



**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS**

For the three and nine months ended September 30, 2021

In Canadian dollars

UNAUDITED

Notice to Reader

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

Reunion Gold Corporation

Consolidated Statements of Financial Position

<i>(unaudited, in Canadian dollars)</i>	September 30, 2021	December 31, 2020
	\$	\$
ASSETS		
Current		
Cash and cash equivalents (Note 4)	8,186,825	3,074,827
Receivable from related parties	31,569	102,995
Sales taxes receivable	22,141	17,142
Other receivables	1,184	39,464
Prepaid expenses and deposits	323,447	221,901
	8,565,166	3,456,329
Non-current		
Property and equipment (Note 5)	433,026	647,943
Exploration and evaluation assets (Note 6)	2,607,488	2,499,899
TOTAL ASSETS	11,605,680	6,604,171
LIABILITIES		
Current		
Accounts payable and accrued liabilities	1,823,239	1,318,993
Payable to Barrick	316,257	14,957
Current portion of lease liabilities (Note 7)	105,574	100,043
	2,245,070	1,433,993
Non-current		
Lease liabilities (Note 7)	61,532	144,724
TOTAL LIABILITIES	2,306,602	1,578,717
EQUITY		
Share capital (Note 8)	149,685,713	140,846,631
Contributed surplus	24,849,487	22,712,058
Deficit	(164,096,165)	(157,495,834)
Cumulative translation adjustment	(1,139,957)	(1,037,401)
TOTAL EQUITY	9,299,078	5,025,454
TOTAL LIABILITIES AND EQUITY	11,605,680	6,604,171

Going Concern (Note 2), Commitments and Contingencies (Note 6) and Events after the Reporting Date (Note 14).

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

On behalf of the Board,

/s/ David Fennell

David Fennell, Director

/s/ Elaine Bennett

Elaine Bennett, Director

Reunion Gold Corporation

Consolidated Statements of Comprehensive Loss

<i>(unaudited, in Canadian dollars)</i>	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
	\$	\$	\$	\$
Expenses and other items				
Exploration (Note 10)	2,196,389	1,099,542	4,505,704	2,993,684
Management and administration (Note 11)	274,032	282,621	828,662	906,899
Share-based compensation (Note 9)	200,113	210,847	387,783	796,665
Write-off of exploration and evaluation assets	-	766,315	-	766,315
Depreciation and amortization (Note 5)	77,272	244,613	241,370	607,925
Gain on disposal of property and equipment (Note 5)	(33,171)	(4,019)	(40,433)	(4,019)
Accretion (Note 7)	5,521	540	18,815	8,983
Finance income	(1,363)	(1,830)	(6,891)	(11,757)
Loss (gain) on foreign exchange	(40,567)	(6,893)	(116,737)	28,016
Net loss for the period	(2,678,226)	(2,591,736)	(5,818,273)	(6,092,711)
Other comprehensive loss				
Item that will be subsequently reclassified to income				
Foreign currency translation adjustment	28,149	9,129	(102,556)	188,292
Comprehensive loss for the period	(2,650,077)	(2,582,607)	(5,920,829)	(5,904,419)
Basic and diluted loss per common share	(0.00)	(0.01)	(0.01)	(0.01)
Weighted average number of shares - basic and diluted	668,133,962	476,971,358	586,273,195	442,850,526

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

Reunion Gold Corporation

Consolidated Statements of Changes in Shareholders' Equity

<i>(unaudited, in Canadian dollars)</i>	Number of issued and outstanding common shares	Share capital	Contributed surplus	Deficit	Cumulative translation adjustment	Total equity
		\$	\$	\$	\$	\$
Balance at December 31, 2020	507,195,271	140,846,631	22,712,058	(157,495,834)	(1,037,401)	5,025,454
Private placement (Note 8)	160,938,691	8,839,082	1,621,933	-	-	10,461,015
Share issue expenses (Note 8)	-	-	127,713	(782,058)	-	(654,345)
Share-based compensation (Note 9)	-	-	387,783	-	-	387,783
Net loss for the period	-	-	-	(5,818,273)	-	(5,818,273)
Foreign currency translation adjustment	-	-	-	-	(102,556)	(102,556)
Balance at September 30, 2021	668,133,962	149,685,713	24,849,487	(164,096,165)	(1,139,957)	9,299,078
Balance at December 31, 2019	418,605,271	134,883,021	19,778,140	(148,436,471)	(1,173,548)	5,051,142
Private placement	88,400,000	5,917,835	1,824,165	-	-	7,742,000
Share issue expenses	-	-	265,334	(714,309)	-	(448,975)
Redemption of RSUs	165,000	39,025	(39,025)	-	-	-
Share-based compensation	-	-	796,665	-	-	796,665
Net loss for the period	-	-	-	(6,092,711)	-	(6,092,711)
Foreign currency translation adjustment	-	-	-	-	188,292	188,292
Balance at September 30, 2020	507,170,271	140,839,881	22,625,279	(155,243,491)	(985,256)	7,236,413

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

Reunion Gold Corporation

Consolidated Statements of Cash Flows

<i>(unaudited, in Canadian dollars)</i>	Nine months ended September 30,	
	2021	2020
	\$	\$
OPERATING ACTIVITIES		
Net loss for the period	(5,818,273)	(6,092,711)
Adjustments		
Share-based compensation (Note 9)	387,783	796,665
Write-off of exploration and evaluation assets	-	766,315
Depreciation and amortization (Note 5)	241,370	607,925
Gain on disposal of property and equipment (Note 5)	(40,433)	(4,019)
Accretion (Note 7)	18,815	8,983
Unrealized loss (gain) on foreign exchange	(116,737)	28,016
Changes in working capital items (Note 12)	781,053	(728,658)
	(4,546,422)	(4,617,484)
INVESTING ACTIVITIES		
Proceeds on disposal of property and equipment (Note 5)	48,398	13,133
Acquisition of property and equipment (Note 5)	(43,792)	(6,794)
Additions to exploration and evaluation assets (Note 6)	(165,258)	(135,392)
	(160,652)	(129,053)
FINANCING ACTIVITIES		
Private placement (Note 8)	10,461,015	7,742,000
Share issue expenses (Note 8)	(654,345)	(448,975)
Reimbursement of note payable	-	(131,571)
Repayment of lease liabilities (Note 7)	(91,902)	(126,561)
	9,714,768	7,034,893
Effect of exchange rate changes on cash held in foreign currency	104,304	19,984
Net change in cash and cash equivalents	5,111,998	2,308,340
Cash, beginning of period	3,074,827	3,367,241
Cash and cash equivalents, end of period	8,186,825	5,675,581

Supplemental cash flow information (Note 12)

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

Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2021 *(unaudited - in Canadian dollars)*

1. GENERAL INFORMATION

Reunion Gold Corporation (“**Reunion Gold**” or the “**Company**”) is a Canadian-based company. Reunion Gold is primarily engaged in the acquisition, exploration and development of gold mineral properties in the Guiana Shield region in South America. To date, the Company has not earned significant revenue. The Company’s mineral assets include option agreements to acquire gold projects in Guyana, Suriname and French Guiana, namely Oko West in Guyana, NW Extension in Suriname and Boulanger and Dorlin in French Guiana. The NW Extension project is part of a strategic alliance entered into with Barrick Gold Corporation in February 2019.

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

The Board of Directors approved these unaudited condensed interim consolidated financial statements on November 18, 2021.

COVID-19

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

Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2021 *(unaudited - in Canadian dollars)*

2. GOING CONCERN

These condensed interim consolidated financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of operations as they come due. In assessing whether the going concern assumption is appropriate, management considers all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period.

At September 30, 2021, the Company had a working capital of \$6,320,096 (\$2,022,336 at December 31, 2020), had an accumulated deficit of \$164,096,165 (\$157,495,834 at December 31, 2020) and incurred a net loss of \$5,818,273 for the nine months ended September 30, 2021 (a net loss of \$6,092,711 for the nine months ended September 30, 2020). Cash and cash equivalents of \$8,186,825 at September 30, 2021 includes a remaining amount of \$425,613 to be spent on projects under the strategic alliance with Barrick Gold Corporation.

Management of the Company believes it has sufficient funds to pay for its ongoing general and administrative expenses and to meet its liabilities, obligations and existing commitments for at least the next 12 months. The Company's ability to continue future operations beyond September 30, 2022 and fund its exploration and evaluation expenditures is dependent on management's ability to secure additional financing in the future, which may be completed in a number of ways, including the issuance of equity instruments or other type of arrangement. While management has been successful in securing financing in the past, there can be no assurance it will be able to do so in the future or that these sources of funding will be available to the Company or that they will be available on terms which are acceptable to the Company.

If management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets might be less than amounts reflected in these condensed interim consolidated financial statements. These circumstances indicate the existence of material uncertainties that cast significant doubt upon the Company's ability to continue as a going concern and accordingly, the appropriateness of the use of IFRS applicable to a going concern. These condensed interim consolidated financial statements do not reflect the adjustments to the carrying value of the assets and liabilities, expenses and financial position classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2021 (unaudited - in Canadian dollars)

3. BASIS OF PREPARATION

Basis of presentation

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting* and follow the same accounting policies as the Company's most recent annual consolidated financial statements. These condensed interim consolidated financial statements do not contain all of the information and disclosures required for annual financial statements and should be read in conjunction with the Company's annual audited consolidated financial statements for the year ended December 31, 2020 and for the nine-month period ended December 31, 2019 which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

4. CASH AND CASH EQUIVALENTS

As at September 30, 2021, cash and cash equivalents of \$8,186,825 includes \$6,150,000 of guaranteed investment certificates bearing interest at a weighted-average rate of 0.49%, cashable at any time without penalties.

Cash and cash equivalents at September 30, 2021 includes an amount of \$425,613 to be spent on projects under the strategic alliance with Barrick Gold Corporation (\$665,678 at December 31, 2020).

5. PROPERTY AND EQUIPMENT

Assets subject to depreciation and amortization are as follows:

	\$
Net book value at December 31, 2020	647,943
Additions	43,792
Disposals	(9,441)
Depreciation and amortization	(241,370)
Net exchange difference	(7,898)
Net book value at September 30, 2021	433,026

Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2021 (unaudited - in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS

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

	December 31, 2020	Additions	Net exchange difference	September 30, 2021
	\$	\$	\$	\$
Boulangier, French Guiana	1,779,312	-	(91,998)	1,687,314
Oko West, Guyana	625,097	157,713	1,992	784,801
Arawini, Guyana	95,490	31,845	75	127,410
NW Extension, Suriname	-	7,545	418	7,963
Total	2,499,899	197,103	(89,513)	2,607,488

The following table summarizes the contractual commitments of the Company as at September 30, 2021 to maintain in good standing the agreements under which the Company has an option to acquire mineral properties. Except as noted below, all agreements can be terminated by the Company at any time without further financial obligations.

	Date of option agreement	Term Years	Option to acquire %	Annual payments (a)			
				2021	2022	2023	2024
				In US \$			
Alliance project							
NW Extension, Suriname	May 2020	11	100	12,500	12,500	-	-
Non-Alliance projects							
Oko West, Guyana (b)	Aug 2018	5	100	125,000	150,000	150,000	-
Arawini, Guyana	Jan 2018	5	100	25,000	100,000	350,000	-
Boulangier, French Guiana (c)	July 2017	6	100	-	-	-	-
Dorlin, French Guiana (d)	Feb 2017	(d)	75 to 80	-	-	-	-
Haute Mana, French Guiana	Dec 2016	7	80	-	-	-	-

- (a) These amounts represent 100% of the contractual commitments.
- (b) Subject to a contingent consideration of US\$5.00 per ounce of gold produced.
- (c) On May 1, 2021, the Boulangier Project option agreement was amended to further extend the option period by an additional one-year period to July 27, 2023. Upon a decision to exercise the option, the Company will be required to make a payment of EUR1,000,000 to the optionor; following approval of the transfer to the Company of the concessions and exploration permit by the French regulatory authorities, the Company will need to make an additional payment of EUR1,000,000 to the optionor; future production is subject to 2% NSR royalty.
- (d) On June 2, 2020, the titleholder, in collaboration with the Company, filed an application to obtain a 25-year concession to replace the Dorlin PEX. In accordance with the French Mining Code, the filing of the Dorlin concession application has the effect of extending the validity of the Dorlin PEX while the concession application is being processed by the French mining administration.

Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2021 (unaudited - in Canadian dollars)

7. LEASE LIABILITIES

The balance of the lease liabilities at September 30, 2021, accounted for in accordance with IFRS 16, *Leases*, using a discount rate of 12%, is as follows:

	Nine months ended September 30,
	2021
	\$
Balance at December 31, 2020	244,767
Accretion expense	18,815
Repayment of liabilities	(91,902)
Effect of foreign exchange	(4,574)
Balance at September 30, 2021	167,106
Current liabilities	105,574
Non-current liabilities	61,532
	167,106

Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2021 (unaudited - in Canadian dollars)

8. SHARE CAPITAL AND WARRANTS

Issued and outstanding

As at September 30, 2021, the Company had 668,133,962 issued and outstanding common shares (507,195,271 issued and outstanding common shares at December 31, 2020).

Issuance of securities

On May 18, 2021, the Company completed a non-brokered private placement through the issuance of 114,788,691 units (the "Units") at \$0.065 per Unit for total proceeds of \$7,461,265. Each Unit consisted of one common share of the Company and one half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles its holder to acquire one common share of the Company at a price of \$0.12 per share until May 18, 2023. The fair value of the common shares was calculated by using the TSXV share price on the date of the issuance and the fair value of the warrants was estimated at \$0.02 per warrant by applying the Black-Scholes option pricing model, using an expected time-period of 2 years, a weighted average risk-free interest rate of 0.3%, a weighted average volatility rate of 91% and a 0% dividend factor. An amount of \$1,156,917 was allocated to the share purchase warrants and presented as part of contributed surplus. Share issue expenses related to this private placement amounted to \$401,489, including finders' fees of \$371,565. Dundee Resources Limited, a subsidiary of Dundee Corporation (a 14% shareholder of the Company), acquired 15,384,615 Units for proceeds of \$1,000,000. The Company's Executive Chairman also participated in the private placement by acquiring 15,384,615 Units for proceeds of \$1,000,000.

On May 21, 2021, the Company completed a private placement with a syndicate of agents led by BMO Capital Markets (the "Brokered PP"). The Brokered PP consisted of 46,150,000 Units at \$0.065 per Unit, for a total amount of \$2,999,750. Each Unit consisted of one common share of the Company and one half of one Warrant, with each Warrant exercisable to acquire one common share of the Company at a price of \$0.12 per share until May 21, 2023. The fair value of the common shares was calculated by using the TSXV share price on the date of the issuance and the fair value of the warrants was estimated at \$0.02 per warrant by applying the Black-Scholes option pricing model, using an expected time-period of 2 years, a weighted average risk-free interest rate of 0.3%, a weighted average volatility rate of 91% and a 0% dividend factor. An amount of \$465,016 was allocated to the share purchase warrants and presented as part of contributed surplus. Share issue expenses related to this private placement amounted to \$252,856, including agent's fees of \$179,985.

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

Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2021 (unaudited - in Canadian dollars)

8. SHARE CAPITAL AND WARRANTS (continued)

Share purchase warrants

On May 18, 2021, as part of the private placement completed on the same date, the Company issued a total of 5,353,385 finders compensation warrants exercisable at a price of \$0.12 until May 18, 2023. The fair value of the warrants was estimated at \$0.02 per warrant by applying the Black-Scholes option pricing model, using an expected time-period of 2 years, a weighted average risk-free interest rate of 0.3%, a weighted average volatility rate of 91% and a 0% dividend factor. The estimated fair value of the warrants in the amount of \$127,713 was presented as share issue expenses. A total of 2,141,354 of these finders' warrants were issued to Dundee Goodman Merchant Partners, a subsidiary of Dundee Corporation.

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

The following table reflects the number of issued and outstanding share purchase warrants at September 30, 2021:

Grant date	Number of warrants		Expired	Number of warrants September 30, 2021	Price per share	Expiry date
	December 31, 2020	Granted				
					\$	
September 8, 2017 (i)	39,003,595	-	(39,003,595)	-	-	-
September 19, 2017 (i)	3,078,900	-	(3,078,900)	-	-	-
March 12, 2019 (i)	1,000,000	-	(1,000,000)	-	-	-
March 27, 2020	6,700,000	-	-	6,700,000	0.20	Mar 27, 2023
August 6, 2020	37,499,999	-	-	37,499,999	0.12	Aug 6, 2022
August 6, 2020	4,192,000	-	-	4,192,000	0.12	Aug 6, 2022
May 18, 2021	-	57,394,344	-	57,394,344	0.12	May 18, 2023
May 18, 2021	-	5,353,385	-	5,353,385	0.12	May 18, 2023
May 21, 2021	-	23,075,000	-	23,075,000	0.12	May 21, 2023
	91,474,494	85,822,729	(43,082,495)	134,214,728	0.12	

(i) These warrants expired unexercised in March 2021.

Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2021 (unaudited - in Canadian dollars)

9. SHARE-BASED PAYMENTS

Stock options

The following table sets out the activity in stock options:

	Nine months ended September 30, 2021	
	Number	Weighted average exercise price (\$)
Options, beginning of period	23,431,667	0.16
Granted	7,625,000	0.08
Expired	(2,916,667)	(0.18)
Options, end of period	28,140,000	0.14

On August 16, 2021, the Company granted 7,625,000 stock options to its directors, officers, employees and consultants. The stock options have a five-year term and are exercisable at a price of \$0.08 per share. The stock options granted will vest over a two-year period. The fair value of the stock options was estimated at \$0.05 per option by applying the Black-Scholes option pricing model, using an expected time period of 5 years, a risk-free interest rate of 0.8%, a volatility rate of 88% and a 0% dividend factor.

The underlying expected volatility of option grants was determined by reference to historical data of the Company's share price over the expected stock option life. No special features inherent to the stock options granted were incorporated into the measurement of fair value.

The following table reflects the stock options issued and outstanding at September 30, 2021:

Issue date	Number of stock options	Exercise price \$	Remaining contractual life (years)	Number of exercisable options	Exercise price of exercisable options \$
February 9, 2017	7,145,000	0.07	0.4	7,145,000	0.07
February 14, 2017	700,000	0.10	0.4	700,000	0.10
December 4, 2017	500,000	0.16	1.2	500,000	0.16
January 4, 2018	5,500,000	0.16	1.3	5,500,000	0.16
August 19, 2019	5,820,000	0.27	2.9	5,820,000	0.27
June 19, 2020	850,000	0.13	3.7	566,666	0.13
August 16, 2021	7,625,000	0.08	4.9	2,541,667	0.08
	28,140,000	0.14	2.4	22,773,333	0.15

Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2021 (unaudited - in Canadian dollars)

9. SHARE-BASED PAYMENTS (continued)

Restricted share units ("RSUs")

As at September 30, 2021 and December 31, 2020, unexercised RSUs totaled 2,498,816.

Share-based compensation costs

During the three and nine months ended September 30, 2021, the Company recorded share-based compensation costs related to stock options in the amount of \$186,216 and \$323,038, respectively (\$143,158 and \$541,972, during the three and nine months ended September 30, 2020). During the three and nine months ended September 30, 2021, the Company recorded share-based compensation costs related to RSUs in the amount of \$13,897 and \$64,745, respectively (\$67,689 and \$254,693 during the three and nine months ended September 30, 2020).

10. EXPLORATION EXPENSES

The Company incurred the following exploration expenses:

	Three month ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
	\$	\$	\$	\$
Wages and fees	630,423	504,262	1,704,048	1,524,985
Drilling and assaying	1,024,549	158,914	1,523,287	244,614
Studies and geophysics	8,778	22,200	105,947	167,750
Camp costs	153,895	141,400	304,222	304,236
Field supplies	66,174	56,551	181,288	91,017
Transportation and travel	175,912	41,037	279,857	125,629
Property lease payments	8,356	92,691	21,777	238,096
Others	128,302	82,487	385,278	297,357
	2,196,389	1,099,542	4,505,704	2,993,684

Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2021 (unaudited - in Canadian dollars)

11. MANAGEMENT AND ADMINISTRATION EXPENSES

The Company incurred the following management and administration expenses:

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
	\$	\$	\$	\$
Wages and fees	204,193	241,766	632,913	777,981
Professional fees	10,818	2,382	51,956	19,957
Office and others	19,258	16,870	55,035	35,408
Investor relations and travel	30,460	18,244	59,709	53,488
Reporting issuer costs	9,303	3,359	29,049	20,065
	274,032	282,621	828,662	906,899

12. CASH FLOW INFORMATION

Changes in working capital items are as follows:

	Nine months ended September 30,	
	2021	2020
	\$	\$
Receivable from related parties	71,426	17,223
Sales taxes receivable	(4,999)	(5,714)
Other receivables	38,139	8,726
Prepaid expenses and deposits	(100,618)	23,478
Accounts payable and accrued liabilities	475,805	(675,345)
Payable to Barrick	301,300	(97,026)
	781,053	(728,658)

Supplemental information

Additions to exploration and evaluation assets, included in accounts payable and accrued liabilities	31,845	-
Fair value of warrants granted	127,713	265,334

Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2021 (unaudited - in Canadian dollars)

13. SEGMENTED INFORMATION

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

	September 30, 2021				
	Canada	Fr. Guiana	Guyana	Suriname	Total
	\$	\$	\$	\$	\$
Current assets	7,984,638	62,902	517,626	-	8,565,166
Property and equipment	95,306	86,677	251,043	-	433,026
Exploration and evaluation assets	-	1,687,314	912,211	7,963	2,607,488
Total assets	8,079,944	1,836,893	1,680,880	7,963	11,605,680

	December 31, 2020			
	Canada	Fr. Guiana	Guyana	Total
	\$	\$	\$	\$
Current assets	3,163,757	136,968	155,604	3,456,329
Property and equipment	151,752	174,211	321,980	647,943
Exploration and evaluation assets	-	1,779,312	720,587	2,499,899
Total assets	3,315,509	2,090,491	1,198,171	6,604,171

14. EVENTS AFTER THE REPORTING DATE

Renewal of the Boulanger Concessions being challenged

The Boulanger Project in French Guiana is comprised of four mining concessions and one exploration permit held by Compagnie Minière de Boulanger ("CMB"). The Company has an option to acquire a 100% interest in the project until July 2023. The four mining concessions were renewed by the French Government by Decree published on June 7, 2021 and are valid until December 31, 2033. In October 2021, the Company has been informed that a non-governmental organization ("NGO") has initiated administrative procedures against the French government (the Council of State) seeking the annulment of the renewal of the CMB concessions. The main arguments of the NGO are the lack of a public inquiry during the renewal process and the failure to consider the environmental impact of the renewal. The Company believes that the application process for the renewal of the concessions was done in accordance with applicable laws and that the administrative procedures undertaken by the NGO are frivolous. There can be no assurance that the NGO's legal procedures seeking the cancellation of the renewal of concessions will be rejected by the Court, in which case, CMB would need to file new renewal applications.

Reunion Gold Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and nine months ended September 30, 2021 *(unaudited - in Canadian dollars)*

14. EVENTS AFTER THE REPORTING DATE (continued)

Incentive program for the early exercise of Warrants

On November 15, 2021, the Company announced that it was offering holders of 117,969,344 common share purchase warrants (the "Outstanding Warrants") that had been issued in August 2020 and May 2021, an incentive program for the early exercise of the Outstanding Warrants. Pursuant to the incentive program, the Company will issue for each Outstanding Warrant that is exercised between November 16, 2021 and the close of business on December 15, 2021, one common share in the capital of the Company to which they are otherwise entitled under the terms of the Outstanding Warrants and one-half of one common share purchase warrant (the "Incentive Warrant"). Each whole Incentive Warrant will allow the holder to acquire one common share at an exercise price of \$0.20 for a period of two years following the date of the issuance of the Incentive Warrant.

REUNION GOLD CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
– QUARTERLY HIGHLIGHTS

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2021

The following interim management's discussion and analysis – quarterly highlights ("**Interim MD&A**") of Reunion Gold Corporation ("**Reunion Gold**" or the "**Company**") for the three months ended September 30, 2021 provides material information about the Company's business activities during the interim period and updates disclosure previously provided in the Company's management's discussion and analysis for the financial year ended December 31, 2020 ("**Annual MD&A**").

This Interim MD&A should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and related notes for the three and nine months ended September 30, 2021 (the "**Interim Financial Statements**"), the Company's audited consolidated financial statements for the year ended December 31, 2020 and the nine months ended December 31, 2019 (the "**Annual Financial Statements**"), and the Company's Annual MD&A, including the section describing risks and uncertainties.

The effective date of this Interim MD&A is November 18, 2021.

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

Description of Business

Reunion Gold is a Canadian-based company focused on acquiring, exploring and developing mineral projects located in the Guiana Shield region of South America. The Company has entered into agreements entitling it to acquire an interest in various gold exploration projects in Guyana, Suriname and French Guiana. Its main projects are Oko West in Guyana, NW Extension in Suriname, and Boulanger and Dorlin in French Guiana. The NW Extension project is part of a 50-50 strategic alliance (the "**Alliance**") entered into with Barrick Gold Corporation ("**Barrick**") in February 2019.

Reunion Gold's common shares trade on the TSX Venture Exchange ("**TSXV**") under the symbol RGD. As at November 18, 2021, the Company has 669,276,462 issued and outstanding common shares.

Financial condition

As at September 30, 2021, the Company had a working capital of \$6,320,000.

On November 15, 2021, the Company announced that it was offering holders of 117,969,344 common share purchase warrants (the “**Outstanding Warrants**”) that had been issued in August 2020 and May 2021, an incentive program for the early exercise of the Outstanding Warrants. Pursuant to the incentive program, the Company will issue for each Outstanding Warrant that is exercised between November 16, 2021 and the close of business on December 15, 2021, one common share in the capital of the Company to which they are otherwise entitled under the terms of the Outstanding Warrants and one-half of one common share purchase warrant (the “**Incentive Warrant**”). Each whole Incentive Warrant will allow the holder to acquire one common share at an exercise price of \$0.20 for a period of two years following the date of the issuance of the Incentive Warrant.

Exploration programs

During the third quarter of 2021, the Company focused its exploration activities at the Oko West Project in Guyana and at the NW Extension Project in Suriname.

The **Oko West** Project is in the Cuyuni Mining District in Guyana, and it covers an area of approximately 10,880 acres. The Company has an option to acquire 100% of the Oko West Project.

On June 17, 2021, the Company launched a drilling program designed to expand the footprint of three mineralized north-south shear zones that had been discovered in 2020 (tested by more than 7,500 meters of trenching and an initial seven hole, 1,000-meter drilling program completed in January 2021) and to test the vertical and lateral continuity of gold anomalies identified in eight mineralized “blocks” over a 3 km long soil gold anomaly, down to unweathered bedrock. This program was conducted with one diamond drill rig and one reverse circulation drill rig. At the end of the reporting period, the Company had drilled a total of 35 diamond drill holes for 3,622 meters and 62 reverse circulation drill holes for 4,864 meters, completing the intended program. All significant assay results from this program have been reported including several high-grade drill intersections (see press releases issued on August 12, 2021, September 7, 2021 and October 7, 2021).

Gold mineralization has been intersected in all exploration blocks, including some significant assay results in Block 4. Mineralized intersections are characterized by zones of intense hydrothermal alteration (carbonate, sericite, pyrite and silica) in sheared granitoids, mafic volcanics and clastic sediments with disseminated gold containing metric-scale high-grade veins assaying up to several ounces per tonne. Visible gold has been observed in a few drill holes. Several of the drill holes confirmed the down-dip continuity of the gold

mineralization in unweathered rocks down to a depth of approximately 150 meters. The overall mineralized footprint has now been expanded to 1,000 meters in strike length and remains open at depth and on strike.

The Company has recently added a second diamond drill rig and along with the reverse circulation drill rig has now begun a further drill program of approximately 9,000 meters, which aims to further define the gold mineralization footprint and discover new mineralized zones.

The **NW Extension** Project, comprising three rights of exploration totaling 925 square kilometers, is located 60 kilometers to the west-southwest of Paramaribo in Suriname. The Company has an option to acquire a 100% interest in the project. The NW Extension Project is part of the Alliance with Barrick.

During the reporting period, the Company constructed a trail access to the target area, for a total distance of 10 km. A camp was built and the mobilization of a diamond drill rig is now being carried out. The Company plans to complete approximately 20 holes for 1,400 meters by year end to test a NW-trending corridor of rocks thought to be favorable for gold mineralization.

The **Boulanger** Project as well as the **Dorlin** Project are currently on care and maintenance, awaiting the processing of mineral rights renewals by the French administration.

The Company continues to review and assess the potential acquisition of new projects located in Guyana and Suriname.

Renewal of the Boulanger Concessions being challenged

The **Boulanger** Project in French Guiana is comprised of four mining concessions and one exploration permit held by Compagnie Minière de Boulanger ("**CMB**"). The Company has an option to acquire a 100% interest in the project until July 2023. The four mining concessions were renewed by the French Government by Decree published on June 7, 2021 and are valid until December 31, 2033. The Company has recently been informed that a non-governmental organization ("**NGO**") has initiated administrative procedures against the French government (the Council of State) seeking the annulment of the renewal of the CMB concessions. The main arguments of the NGO are the lack of a public inquiry during the renewal process and the failure to consider the environmental impact of the renewal. The Company believes that the application process for the renewal of the concessions was done in accordance with applicable laws and that the administrative procedures undertaken by the NGO are frivolous. There can be no assurance that the NGO's legal procedures seeking the cancellation of the renewal of concessions will be rejected by the Court, in which case, CMB would need to file new renewal applications.

Qualified Person

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

Corporate matters

On August 16, 2021, the Company granted a total of 7,625,000 stock options at an exercise price of \$0.08 to certain of its officers, directors, employees and key consultants pursuant to the Company's stock option plan. The stock options are exercisable for a period of five years expiring August 16, 2026 and are vesting in three tranches over a period of two years.

Financial Review

During the three months ended September 30, 2021, the Company incurred a loss of \$2,678,226 (nil per share) compared to a loss \$2,591,736 (\$0.01 per share) during the three months ended September 30, 2020.

The Company's share in exploration expenses during the reporting period amounted to \$2,196,389 (\$1,099,542 during the comparative period in 2020). During the three months ended September 30, 2021, Barrick has also spent \$109,091 in exploration expenses on the NW Extension project in Suriname. The detail of exploration and evaluation expenses by project is as follows:

					3 months ended	3 months ended
					September 30,	September 30,
					2021	2020
	Oko West	NW Extension	Boulanger	Other projects	Total	Total
	\$	\$	\$	\$	\$	\$
Wages and fees	447,016	124,500	48,257	57,083	676,856	588,244
Drilling and assaying	1,014,911	(1,421)	-	21,886	1,035,376	205,610
Studies and geophysics	-	16,594	930	-	17,524	22,200
Camp costs	118,030	70,346	-	-	188,376	174,800
Field supplies	74,064	2,217	(27,299)	101	49,083	76,345
Transportation and travel	153,659	7,218	-	18,489	179,366	51,400
Property lease payments	6,722	-	-	-	6,722	92,691
Others	119,085	(1,272)	12,194	22,170	152,177	93,236
	1,933,487	218,182	34,082	119,729	2,305,480	1,304,526
	-	(109,091)	-	-	(109,091)	(204,984)
	1,933,487	109,091	34,082	119,729	2,196,389	1,099,542

Management and administration expenses totaled \$274,032 during the three months ended September 30, 2021 compared to \$282,621 in 2020. Wages and fees to consultants of \$204,193 (\$241,766 in 2020) reflect the reduction in wages and fees of the Company's directors and senior officers made in 2020. Investor relations and travel expenses of \$30,460 during the current period consist mostly of conference fees and related travel expenses for in-person participation at the Beaver Creek Precious Metals Summit held in September 2021 (compared to expenses of \$18,244 in 2020, which included fees for virtual participation in the Beaver Creek Precious Metals Summit). The Company also incurred professional fees of \$10,818 (\$2,382 in 2020), office expenses of \$19,258 (\$16,870 in 2020) and reporting issuer costs of \$9,303 (\$3,359 in 2020).

The Company incurred an amount of \$200,113 as stock-based compensation during the three months ended September 30, 2021 (\$210,847 in 2020). The stock-based compensation expense during the three months ended September 30, 2021 results mostly from the grant to directors, officers, employees and consultants of 7,625,000 stock options in August 2021 (850,000 stock options and 60,000 RSUs had been granted during the comparative period in 2020). Depreciation and amortization expense related to property and equipment and to right-of-use assets capitalized in accordance with IFRS 16 totaled \$77,272 during the three months ended September 30, 2021 (\$244,613 in 2020). The reduced depreciation and amortization expense during the current period results mostly from the disposal in 2020 of some mobile and service vehicles and other equipment. Accretion on the lease liabilities totaled \$5,521 during the reporting period (\$540 during the three months ended September 30, 2020). The Company also realized a gain of \$33,171 on the disposal of pick-ups, ATVs and other equipment from the Company's operations in French Guiana (\$4,019 in 2020) and finance income of \$1,363 on liquidities held (\$1,830 in 2020).

Investing Activities

During the nine months ended September 30, 2021, an option payment of \$157,713 related to the Oko West project and the Company's share of the option payment related to the NW Extension project in the amount of \$7,545 were capitalized in accordance with the Company's accounting policy on exploration and evaluation assets.

Financing Activities

On May 18 and May 21, 2021, the Company completed a private placement and issued a total of 160,938,691 Units at a price of \$0.065 per Unit for proceeds of \$10,461,015 and paid finders' fees of \$371,565, agent's fees of \$179,985 and other share issue expenses of \$102,795 (see description of the private placement in the *Liquidities and Capital Resources* section).

The repayment of lease liabilities in accordance with IFRS 16 totaled \$91,902 during the nine months ended September 30, 2021 (\$126,561 in 2020).

Liquidity and Capital Resources

At September 30, 2021, the Company had a working capital of \$6,320,096 compared to a working capital of \$2,022,336 at December 31, 2020. The increase in the working capital during the nine months ended September 30, 2021 is mainly attributable to the net proceeds of \$9,806,670 from the May 2021 private placement (described below), partially offset by exploration expenses of \$4,505,704, management and administration expenses of \$828,662, the Company's share of option payments related to its mineral properties in the amount of \$165,258 and the repayment of lease liabilities of \$91,902. Working capital at September 30, 2021 included cash and cash equivalents of \$8,186,825, of which an amount of \$425,613 remained restricted to be spent on projects that are part of the Alliance with Barrick.

On May 18, 2021, the Company completed a non-brokered private placement of 114,788,691 units (the "Units") at \$0.065 per Unit, raising gross proceeds of \$7,461,265. Each Unit consisted of one common share of the Company and one half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles its holder to acquire one common share of the Company at a price of \$0.12 per share until May 18, 2023. Share issue expenses related to this private placement amounted to \$401,489, including finders' fees of \$371,565. The Company also issued a total of 5,353,385 finders compensation warrants exercisable at a price of \$0.12 until May 18, 2023. Dundee Resources Limited, a subsidiary of Dundee Corporation and a 14% shareholder of the Company, acquired 15,384,615 Units for an amount of \$1,000,000. David Fennell, the Company's Executive Chairman, also acquired 15,384,615 Units for an amount of \$1,000,000. A total of 2,141,354 of the finders' warrants were issued to Dundee Goodman Merchant Partners, a subsidiary of Dundee Corporation.

On May 21, 2021, the Company completed a brokered private placement of Units (the "Brokered PP") with a syndicate of agents including BMO Nesbitt Burns Inc. as the lead agent, Paradigm Capital Inc. and Dundee Goodman Merchant Partners (collectively, the "Agents") consisting of 46,150,000 Units at \$0.065 per Unit, for a total amount of \$2,999,750. Each Brokered PP Unit consisted of one common share of the Company and one half of one Warrant, with each Warrant exercisable to acquire one common share at \$0.12 until May 21, 2023. Share issue expenses related to this private placement amounted to \$252,856, including a fee of \$179,985 to the Agents.

Management of the Company believes that, as of the date of this Interim MD&A and considering the proceeds of the private placement of Units completed on May 18 and May 21, 2021, it has sufficient working capital to pay for its ongoing general and administrative expenses and to meet its liabilities, obligations and existing commitments for at least the next twelve months. However, the Company will need to continue to raise funds to cover its share of future exploration work programs, payments under option agreements, as well as general and administrative expenses. Such funds may be raised in the future through the issuance of equity instruments or other means. However, given the early stage of the Company's projects, the volatility of the

financial markets and metal prices, and disruptions in the world economy caused by the COVID-19 pandemic and other factors, there can be no assurance that the Company will be able to raise the additional funds when required.

Outstanding Share Data

As at November 18, 2021, a total of 669,276,462 common shares are issued and outstanding, 6,700,000 share purchase warrants are exercisable at a price of \$0.20 per share until March 2023, 127,514,728 share purchase warrants are exercisable at a price of \$0.12 at various dates until May 2023, 28,140,000 stock options are outstanding with exercise prices ranging between \$0.07 and \$0.27 and expiring until August 2026 and 1,306,316 RSUs are outstanding with vesting until June 2022.

Related Party Transactions

During the three and nine months ended September 30, 2021, the Company provided administrative services to Highland Copper Company Inc. and Odyssey Resources Limited, two TSXV-listed companies related by virtue of common management. The services are provided at cost for all direct expenses plus a fixed monthly charge to cover overhead expenses. Amounts recovered for administrative services during the three and nine months ended September 30, 2021 totaled \$20,972 and \$59,258, respectively (\$30,000 and \$96,685 during the comparative periods in 2020).

The remuneration awarded to directors and to senior key management during the three and nine months ended September 30, 2021 totaled \$244,688 and \$694,529, respectively, including \$149,424 and \$262,868 in share-based compensation (total remuneration of \$268,323 and \$944,919 during the comparative periods in 2020, including \$119,951 and \$485,219 in share-based compensation).

The participation of insiders of the Company and the payment of fees and issuance of Warrants to a subsidiary of an insider in the May 2021 private placement of Units (as described under the *Liquidities and Capital Resources* section) also constitute related party transactions.

Risk Factors

The Company's activities are highly speculative due to the nature of mineral exploration generally. All of the Company's projects are in the early exploration stage. Few properties that are explored are ultimately developed into producing mines. Substantial expenditures are required to identify mineral deposits. Risks and uncertainties that the Company is subject to include, but are not limited to: the Company's ability to continue raising sufficient funds to fund its share of future costs and expenditures in the Alliance with Barrick, to fund exploration expenditures on its projects, option payments, and acquisition costs, and to fund general and administrative costs in a timely manner and on acceptable terms; risks related to the completion and results of

planned exploration programs; risks of mineral rights or interest being subject to prior unregistered agreements, transfers, non-compliance with regulatory requirements or claims and other defects in title; uncertainties related to the grant or renewal of mining concessions for the projects under option agreements in French Guiana; uncertainties related to obtaining from various governmental authorities permits and licenses required to conduct exploration activities; uncertainties related to the Company's ability to meet the terms and conditions to exercise option agreements and risks related to the Company's ability to obtain regulatory approvals required to transfer mineral rights following the exercise of option agreements by the Company; and uncertainties related to environment and social acceptability.

Mineral rights in French Guiana

The acquisition and renewal of mineral rights in French Guiana is a very detailed and long process. The Dorlin exploitation permit expired on July 31, 2020. Under the French mining code, the filing of a concession application in June 2020 had the effect of extending the validity of the Dorlin permit while the concession application is being processed by the French government. There can be no certainty that the concession covering the Dorlin Project will be granted. In addition, the renewal of the Boulanger concessions is being challenged by an NGO (see *Renewal of the Boulanger Concessions being challenged* above).

The failure to grant the Dorlin concession and a successful challenge to the renewal of the Boulanger concessions could result in the Company being unable or delay the Company's plans to explore and develop these properties which could have a material and adverse effect on the Company.

COVID-19

The Company's business could be adversely impacted by the effects of the current Coronavirus pandemic. The pandemic outbreak has caused disruptions in financial markets and the deterioration of global economic conditions. The extent to which the COVID-19 pandemic impacts the Company's business will depend on future developments, which are highly uncertain and cannot be predicted at this time. In addition to the potentially adverse impact on the Company's ability to raise additional funds when required, the continued spread of the COVID-19 globally could also have an impact on employees' health, further limitations on travel, the availability of personnel, the execution of planned exploration programs and other impacts beyond the Company's control, all of which may have a material and adverse effect on the Company's business, financial condition and results of operations. To this date, the Company reports three cases of COVID-19 infection to its employees / consultants.

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

Forward-Looking Statements

This news release contains "forward-looking information" within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to expectations, beliefs, plans, objectives, assumptions, future events or performance are not statements of historical fact and may be forward-looking statements. In this MD&A, forward-looking statements relate to the potential of the Company's projects, planned work programs, geological interpretation, exploration results, application and renewal of mineral titles and the Company's ability to raise additional funds and to acquire new projects in Guyana and Suriname.

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

Additional Information and Continuous Disclosure

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