. SUBSEQUENT EVENTS

On February 4, 2019 the Company announced positive results of its Independent Definitive Feasibility Study for an open pit Gold Project on its 100% Segilola Gold Project in Nigeria ("Segilola"). The DFS demonstrated the existence of a robust open pit project that with an NPV5% of US$138 million, a 50% IRR and a payback period of under 1.4 years with on pre-production Capex of US$87 million and development capital of US$13 million. At the same time the Company also announced completion of an Independent Preliminary Economic Assessment ("PEA") for a proposed supplemental underground mining project at Segilola. The PEA demonstrated an accretive NPV5% of US$35 million. The Underground Project consideres an initial three year underground operation which can be brought on during the open pit mine life to supplement the open pit ore with high grade underground production. The deposit remains open below the resource considered in the underground project.

On April 1, 2019 the Company, through wholly owned subsidiary SGL was granted two new gold exploration licenses in South West Nigeria by the Office of the Nigeria Mining Cadastre. The two licenses were applied for in December 2018. These two licenses are located between 17km and 25km from Segilola and cover significant sections of the structural trends that extend southwards from the Segilola high grade gold deposit.

On April 15, 2019 the Company announced that it had received Investment Committee approval for a US$78 million financing package with the AfricaFinance Corporation ("AFC") for the construction and ramp-up of its Segilola Gold Project. The funding package consists of US$54 million senior secured credit facility, a US$9 million gold stream prepayment and a US$15 million equity investment in Thor.

On 16 April the Company announced it had received a commitment from Norinco International Cooperation Limited ("Norinco International") for 10% financing of a US$65 million turnkey, engineering, procurement and construction ("EPC") contract ("LSTK EPC Contract") value awarded to Norinco International for the development of the Company's 100% owned Segilola Gold Project. The financing is subject to the execution of the LSTK EPC Contract, mutually satisfactory documentation and completion of legal due diligence, which are expected to be completed in May 2019.

On April 30 the Company announced the undertaking of a private share placement to raise up to US$15 million. As at the date of filing of this report, subscription agreements totalling US$1.5 million have been received under the terms of this placement.