



**MONTAGE GOLD CORP.**

**THIRD QUARTER REPORT**

**For the Three and Nine Months Ended**

**September 30, 2020**

**MONTAGE GOLD CORP.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**THREE AND NINE MONTHS TO SEPTEMBER 30, 2020**  
**(Amounts in Canadian Dollars unless otherwise indicated)**

The following management's discussion and analysis ("MD&A") of Montage Gold Corp. ("Montage" or the "Company") should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2020. The financial information in this MD&A is reported in Canadian dollars unless otherwise indicated and is derived from the Company's condensed interim consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The effective date of this MD&A is November 25, 2020. Additional information about the Company and its business activities is available on SEDAR at [www.sedar.com](http://www.sedar.com) and the Company's website [www.montagegoldcorp.com](http://www.montagegoldcorp.com).

## **BACKGROUND**

Montage Gold Corp. ("Montage" or the "Company") is a resource company engaged in the exploration and development of mineral properties in Côte d'Ivoire, West Africa and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The continued operations of Montage and the recoverability of the amounts shown for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of Montage to obtain necessary financing to complete the exploration and development of such properties and upon future profitable production from or disposition of such properties.

Montage's primary objective is to focus on the exploration and development of the Montage Properties. Montage's mineral interests that collectively form the Montage Properties include: (i) the Morondo Gold Project (comprised of the Morondo Exploration Permit and the Djelisso, Gbatosso, Faradougou and Sisséplé permit applications); (ii) the Korokaha Gold Project (comprised of the Korokaha North and South permits and the Diawala permit application); (iii) the Bobosso Gold Project (comprised of the Wendéné permit and the Dabakala permit application); and (iv) the Zuenoula Est and Zuenoula Ouest permit applications, all of which are located in Côte d'Ivoire. The Montage Properties total four permits (1,250 km<sup>2</sup>) and eight permit applications (2,500 km<sup>2</sup>) across approximately 3,750 km<sup>2</sup>, all of which are 100% owned, directly or indirectly, by Montage.

Montage was incorporated as a wholly owned subsidiary of Orca Gold Inc. ("Orca") under the Business Corporations Act (British Columbia) on July 4, 2019.

On July 23, 2019 Montage acquired Orca's wholly owned subsidiaries that directly or indirectly hold permits and permit applications in Côte d'Ivoire for 33 million shares with a fair value of \$14.9 million.

On August 27, 2020 Montage entered into a share purchase agreement with Avant Minerals Inc ("Avant") pursuant to which it acquired Avant's assets in Côte d'Ivoire and Burkina Faso and cash of \$3.8 million in exchange for 22 million shares in Montage with a fair value of \$9.9 million ("Avant Transaction"). Contemporaneously with the completion of the Avant Transaction, Montage completed a non-brokered private placement issuing 18,226,374 shares in Montage to new shareholders at \$0.45 per share for cash of \$8.2 million. The Company issued 250,000 shares as advisory fees for the transaction.

Subsequent to September 30, 2020, Montage closed its initial public offering of an aggregate of 27,272,728 common shares at a price of \$1.10 per share for total proceeds of \$30 million on October 23, 2020 and commenced trading on the TSXV ("MAU"). Montage granted the underwriters an over-allotment option exercisable in whole or in part at the sole discretion for a period of 30 days following the closing of the offering, to purchase up to an additional 15% of the common shares at the offering price issued as part of Montage's initial public offering.

On October 30, 2020 the underwriters fully exercised their over-allotment option to acquire an additional 4,090,909 shares at the offering price resulting in additional aggregate gross proceeds of approximately \$4.5 million.

## **COVID-19**

On March 11, 2020 the World Health Organization declared the rapidly spreading COVID-19 outbreak as a global pandemic. Montage has been closely monitoring developments in the COVID-19 outbreak and has implemented preventative measures to ensure the safety of the Company's workforce and local communities. To date there have been no outbreaks of COVID-19 at the Company's projects.

As a result of the COVID-19 pandemic, Côte d'Ivoire closed its borders on March 22, 2020 and imposed internal travel restrictions soon after. The Company took the decision, in the interests of the safety and well being of its staff and the local inhabitants, to cease exploration activities in the Morondo permit on March 27, 2020. As of May 20, 2020, Montage recommenced its exploration program on the Morondo property in Côte d'Ivoire based on the government's guidelines and health authorities lifting restrictions in the country.

The current global uncertainty with respect to the spread of COVID-19, the rapidly evolving nature of the pandemic and local and international developments related thereto and its effect on the broader global economy and capital markets may have a negative effect on the Company and the advancement of the Morondo Gold Project. While the precise impact of the COVID-19 outbreak on the Company remains unknown, rapid spread of COVID-19 and declaration of the outbreak as a global pandemic has resulted in travel advisories and restrictions, certain restrictions on business operations, social distancing precautions and restrictions on group gatherings which are having direct impacts on businesses in Canada, the United States and around the world and could result in travel bans, closure of assay labs, work delays, difficulties for contractors and employees getting to site, and diversion of management attention all of which in turn could have a negative impact on development of the Morondo Gold Project and the Company generally. The spread of COVID-19 may also have a material adverse effect on global economic activity and could result in volatility and disruption to global supply chains and the financial and capital markets, which could affect the business, financial condition, results of operations and other factors relevant to the Company, including its ability to raise additional financing.

## **OUTLOOK**

The primary focus of the Company is the Morondo Gold Project and specifically, advancing the Koné Gold Deposit which hosts an Inferred Mineral Resource of 52.5Mt at 0.91 g/t for 1,536koz of gold at 0.50g/t cut-off grade, effective as at October 3, 2018 (the "October 2018 Inferred Mineral Resource").

Drilling completed since the October 2018 Inferred Mineral Resource has been aimed at establishing the extension of the Koné mineralization to a depth of 400m from surface. This extensional drilling has been successful and provides justification for an infill drilling programme to expand the Inferred Mineral Resource and upgrade it to the Indicated category. This new program started in Q4, 2020 and will continue into 2021.

This program will include relevant metallurgical test work, geotechnical and hydrological studies and the commencement an Environmental programme that will be used as the basis for staged engineering studies with the aim of completing a Feasibility Study by the end of 2021.

In addition, Montage will continue to evaluate its other mineral properties in Côte d'Ivoire as part of its growth strategy. This includes the Korokaha Gold Project that lies adjacent to the Tongon Gold Mine lease operated by Barrick and the Bobosso Gold Project that lies on the southern extension into Côte d'Ivoire of the prolific Houndé Greenstone belt.

The Company made a decision to exit Burkina Faso as a result of deteriorating security conditions in the country and the current operating conditions in the Company's permit areas. The Company completed a sale of its property interests in Burkina Faso on November 3, 2020.

## SUMMARY OF QUARTERLY FINANCIAL RESULTS

	Sept - 20	June - 20	Mar - 20	Dec - 19	Sept - 19	June - 19	Mar - 19
Revenue (\$000's)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Exploration costs (\$000's)	1,551	905	1,340	1,540	468	416	720
Total net loss (\$000's)	2,230	1,165	1,739	2,582	1,047	666	1,041
Net loss attributed to the Company's shareholders (\$000's)	2,189	1,111	1,503	2,332	1,019	666	1,041
Net loss per share attributed to the Company's shareholders basic and diluted (\$)	0.03	0.2	0.2	\$0.4	\$0.2	0.02	0.03
Total assets (\$000's)	18,269	19,653	20,361	21,935	23,568	5,618	5,859
Total non-current financial liabilities	863	577	643	863	385	54	174

As a junior mining company, Montage has no expectation of generating operating profits until it develops a commercially viable mineral deposit.

Operating performance for the periods to December 31, 2019 include results from operations and cash flows of Orca, which are deemed to be attributable to the Company. Management was required to make certain judgements, including the use of relative levels of exploration activity during any given period as a reasonable basis to allocate common expenses. These Orca results from operations and cash flows were allocated to the Company for the period until the acquisition of assets from Orca on July 23, 2019.

During Q1, 2019 exploration activity was advanced at the Koné Prospect in the Morondo Exploration Permit and commenced work in the Korokaha North Exploration Permit, identifying a broad soil anomaly in the southern portion of the permit.

During Q2, 2019 exploration work in the Morondo Exploration Permit included a pitting program to test the extensions to the known mineralisation. Work in the Korokaha North Exploration Permit included a mechanised auger program to test various areas of anomalism in the soil geochemistry in the northern part of the permit.

During Q3, 2019, the Company entered into a sale purchase agreement with Avant pursuant to which Avant transferred its assets in Côte d'Ivoire and Burkina Faso to Montage. The Company continued with its drilling operations at Morondo with a 5,000m aircore program and the commencement of a 5,000m of combined reverse circulation and diamond core drilling.

During Q4, 2019 the company continued work at the Koné Prospect, identifying a high-grade anomaly 8 km east of Koné. The Company placed the Burkina Faso assets on care and maintenance.

During Q1, 2020, exploration activity was comprised of 574.6m of core drilling and 2,687m of shallow reverse circulation drilling in the Morondo Exploration Permit and a short sampling program on the Korokaha North Exploration Permit. As a result of the COVID -19 pandemic the Company ceased operations in the Morondo Exploration Permit on March 27, 2020 based on the governments guidelines and health authorities lifting restrictions in the country. During Q2 on May 20, 2020 based upon Government's guidelines and lifting of restrictions by health authorities, Montage recommenced its exploration at Morondo. During Q2 and Q3, the Company completed 1,551.4m of diamond core drilling during the period. The Company also completed some work at the Wendéné Exploration Permit. During Q3, the Company made the Decision to exit Burkina Faso and completed the transaction on November 3, 2020.

## **Q3 2020 OPERATING HIGHLIGHTS**

### **THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2020**

During the three and nine months ended September 30, 2020, Montage incurred a net loss of \$2.2 million and \$5.1 million (2019: \$1.0 million and \$2.8 million), respectively. Exploration costs were \$1.5 million and \$3.8 million for the three and nine months (2019: \$0.5 million and \$1.6 million), respectively. The increase in loss is due to the increase in exploration expenditure in Côte d'Ivoire of \$1.0 million and \$1.6 million for the three and nine months. Burkina Faso costs for the nine months to September 30, 2020 were \$0.6 million higher the prior year reflecting employee redundancies and closure of its operations in Burkina Faso.

The Company's exploration program for 2020 has been focussed on the Morondo Gold Project. Prior to the COVID-19 pandemic, the Company had completed 2,687 metres of shallow reconnaissance drilling at the Petit Yao target, 8 km east of Koné that was defined by soil sampling in 2019. During Q1 2020, the Company's exploration program was halted following Côte d'Ivoire closing its borders on March 22, 2020 due to COVID-19. The Company was able to recommence exploration actively as of May 20, 2020 following the government's health authority guidance and the re-opening of the country's borders.

The current reported Inferred Mineral Resource extends to a depth of 260 metres from surface. Recent drilling has now tested this mineralisation to a vertical depth of 400 metres and demonstrates the potential for resource expansion.

In Q1 2020 Montage also completed a program of infill soil sampling (640 samples) on the Badenou anomaly within the Korokaha North Permit confirming previous widely spaced soil sampling results. On April 22, 2020, the Ministry of Minerals granted by Presidential Decree the Korokaha South Exploration Permit (352.8km<sup>2</sup>) which lies adjacent to the south of the Korokaha North permit. A programme of reconnaissance soil sampling was completed in Q4 2020 and the Company is awaiting the results.

At the Bobosso Project (Bassawa and Wendéné permits), a program of geological and regolith mapping was completed as part of a re-assessment of all historic exploration work on the property. A portion of the permit area has now been relinquished based on a re-assessment of previous exploration work.

Administration costs of \$1.3 million (2019: \$0.9 million) for the nine months to September 30, 2020, excluding stock-based compensation was \$0.4 million higher than the prior year largely due to legal and audit costs associated with Montage's initial public offering.

### **LIQUIDITY AND CAPITAL RESOURCES**

As at September 30, 2020 the Company had a consolidated cash balance of \$4.7 million (December 2019: \$9.6 million). Management projects that the Company's working capital as at September 30, 2020 will be sufficient to enable the Company to continue its operations for at least the next twelve months. The Company raised additional gross proceeds of \$34.5 million following the completion of its initial public offering in October 2020. The majority of the proceeds are to be used to advance work related to its planned exploration and drilling program at the Morondo Gold Project as well as for the metallurgical test work, engineering, mine planning and other studies that will contribute to the economic evaluation of the Morondo Gold Project. The remaining funds will be used for general corporate and working capital purposes.

## RELATED PARTY TRANSACTIONS

The related parties with which the Company has transacted during the three and nine months to September 2020, was Geodex Consultants Ltd. ("Geodex"). Geodex is a related party by virtue of its proprietor being a director and officer of the Company. Related party transactions occur and are recorded at the amounts agreed between the parties.

### a) Services received from related parties

Related party	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
Geological consulting Geodex	6,173	4,632	17,993	22,370
<b>Total related party costs</b>	<b>6,173</b>	<b>4,632</b>	<b>17,993</b>	<b>22,370</b>

Subsequent to Q3, on November 3, 2020, the Company completed the sale of its interests in Burkina Faso, which amounted to a 51% joint-venture stake in a series of companies holding a collection of exploration permits located in the eastern region of the country. The Company received consideration of approximately A\$240,000 by the issuance of 4,028,477 common shares of Predictive Discovery Limited.

### b) Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's directors and executive officers. Key management compensation includes an allocation of Orca management expenditures to August 26, 2019, which are deemed to be attributable to the Company. These expenditures were allocated based upon relative levels of Orca's exploration activity during any given period as a reasonable basis to allocate the management expenditures.

The remuneration of key management personnel is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
Salaries and management fees	109,427	129,996	403,227	297,955
Short term benefits	4,039	2,090	11,490	7,603
Director fees	33,857	31,661	100,837	57,312
Stock-based compensation	48,606	103,477	218,487	129,861
<b>Total key management compensation</b>	<b>195,929</b>	<b>267,225</b>	<b>734,041</b>	<b>492,731</b>

## FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents and accounts payable. The carrying amounts reported in the consolidated statements of financial position for cash and cash equivalents, other receivables, and accounts payable approximate their fair value because of the immediate or short-term maturity of these financial instruments.

The Company's financial instruments are exposed to certain financial risks, including currency, credit and liquidity risk.

### **a) Currency risk**

Foreign currency risk can arise when the Company or its subsidiaries transact in currencies other than their functional currencies or have net financial assets or liabilities which are denominated in currencies other than their respective functional currencies.

As at September 30, 2020, the Company did not have any material foreign currency risk exposure at its operations in Côte d'Ivoire or Burkina Faso.

### **b) Credit risk**

Credit risks associated with cash is minimal as the Company deposits the majority of its cash with a large Canadian financial institution that has a strong investment grade rating.

### **c) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's financial liabilities are comprised of accounts payable and accrued liabilities. The Company frequently assesses its liquidity position by reviewing the timing of amounts due and the Company's current cash flow position to meet its obligations. The Company manages its liquidity risk by maintaining sufficient cash and cash equivalents balances to meet its anticipated operational needs. The Company's accounts payable and accrued liabilities arose as a result of exploration and development of its exploration and evaluation assets and other corporate expenses.

## **OUTSTANDING SHARE DATA**

As at November 25, 2020 the Company had 104,870,004 common shares outstanding and 9,020,000 share options outstanding under its stock-based incentive plan.

## **SUBSEQUENT EVENTS**

On October 23, 2020, the Company completed its initial public offering and listing on the TSX Venture Exchange, raising total gross proceeds of \$34.5 million through the issue of 31,363,637 common shares at a price of \$1.10 per common share. The financing was initially targeted to raise gross proceeds of \$25 million (subject to a 15% over-allotment option) and was upsized to \$30 million (subject to a 15% over-allotment option) due to significant investor interest. The underwriters elected to exercise the 15% over-allotment option in full. The exercise of the over-allotment option occurred on October 30, 2020.

On October 31, 2020, the country of Côte d'Ivoire held its 2020 Presidential Election. The election has been subject of much controversy as the incumbent president, Alassane Ouattara, ran for a third term. Primary opposition parties and candidates have denounced the election, those being Henri Konan Bédié of the PDCI and Pascal Affi N'Guessan of the FPI. As of the date of this MD&A, provisional results reported by the Independent Electoral Commission indicate that Ouattara has received over 94% of the votes, with a voter participation rate of over 50%. Civil unrest has been frequent leading up to the election and continues. The Company's properties have not been impacted by any unrest owing to the location of the properties in the north of the country, which is an area of strong support for Ouattara. As a precautionary measure, the Company temporarily removed its expatriate staff and contractors from the Country in the days leading up to the election. Once the situation stabilizes in Côte d'Ivoire, expatriate staff will return to the Company's operations.

On November 3, 2020, the Company completed the sale of its interests in Burkina Faso, which amounted to a 51% joint-venture stake in a series of companies holding a collection of exploration permits located in the eastern region of the country. The Company received consideration of approximately A\$240,000 by the issuance of 4,028,477 common shares of Predictive Discovery Limited. With the completion of this sale, the Company no longer holds any property interests in Burkina Faso. The transaction was completed as a sale

agreement of the Company's holdings in a joint-venture company, providing for a clean exit from the country with no exposure to any future liabilities associated with the properties.

## **CRITICAL ACCOUNTING ESTIMATES**

The preparation of consolidated financial statements in accordance with IFRS requires the use of certain accounting estimates and judgments. It also requires management to exercise judgment in applying the Company's accounting policies. These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances taking into account previous experience, but actual results may differ from amounts included in the financial statements. Areas where critical estimates have been the most significant impact effect on the amounts recognize in the consolidated financial statements include the following:

Valuation of mineral properties – The Company carries the acquisition costs of its mineral properties at cost less any provision for impairment. The Company undertakes reviews of the carrying values of mineral properties whenever events or changes in circumstances indicate that their carrying values may exceed their fair value. If impairment indicators are identified management of the Company is required to make significant estimates in order to determine the recoverable amount of the mineral property. These estimates are subject to various risks and uncertainties, which may ultimately have an effect on the expected recoverability of the carrying values of the mineral properties and related expenditures.

## **QUALIFIED PERSON**

The technical contents of this MD&A have been reviewed by Hugh Stuart, C.Geol, FGS, a Qualified Person pursuant to NI 43-101. Mr. Stuart holds the position of Chief Executive Officer of the Company. Some of the statements in this MD&A are forward-looking statements that are subject to risk factors set out in the cautionary note contained herein.

## **RISKS AND UNCERTAINTIES**

The operations of the Company are speculative due to the high risk nature of its business which includes the acquisition, financing, exploration, development and operation of mining properties. The material risks and uncertainties, should be taken into account in assessing the Companies activities are described under the heading "Risks and Uncertainties" in the Company's Long Form Prospectus at <http://www.sedar.com> (the "AIF"). Any one or more of these risks and uncertainties could have a material adverse effect on the Company.

## **CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

Certain of the statements made and contained herein are forward-looking information or forward-looking statements within the meaning of applicable Canadian securities laws, including statements regarding Montage's (the "Company", the "Corporation", "we" or "our") plans and expectations relating to its exploration assets in Côte d'Ivoire. Such forward-looking information or forward-looking statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Statements concerning mineral resource estimates may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralisation that will be encountered if the property is developed. The assumptions, risks and uncertainties outlined below are non-exhaustive. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results, performance or achievements of the Corporation or its properties and projects may vary materially from those described herein.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "expects", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements.

Forward-looking statements and forward-looking information are not guarantees of future performance and are based upon a number of estimates and assumptions of management at the date the statements are made including without limitation, assumptions about the following (the "Forward-Looking Factors"): future prices of gold and other metals; successful exploration, development, and production; performance of contractual obligations by counterparties; operating conditions; political stability; obtaining governmental approvals and financing on time; financial projections and budgets; obtaining licenses and permits; government regulation of the Corporation's mining activities; environmental risks and expenses; market conditions; the securities market; price volatility of the Corporation's securities; currency exchange rates; foreign mining tax regimes; financial projections and results; competition; availability of sufficient capital, infrastructure, equipment and labour; litigation; land title issues; local community issues; estimation of mineral resources; realization of mineral resources; timing and amount of estimated future production; the life of mine; reclamation obligations; changes in project parameters as plans continue to be evaluated; and anticipated costs and expenditures and our ability to achieve the Corporation's goals. While we consider these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies, many of which are based on factors and events that are not within the control of the Corporation and there is no assurance they will prove to be correct.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, known and unknown risks, uncertainties and other factors relating to the Forward-Looking Factors above, and those factors disclosed under the heading "Risk Factors" in the Corporation's most Long Form Prospectus available at <http://www.sedar.com> and the Corporation's other continuous disclosure documents filed from time to time with the securities regulators in the provinces of Canada.

In addition, a number of other factors could cause the actual results, performance or achievements of the Corporation to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information, and there is no assurance that the actual results, performance or achievements of the Corporation will be consistent with them. Although the Corporation has attempted to identify important factors that could cause actual actions, events, results, performance or achievements to differ materially from those described in forward-looking statements and forward-looking information, there may be other factors that cause actions, events, results, performance or achievements not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements or information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Such forward-looking statements and information are made or given as at the date of this management's discussion and analysis and the Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required under applicable securities law. The reader is cautioned not to place undue reliance on forward-looking statements or forward-looking information.

# **Montage Gold Corp**

Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2020 and 2019

**Montage Gold Corp.**  
**Condensed Interim Consolidated Statements of Financial Position**  
**(All amounts expressed in Canadian Dollars, unless otherwise indicated)**

	<b>September 30, 2020</b>	<b>December 31, 2019</b>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 4,689,625	\$ 9,590,300
Receivables and other assets (Note 3)	553,480	116,738
	<u>5,243,105</u>	<u>9,707,038</u>
Equipment (Note 4)	411,295	468,411
Mineral properties (Note 5)	12,591,137	11,734,994
Other assets	23,020	24,460
	<u>\$ 18,268,557</u>	<u>\$ 21,934,903</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 1,167,027	\$ 863,400
<b>EQUITY</b>		
Equity attributed to common shareholders		
Share capital	32,783,085	32,783,085
Contributed surplus	584,360	148,820
Accumulated other comprehensive income	(472,834)	(1,201,459)
Deficit	(15,490,188)	(10,687,123)
	<u>17,404,423</u>	<u>21,043,323</u>
Non-controlling interest (Note 12)	(302,893)	28,180
	<u>17,101,530</u>	<u>21,071,503</u>
	<u>\$ 18,268,557</u>	<u>\$ 21,934,903</u>

Subsequent Events (note 14)

Approved by the Board of Directors

(signed) "XXXXX"  
Director

(signed) "XXXXX"  
Director

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

**Montage Gold Corp**  
**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss**  
**(All amounts expressed in Canadian Dollars, unless otherwise indicated)**  
**(Unaudited)**

	<b>Three months ended September 30,</b>		<b>Nine months ended September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Administration costs (Note 8)	\$ 823,652	\$ 585,979	\$ 1,577,604	\$ 1,166,189
Exploration and project investigation costs (Note 9)	1,550,981	468,415	3,795,613	1,604,716
Foreign exchange (gain) / loss	(116,393)	12,741	(137,729)	3,285
Interest income	(28,262)	(20,719)	(101,350)	(20,718)
Net loss for the period	<u>\$ 2,229,978</u>	<u>\$ 1,046,416</u>	<u>\$ 5,134,138</u>	<u>\$ 2,753,471</u>
Net loss for the period attributed to:				
Common shareholders of the Company	2,189,266	1,018,733	4,803,065	2,725,788
Non-controlling interest (Note 12)	40,712	27,683	331,073	27,683
	<u>\$ 2,229,978</u>	<u>\$ 1,046,416</u>	<u>\$ 5,134,138</u>	<u>\$ 2,753,471</u>
Net loss for the period	\$ 2,229,978	\$ 1,046,417	\$ 5,134,138	\$ 2,753,471
Items that may be subsequently reclassified to net loss:				
Loss (gain) on translation to presentation currency	(149,081)	(7,326)	(728,625)	-
Comprehensive loss for the period	<u>\$ 2,080,897</u>	<u>\$ 1,039,091</u>	<u>\$ 4,405,513</u>	<u>\$ 2,753,471</u>
Comprehensive loss for the period attributed to:				
Common shareholders of the Company	\$ 1,722,045	\$ 1,011,408	\$ 4,074,439	2,725,788
Non-controlling interest (Note 12)	358,852	27,683	331,074	27,683
	<u>\$ 2,080,897</u>	<u>\$ 1,039,091</u>	<u>\$ 4,405,513</u>	<u>\$ 2,753,471</u>
Basic and diluted loss per common share	<u>\$0.03</u>	<u>\$ 0.02</u>	<u>\$0.07</u>	<u>\$ 0.07</u>
Basic and diluted weighted average number of shares outstanding	<u>73,476,374</u>	<u>47,958,660</u>	<u>73,476,374</u>	<u>38,041,014</u>

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

**Montage Gold Corp**  
**Condensed Interim Consolidated Statements of Cash Flows**  
**(All amounts expressed in Canadian Dollars, unless otherwise indicated)**  
**(Unaudited)**

	<b>Nine months ended</b>	
	<b>2020</b>	<b>September 30,</b>
		<b>2019</b>
Cash flows for operating activities		
Net loss for the period	\$ (5,134,138)	\$ (2,753,471)
Add non-cash items		
Depreciation of equipment (Note 5)	100,492	19,328
Stock-based compensation expense (Note 9)	435,540	172,942
	<u>(4,598,106)</u>	<u>(2,561,201)</u>
Changes in non-cash working capital items		
Receivables and other assets	(415,755)	29,807
Accounts payable and accrued liabilities	171,511	318,348
	<u>(4,842,350)</u>	<u>(2,213,046)</u>
Cash flows from investing activities		
Purchase of equipment	-	(143,626)
Cash acquired through Avant Minerals acquisition	-	3,754,546
	<u>-</u>	<u>3,610,920</u>
Cash flows from financing activities		
Proceeds from Private placement	-	8,033,085
Private placement transaction costs	-	(357,791)
Funding provided by Orca Gold Inc	-	1,802,023
	<u>-</u>	<u>9,477,317</u>
Foreign exchange on cash and cash equivalents	<u>(58,325)</u>	<u>39,677</u>
Decrease in cash and cash equivalents	(4,900,675)	10,914,868
Cash and cash equivalents, beginning of period	9,590,300	201,971
Cash and cash equivalents, end of period	<u>\$ 4,689,625</u>	<u>\$ 11,116,839</u>
Supplemental information		
Interest received	\$ 73,088	\$ -

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

**Montage Gold Corp**  
**Condensed Interim Consolidated Statements of Changes in Equity**  
**For the three and nine months ended September 30, 2020 and 2019**  
**(All amounts expressed in Canadian Dollars, unless otherwise indicated)**  
**(Unaudited)**

**Equity Attributed to Common Shareholders**

	Number of shares issued and outstanding	Share Capital	Contributed Surplus	Other Capital Reserves	Deficit	Accumulated Other Comprehensive Income	Total	Non- Controlling Interest	Total
<b>Balance January 1, 2020</b>	<b>73,476,374</b>	<b>\$ 32,783,085</b>	<b>\$ 148,820</b>	-	<b>\$ (10,687,123)</b>	<b>\$ (1,201,459)</b>	<b>\$ 21,043,323</b>	<b>\$ 28,180</b>	<b>\$ 21,071,503</b>
Net loss and other comprehensive loss	-	-	-	-	(4,803,065)	-	(4,803,065)	(331,073)	(5,134,138)
Stock based compensation expense (Note 9)	-	-	435,540	-	-	-	435,540	-	435,540
Gain (loss) on translation to presentation currency	-	-	-	-	-	728,625	728,625	-	728,625
<b>Balance September 30, 2020</b>	<b>73,476,374</b>	<b>\$ 32,783,085</b>	<b>\$ 584,360</b>	-	<b>\$ (15,490,188)</b>	<b>\$ (472,834)</b>	<b>\$ 17,404,423</b>	<b>\$ (302,893)</b>	<b>\$ 17,101,530</b>
<b>Balance January 1, 2019</b>	-	-	-	<b>\$ 19,772,176</b>	<b>\$ (12,833,366)</b>	<b>\$ (1,257,439)</b>	<b>\$ 5,681,371</b>	-	<b>\$ 5,681,371</b>
Net loss and other comprehensive loss	-	-	-	-	(2,696,082)	15,312	(2,680,770)	(27,683)	(2,708,453)
Funding and expenses paid by Orca Gold	-	-	-	1,802,023	-	-	1,802,023	-	1,802,023
Shares issued to acquire Orca Gold assets	33,000,000	14,850,000	-	(14,850,000)	-	-	-	-	-
Montage acquisition of Orca Gold Inc assets	-	-	-	(6,878,841)	6,878,841	-	-	-	-
Shares issued pursuant to Avant acquisition	22,000,000	9,900,000	-	-	-	-	9,900,000	301,514	10,201,514
Proceeds from private placement	18,476,374	8,033,085	-	-	-	-	8,033,085	-	8,033,085
Share based compensation	-	-	18,300	154,642	-	-	172,942	-	172,942
<b>Balance September 30, 2019</b>	<b>73,476,374</b>	<b>\$32,783,085</b>	<b>18,300</b>	-	<b>\$ (8,650,607)</b>	<b>\$ (1,242,127)</b>	<b>\$ 22,908,651</b>	<b>273,831</b>	<b>\$ 23,182,482</b>

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

**Montage Gold Corp**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**For the three and nine months ended September 30, 2020 and 2019**  
**(All amounts expressed in Canadian Dollars, unless otherwise indicated)**  
**(Unaudited)**

**1. NATURE OF OPERATIONS**

Montage Gold Corp. ("Montage" or the "Company") is a resource company engaged in the acquisition and exploration of mineral properties in Africa and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The continued operations of Montage and the recoverability of the amounts shown for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of Montage to obtain necessary financing to complete the exploration and development of such properties and upon future profitable production from or disposition of such properties

On October 23, 2020, Montage completed its initial public offering of an aggregate of 27,272,728 common shares at a price of \$1.10 per share for total proceeds of \$30 million and commenced trading on the TSXV ("MAU") (see subsequent event note 14).

On October 30, 2020 the underwriters fully exercised their over-allotment option to acquire an additional 4,090,909 shares at the offering price resulting in additional aggregate gross proceeds of approximately \$4.5 million.

Montage was incorporated as a wholly owned subsidiary of Orca Gold Inc. ("Orca") under the Business Corporations Act (British Columbia) on July 4, 2019 and its registered office is located at Suite 2000, 885 West Georgia Street, Vancouver, British Columbia, Canada, V6C3E8.

**2. BASIS OF PRESENTATION**

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. As such, certain disclosures included in the annual financial statements prepared in accordance with IFRS have been condensed or omitted. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2019. In preparation of these condensed interim consolidated financial statements, the Company has consistently applied the same accounting policies as disclosed in Note 4 to the audited consolidated financial statements for the year ended December 31, 2019.

The condensed interim financial statements for the three and nine months ended September 30, 2019 have been prepared on a continuity of interest basis of accounting. Prior to the July 13, 2019 acquisition of assets from Orca, the assets, liabilities, results of operations and cash flows of Montage are presented on a 'carve-out' basis from the consolidated financial statements and accounting records of Orca, in accordance with the financial reporting framework specified in subsection 3.11(6) of National Instrument 52-107, Acceptable Accounting Principles and Auditing Standards, for carve-out financial statements.

The preparation of the September 30, 2019 condensed interim financial statements pursuant to the carve-out basis of accounting required the identification and allocation of pre-acquisition assets, liabilities, results from operations and cash flows of Orca, which are deemed to be attributable to the Company. In performing the allocation, management was required to make certain judgments, including that the use of relative levels of exploration activity during any given period is a reasonable basis to allocate common expenses.

These condensed interim financial statements were authorized for issuance by the Board of Directors of the Company on November 25, 2020.

**Montage Gold Corp**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**For the three and nine months ended September 30, 2020 and 2019**  
**(All amounts expressed in Canadian Dollars, unless otherwise indicated)**  
**(Unaudited)**

**3. RECEIVABLES AND OTHER ASSETS**

	<b>September 30, 2020</b>	<b>December 31, 2019</b>
Prepaid expenses	501,133	57,706
Other receivables	52,347	59,032
<b>Total receivables and other assets</b>	<b>553,480</b>	<b>116,738</b>

**Montage Gold Corp**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**For the three and nine months ended September 30, 2020 and 2019**  
**(All amounts expressed in Canadian Dollars, unless otherwise indicated)**  
**(Unaudited)**

**4. EQUIPMENT**

<b>Cost</b>	<b>Computer Equipment</b>	<b>Office Furniture and Equipment</b>	<b>Vehicles and Mobile Equipment</b>	<b>Field and Camp Equipment</b>	<b>Total</b>
<b>As at January 1, 2019</b>	<b>3,842</b>	<b>357</b>	<b>-</b>	<b>64,749</b>	<b>68,948</b>
Additions	8,783	1,982	16,375	134,302	161,442
Avant acquisition	8,979	2,581	256,593	344,327	612,480
Effects of foreign exchange on translation to presentation currency	(1,267)	(58)	4,053	2,478	5,206
<b>As at December 31, 2019</b>	<b>20,337</b>	<b>4,862</b>	<b>277,021</b>	<b>545,856</b>	<b>848,076</b>
Effects of foreign exchange on translation to presentation currency	4,309	167	20,211	28,867	53,554
<b>As at September 30, 2020</b>	<b>24,646</b>	<b>5,029</b>	<b>297,232</b>	<b>574,723</b>	<b>901,630</b>
<b>Accumulated depreciation</b>					
<b>As at January 1, 2019</b>	<b>(1,661)</b>	<b>(15)</b>	<b>-</b>	<b>(3,642)</b>	<b>(5,318)</b>
Depreciation	(4,096)	(1,172)	(20,939)	(22,186)	(48,393)
Burkina Faso impairment	(8,979)	(2,581)	-	(318,953)	(330,513)
Effects of foreign exchange on translation to presentation currency	1,180	959	3,774	(1,354)	4,559
<b>As at December 31, 2019</b>	<b>(13,556)</b>	<b>(2,809)</b>	<b>(17,165)</b>	<b>(346,135)</b>	<b>(379,665)</b>
Depreciation	(5,232)	(618)	(72,141)	(22,501)	(100,492)
Effects of foreign exchange on translation to presentation currency	(491)	266	(3,420)	(6,533)	(10,178)
<b>As at September 30, 2020</b>	<b>(19,279)</b>	<b>(3,161)</b>	<b>(92,726)</b>	<b>(375,169)</b>	<b>(490,335)</b>
<b>Net book amount</b>					
<b>As at December 31, 2019</b>	<b>6,781</b>	<b>2,053</b>	<b>259,856</b>	<b>199,721</b>	<b>468,411</b>
<b>As at September 30, 2020</b>	<b>5,367</b>	<b>1,868</b>	<b>204,506</b>	<b>199,554</b>	<b>411,295</b>

**Montage Gold Corp**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**For the three and nine months ended September 30, 2020 and 2019**  
**(All amounts expressed in Canadian Dollars, unless otherwise indicated)**  
**(Unaudited)**

**5. MINERAL PROPERTIES**

<b>Cost</b>	<b>Côte d'Ivoire</b>
<b>As at January 1, 2019</b>	<b>5,422,916</b>
Avant acquisition	6,192,590
Effects of foreign exchange on translation to presentation currency	119,488
<b>As at December 31, 2019</b>	<b>11,734,994</b>
Effects of foreign exchange on translation to presentation currency	856,143
<b>As at September 30, 2020</b>	<b>12,591,137</b>

On August 27 2019 Montage acquired from Avant Minerals Inc (“Avant”) permits in Côte d’Ivoire and Burkina Faso with a mineral property valuation of \$6.2 million. The mineral properties property valuation of \$6.2 million is for the permits in Côte d’Ivoire. There was no value attributed to the Burkina Faso permits (see subsequent event note 14)

**6. SHARE CAPITAL**

The Company has authorized an unlimited number of voting common shares without par value.

The Company’s issued and outstanding share purchase warrants and stock options were not included in the calculation of diluted earnings per share as they are anti-dilutive for the three and nine months ended September 30, 2020.

**7. STOCK OPTIONS**

**Stock option plan**

Montage has a stock option plan in which common shares of Montage have been made available for Montage to grant incentive stock options to certain directors, officers, employees and consultants of Montage. Under this stock option plan, the total number of options outstanding at any given point in time cannot exceed 10% of Montage’s issued and outstanding common shares. Vesting and terms of the option agreements are at the discretion of the Montage Board of Directors.

**Stock options outstanding**

On September 17, 2019 Montage granted an aggregate 5,150,000 incentive stock options to certain officers, directors and other eligible officers of the Company. The options are exercisable, subject to vesting provisions over a period of three years at a price of \$0.45 per share.

For the three and nine months to September 30, 2020, share based compensation as presented in the consolidated statement of comprehensive loss was \$0.1 million (2019: \$0.1 million) and \$0.4 million (2019: \$0.1 million), respectively. Share based compensation includes \$0.1 million relating to the share options granted and vested as allocated from Orca prior to the Montage transaction pursuant to the continuity of interest accounting for the nine months to September 30, 2019.

**Montage Gold Corp**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**For the three and nine months ended September 30, 2020 and 2019**  
**(All amounts expressed in Canadian Dollars, unless otherwise indicated)**  
**(Unaudited)**

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	Number of shares (In thousands)	Weighted average exercise price CDN\$
Outstanding at January 1, 2019	-	-
Granted	5,150	\$0.45
Outstanding at December 31, 2019	5,150	\$0.45
Granted	100	\$0.55
Outstanding at September 30, 2020	5,250	\$0.45

The following summarizes information about the stock options outstanding and exercisable at September 30, 2020:

Exercise prices (CDN\$)	Outstanding options			Exercisable options		
	Number of options outstanding (In thousands)	Weighted average remaining contractual life (Years)	Weighted average exercise price (CDN\$)	Number of options exercisable (In thousands)	Weighted average remaining contractual life (Years)	
\$0.45	5,150	1.96	\$0.45	1,717	1.96	
\$0.55	100	2.96	\$0.55	-	2.96	
	<u>5,250</u>	1.98	\$0.45	<u>1,717</u>	1.98	

**Montage Gold Corp**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**For the three and nine months ended September 30, 2020 and 2019**  
**(All amounts expressed in Canadian Dollars, unless otherwise indicated)**  
**(Unaudited)**

**8. ADMINISTRATION COSTS**

	<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Management and consulting fees	176,500	308,671	460,086	528,478
Office and administration	43,812	50,234	102,523	134,519
Professional fees	465,689	23,462	574,032	93,641
Salaries and benefits	7,362	10,549	22,334	73,097
Stock based compensation expense	93,148	116,612	294,100	172,942
Travel and promotion	37,141	76,451	124,529	163,512
<b>Total administration costs</b>	<b>\$823,652</b>	<b>\$585,979</b>	<b>\$ 1,577,604</b>	<b>\$ 1,166,189</b>

**Montage Gold Corp**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**For the three and nine months ended September 30, 2020 and 2019**  
**(All amounts expressed in Canadian Dollars, unless otherwise indicated)**  
**(Unaudited)**

**9. EXPLORATION AND PROJECT INVESTIGATION COSTS**

<b>Three months ended September 30,</b>		<b>Côte d'Ivoire</b>	<b>Burkina Faso</b>	<b>Total</b>
<b>2020</b>	Depreciation	33,644	-	33,644
	Drilling	986,924	-	986,924
	Exploration support and administration	116,283	6,818	123,101
	Field operation and consumables	41,129	-	41,129
	Geological consulting	8,243	3,286	11,529
	Permitting and licensing fees	1,131	32,685	33,816
	Salaries and benefits	153,862	20,035	173,897
	Sampling, geological and other evaluation costs	114,178	-	114,178
	Stock-based compensation expense	13,739	-	13,739
	Travel and accommodation	11,694	7,330	19,024
	<b>Total exploration and project investigation costs</b>	<b>1,480,827</b>	<b>70,154</b>	<b>1,550,981</b>
<b>2019</b>	Depreciation	6,393	5,124	11,517
	Drilling	44,185	-	44,185
	Exploration support and administration	42,713	15,263	57,976
	Field operation and consumables	82,538	656	83,194
	Geological consulting	11,016	-	11,016
	Permitting and licensing fees	9,735	-	9,735
	Salaries and benefits	171,574	33,720	205,294
	Sampling, geological and other evaluation costs	25,986	453	26,439
	Travel and accommodation	17,794	1,265	19,059
	<b>Total exploration and project investigation costs</b>	<b>411,934</b>	<b>56,481</b>	<b>468,415</b>

**Montage Gold Corp**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**For the three and nine months ended September 30, 2020 and 2019**  
**(All amounts expressed in Canadian Dollars, unless otherwise indicated)**  
**(Unaudited)**

<b>Nine months ended September 30,</b>		<b>Côte d'Ivoire</b>	<b>Burkina Faso</b>	<b>Total</b>
<b>2020</b>	Depreciation	100,631	-	100,631
	Drilling	1,739,152	-	1,739,152
	Exploration support and administration	272,747	113,022	385,769
	Field operation and consumables	121,419	-	121,419
	Geological consulting	18,808	23,449	42,257
	Permitting and licensing fees	13,003	37,083	50,086
	Salaries and benefits	541,744	467,615	1,009,359
	Sampling, geological and other evaluation costs	164,744	-	164,744
	Stock-based compensation expense	141,441	-	141,441
	Travel and accommodation	17,854	22,901	40,755
	<b>Total exploration and project investigation costs</b>	<b>3,131,543</b>	<b>664,070</b>	<b>3,795,613</b>
<b>2019</b>	Depreciation	13,942	5,124	19,066
	Drilling	130,774	-	130,774
	Exploration support and administration	90,937	15,263	106,200
	Field operation and consumables	212,555	656	213,211
	Geological consulting	33,336	-	33,336
	Permitting and licensing fees	145,890	-	145,890
	Salaries and benefits	555,051	33,720	588,771
	Sampling, geological and other evaluation costs	299,170	453	299,623
	Travel and accommodation	66,580	1,265	67,845
	<b>Total exploration and project investigation costs</b>	<b>1,548,235</b>	<b>56,481</b>	<b>1,604,716</b>

**Montage Gold Corp**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**For the three and nine months ended September 30, 2020 and 2019**  
**(All amounts expressed in Canadian Dollars, unless otherwise indicated)**  
**(Unaudited)**

**10. RELATED PARTY TRANSACTIONS**

The related party with which the Company has transacted during the three and nine months ended September 30, 2020, was Geodex Consultants Ltd. ("Geodex"). Geodex is related by virtue of their proprietor being a director and officer of the Company. Related party transactions occur and are recorded at the amounts agreed between the parties.

**a) Services received from related parties**

		<b>Three months ended</b>		<b>Nine months ended</b>	
		<b>September 30,</b>		<b>September 30,</b>	
<b>Related party</b>		<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Geological consulting	Geodex	6,173	4,632	17,993	22,370
<b>Total related party costs</b>		<b>6,173</b>	<b>4,632</b>	<b>17,993</b>	<b>22,370</b>

The Company did not have any amounts due to related parties as at September 30, 2020.

**Key management compensation**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's directors and executive officers.

The remuneration of key management personnel is as follows:

	<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Salaries and management fees	109,427	129,996	403,227	297,955
Short term benefits	4,039	2,090	11,490	7,603
Director fees	33,857	31,661	100,837	57,312
Stock-based compensation	48,606	103,478	218,487	129,861
<b>Total key management compensation</b>	<b>195,929</b>	<b>267,225</b>	<b>734,041</b>	<b>492,731</b>

**Montage Gold Corp**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**For the three and nine months ended September 30, 2020 and 2019**  
**(All amounts expressed in Canadian Dollars, unless otherwise indicated)**  
**(Unaudited)**

**11. SEGMENT INFORMATION**

The Company is principally engaged in the acquisition, exploration and development of mineral properties in Africa. The information regarding mineral properties and exploration and project investigation costs presented in Notes 5 and 9, respectively, represent the manner in which management reviews its business performance. The Company's mineral properties and exploration and project investigation costs were located in Côte d'Ivoire and Burkina Faso as at September 30, 2020. On November 3, 2020, the Company completed its sale of its interests in Burkina Faso (see subsequent event note 14). The Company owns four permits and nine permit applications in Côte d'Ivoire. Materially all of the Company's administrative costs are incurred by Montage's Canadian legal entities, where materially all of the Company's cash is held in the normal course of business until it is required to be deployed to the Company's operating subsidiaries in support of ongoing and planned work programs.

		<b>Côte d'Ivoire</b>	<b>Burkina Faso</b>	<b>Corporate &amp; Other</b>	<b>Total</b>
<b>September 30, 2020</b>	Current assets	1,075,848	13,045	4,154,212	5,243,105
	Equipment	411,295	-	-	411,295
	Mineral properties	12,591,137	-	-	12,591,137
	Other assets	23,020	-	-	23,020
	<b>Total Assets</b>	<b>14,101,300</b>	<b>13,045</b>	<b>4,154,212</b>	<b>18,268,557</b>
	Current liabilities	602,193	1,756	563,078	1,167,027
<b>December 31, 2019</b>	Current assets	102,442	119,419	9,485,177	9,707,038
	Equipment	468,411	-	-	468,411
	Mineral properties	11,734,994	-	-	11,734,994
	Other assets	24,460	-	-	24,460
	<b>Total Assets</b>	<b>12,330,307</b>	<b>119,419</b>	<b>9,485,177</b>	<b>21,934,903</b>
	Current liabilities	679,623	15,267	168,510	863,400

**Montage Gold Corp**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**For the three and nine months ended September 30, 2020 and 2019**  
**(All amounts expressed in Canadian Dollars, unless otherwise indicated)**  
**(Unaudited)**

<b>Three months ended September 30,</b>		<b>Côte d'Ivoire</b>	<b>Burkina Faso</b>	<b>Corporate &amp; Other</b>	<b>Total</b>
<b>2020</b>	Exploration and project investigation	1,480,827	70,154	-	1,550,981
	General administration and other items	-	-	678,997	678,997
	Net loss	1,480,827	70,154	678,997	2,229,978
<b>2019</b>	Exploration and project investigation	411,934	56,481	-	468,415
	General administration and other items	-	-	578,001	578,001
	Net loss	411,934	56,481	578,001	1,046,416

<b>Nine months ended September 30,</b>		<b>Côte d'Ivoire</b>	<b>Burkina Faso</b>	<b>Corporate &amp; Other</b>	<b>Total</b>
<b>2020</b>	Exploration and project investigation	3,131,543	664,070	-	3,795,613
	General administration and other items	-	-	1,338,525	1,338,525
	Net loss	3,131,543	664,070	1,338,525	5,134,138
<b>2019</b>	Exploration and project investigation	1,548,235	56,481	-	1,604,716
	General administration and other items	-	-	1,148,755	1,148,755
	Net loss	1,548,235	56,481	1,148,755	2,753,471

## **12. NON-CONTROLLING INTEREST**

Following the acquisition of Avant, Montage had a 51% equity interest in its subsidiaries which hold the Burkina Faso properties, with Predictive Discovery Limited owning 49%. The Predictive Discovery Limited ownership is reported as non-controlling interest. The Company did not attribute any value to the mineral properties acquired in Burkina Faso and impaired its fixed assets in Burkina Faso at December 31, 2019,

**Montage Gold Corp**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**For the three and nine months ended September 30, 2020 and 2019**  
**(All amounts expressed in Canadian Dollars, unless otherwise indicated)**  
**(Unaudited)**

including site infrastructure, containers and equipment. The impairments reflected the deteriorating conditions in the country and the current operating conditions at its permit areas in Burkina Faso. On November 3, 2020, the Company completed its sale of its interests in Burkina Faso (see subsequent event note 14).

### **13. FINANCIAL INSTRUMENTS**

The Company's financial instruments consist of cash and cash equivalents and accounts payable. The carrying amounts reported in the consolidated statements of financial position for cash and cash equivalents, other receivables, and accounts payable approximate their fair value because of the immediate or short-term maturity of these financial instruments.

The Company's financial instruments are exposed to certain financial risks, including currency, credit and liquidity risk.

#### **a) Currency risk**

Foreign currency risk can arise when the Company or its subsidiaries transact in currencies other than their functional currencies or have net financial assets or liabilities which are denominated in currencies other than their respective functional currencies.

As at September 30, 2020, the Company did not have any material foreign currency risk exposure at its operations in Cote d'Ivoire or Burkina Faso.

#### **b) Credit risk**

Credit risks associated with cash is minimal as the Company deposits the majority of its cash with a large Canadian financial institution that has a strong investment grade rating.

#### **c) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's financial liabilities are comprised of accounts payable and accrued liabilities. The Company frequently assesses its liquidity position by reviewing the timing of amounts due and the Company's current cash flow position to meet its obligations. The Company manages its liquidity risk by maintaining sufficient cash and cash equivalents balances to meet its anticipated operational needs. The Company's accounts payable and accrued liabilities arose as a result of exploration and development of its exploration and evaluation assets and other corporate expenses.

### **14. SUBSEQUENT EVENTS**

On October 23, 2020, Montage completed its initial public offering of an aggregate of 27,272,728 common shares at a price of \$1.10 per share for total proceeds of \$30 million and commenced trading on the TSXV ("MAU"). Montage had granted the underwriters an over-allotment option exercisable in whole or in part at the sole discretion for a period of 30 days following the closing of the offering, to purchase up to an additional 15% of the common shares at the offering price issued as part of Montage's initial public offering.

**Montage Gold Corp**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**For the three and nine months ended September 30, 2020 and 2019**  
**(All amounts expressed in Canadian Dollars, unless otherwise indicated)**  
**(Unaudited)**

On October 30, 2020 the underwriters fully exercised their over-allotment option to acquire an additional 4,090,909 shares at the offering price resulting in additional aggregate gross proceeds of approximately \$4.5 million.

On November 3, 2020, the Company completed the sale of its interests in Burkina Faso, which amounted to a 51% joint-venture stake in a series of companies holding a collection of exploration permits located in the eastern region of the country. The transaction was completed as a sale agreement of the Company's holdings in a joint-venture company. The Company received consideration of approximately A\$240,000 through the issuance of 4,028,477 common shares of Predictive Discovery Limited. With the completion of this sale, the Company no longer holds any property interests in Burkina Faso.



## CORPORATE DIRECTORY

### OFFICERS

Richard P. Clark  
Non-Executive Chairman of the Board

Hugh Stuart  
Chief Executive Officer

Adam Spencer  
Executive Vice President, Corporate  
Development

Glenn Kondo  
Chief Financial Officer  
Corporate Secretary

Kathy Love  
Assistant Corporate Secretary

### DIRECTORS

Richard P. Clark  
Compensation Committee

Hugh Stuart  
Compensation Committee

Adam Spencer  
Audit Committee

Kevin Ross  
Corporate Governance and Nominating  
Committee

David Field  
Audit Committee  
Corporate Governance and Nominating  
Committee

Peter Mitchell  
Audit Committee  
Compensation Committee

David De Witt  
Corporate Governance and Nominating  
Committee

### AUDITORS

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Vancouver, British Columbia, Canada

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Toronto, Ontario

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### REGISTRAR AND TRANSFER AGENT

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Suite 702, 777 Hornby Street  
Vancouver, BC V6Z 1S4

### SHARE LISTING

TSX Venture Exchange  
Symbol: MAU  
CUSIP No.: 61178L101  
ISIN: CA61178L101