

RANDBURG INTERNATIONAL GOLD CORP.

Condensed Interim Financial Statements

(Expressed in Canadian dollars)

JULY 31, 2018

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying condensed interim financial statements of Randsburg International Gold Corp. (the "Company") are the responsibility of management and the Board of Directors.

The financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the balance sheets date. In the opinion of management, the financial statements have been prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the condensed interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(Signed) "*Michael Lerner*"
Michael Lerner
Chief Executive Officer, President
and Director

(Signed) "*Balu Gopalakrishnan*"
Balu Gopalakrishnan
Chief Financial Officer and Director

Toronto, Canada
September 27, 2018

NOTICE TO READER

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

RANDBURG INTERNATIONAL GOLD CORP.

Condensed Interim Statements of Financial Position

(Expressed in Canadian Dollars)

	As at July 31, 2018	As at January 31, 2018
ASSETS		
Current Assets		
Accounts receivable	\$ 850	\$ 2,268
Total Current Assets	<u>850</u>	<u>2,268</u>
Total Assets	<u>\$ 850</u>	<u>\$ 2,268</u>
 LIABILITIES AND SHAREHOLDERS' (DEFICIENCY) EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 30,220	\$ 308,720
Liability related to flow-through financing	86,571	87,520
Loans and advances (Note 7)	1,040,401	-
Due to related parties (Note 6)	<u>33,147</u>	<u>918,661</u>
Total Current Liabilities	<u>1,190,339</u>	<u>1,314,901</u>
 Shareholders' (Deficiency) Equity		
Share capital (Note 5)	13,628,895	13,628,895
Contributed surplus	<u>3,566,604</u>	<u>3,566,604</u>
	17,195,499	17,195,499
Deficit	<u>(18,384,988)</u>	<u>(18,508,132)</u>
Total Equity	<u>(1,189,489)</u>	<u>(1,312,633)</u>
 Total Liabilities and Shareholders' Equity	<u>\$ 850</u>	<u>\$ 2,268</u>

Nature of operations and going concern (Note 1)
Subsequent events (Note 8)
Commitments and Contingent Liabilities (Note 9)

Approved on behalf of the Board:

"Michael Lerner" Director

"Balu Gopalakrishnan" Director

RANDSBURG INTERNATIONAL GOLD CORP.

Condensed Interim Statements of Operations and Comprehensive Loss (Expressed in Canadian Dollars)

	Three Months Ended July 31, 2018	Three Months Ended July 31, 2017
Operating expenses		
Consulting	\$ 2,500	\$ 5,252
Interest and bank charges	7,187	8,620
Listing and transfer agent fees	239	2,209
Management fees (Note 6(a))	3,000	4,500
Office and miscellaneous	<u>1,649</u>	<u>50</u>
Total operating expenses	<u>14,575</u>	<u>20,631</u>
Loss before other items	(14,575)	(20,631)
Gain on debt settlement	14,968	-
Write off of debt	56,124	-
Cost recoveries	<u>93,310</u>	<u>-</u>
Net Income (Loss) and Comprehensive Loss for the Period	149,827	(20,631)
Deficit, beginning of Period	<u>(18,534,815)</u>	<u>(18,420,752)</u>
Deficit, end of Period	<u>\$ (18,384,988)</u>	<u>\$ (18,441,383)</u>
Basic and diluted income (loss) per common share	<u>\$ (0.000)</u>	<u>\$ (0.000)</u>
Weighted average number of common shares outstanding	<u>28,273,939</u>	<u>28,273,939</u>

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

RANDBURG INTERNATIONAL GOLD CORP.

Condensed Interim Statements of Operations and Comprehensive Loss

(Expressed in Canadian Dollars)

	Six Months Ended July 31, 2018	Six Months Ended July 31, 2017
Operating expenses		
Consulting	\$ 7,500	\$ 7,752
Interest and bank charges	18,642	17,015
Legal fees	-	1,000
Listing and transfer agent fees	5,968	3,737
Management fees (Note 6(a))	7,500	9,000
Office and miscellaneous	<u>1,648</u>	<u>50</u>
Total operating expenses	<u>41,258</u>	<u>38,554</u>
Loss before other items	(41,258)	(38,554)
Gain on debt settlement	14,968	-
Write off of debt	56,124	-
Cost recoveries	<u>93,310</u>	<u>-</u>
Net Income (Loss) and Comprehensive Income (Loss) for the Period	123,144	(38,554)
Deficit, beginning of Year	<u>(18,508,132)</u>	<u>(18,402,829)</u>
Deficit, end of Period	<u>\$ (18,384,988)</u>	<u>\$ (18,441,383)</u>
Basic and diluted income (loss) per common share	<u>\$ (0.000)</u>	<u>\$ (0.000)</u>
Weighted average number of common shares outstanding	<u>28,273,939</u>	<u>28,273,939</u>

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

RANDBURG INTERNATIONAL GOLD CORP.

Condensed Interim Statements of Changes in Equity

(Expressed in Canadian Dollars)

	<u>Number of Shares</u>	<u>Common Shares</u>	<u>Contributed Surplus</u>	<u>Deficit</u>	<u>Total Equity (Deficiency)</u>
Balance, January 31, 2017	<u>28,273,939</u>	<u>\$ 13,628,895</u>	<u>\$ 3,566,604</u>	<u>\$(18,402,829)</u>	<u>\$(1,207,330)</u>
Transaction in period:					
Loss for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>(38,554)</u>	<u>(38,554)</u>
Balance, July 31 2017	<u>28,273,939</u>	<u>13,628,895</u>	<u>3,566,604</u>	<u>(18,441,383)</u>	<u>(1,245,844)</u>
Transactions in period:					
Loss for period	<u>-</u>	<u>-</u>	<u>-</u>	<u>(66,749)</u>	<u>(66,749)</u>
Balance, January 31, 2018	<u>28,273,939</u>	<u>13,628,895</u>	<u>3,566,604</u>	<u>(18,508,132)</u>	<u>(1,312,633)</u>
Transactions in period:					
Net Income for the Period	<u>-</u>	<u>-</u>	<u>-</u>	<u>123,144</u>	<u>123,144</u>
Balance, July 31, 2018	<u>28,273,939</u>	<u>\$ 13,628,895</u>	<u>\$ 3,566,604</u>	<u>\$(18,384,988)</u>	<u>\$(1,189,489)</u>

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

RANDBURG INTERNATIONAL GOLD CORP.

Condensed Interim Statements of Cash Flows (Expressed in Canadian Dollars)

	Six Months Ended <u>July 31, 2018</u>	Six Months Ended <u>July 31, 2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (Loss) for the period	\$ 123,144	\$ (17,923)
Interest on related party loans and advances	<u>17,322</u>	<u>8,395</u>
	140,466	(9,528)
Changes in non-cash operating working capital:		
(Increase) decrease in receivable	1,419	2,734
(Increase) decrease in prepaid expenses	-	-
Increase (decrease) in accounts payable and accrued liabilities	(278,499)	2,532
Increase in loans and advances	1,040,401	-
Increase in liability for flow-through financing	(949)	(3,063)
Increase(decrease) in due to related parties	<u>(902,838)</u>	<u>(88,875)</u>
Net cash used in operating activities	<u>-</u>	<u>(96,200)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease in mineral property interests held for resale	<u>-</u>	<u>96,200</u>
Net cash provided by investing activities	<u>-</u>	<u>96,200</u>
Changes in cash and cash equivalents during the period	-	-
Cash and cash equivalents; beginning of year	<u>-</u>	<u>-</u>
Cash and cash equivalents (bank indebtedness); end of period	<u>\$ -</u>	<u>\$ -</u>
Cash paid for interest	<u>\$ Nil</u>	<u>\$ Nil</u>
Cash paid for income taxes	<u>\$ Nil</u>	<u>\$ Nil</u>

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

RANDBURG INTERNATIONAL GOLD CORP.

Notes to Condensed Interim Financial Statements

(Expressed in Canadian Dollars)

July 31, 2018

1. NATURE OF OPERATIONS AND GOING CONCERN

Randsburg International Gold Corp. (the "Company") was incorporated under the laws of British Columbia on July 6, 1990.

The Company is listed on the NEX, having the symbol RGZ.H. The address of the Company's corporate office and principal place of business is 120 Adelaide Street West, Suite 2105, Toronto, Ontario, M5H 1T1 Canada.

The financial statements of Randsburg International Gold Corp. for the three and six month period ended July 31, 2018 and 2017 were reviewed by and authorized for issue by the Board of Directors on September 27, 2018.

The Company's principal business activity is the acquisition and exploration of mineral property interests in Canada. The Company is considered to be in the exploration stage and substantially all of the Company's efforts are devoted to financing and developing these property interests. The Company has not determined whether its properties contain ore reserves which are economically recoverable. The recovery of the amounts shown for mining properties is dependent upon the existence of economically recoverable ore reserves, the ability of the Company to obtain necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposal of its properties.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize on its assets and settle its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements.

The Company has incurred operating losses over the last several years, earns no revenues and has a working capital deficiency of \$1,189,489 - as at July 31, 2018 (January 31, 2018 - \$1,312,633). While the Company has been successful in obtaining its required financing in the past, through additional equity and non – arm's length loans, there is no assurance that such financing will be available or be available on favorable terms. The Company's ability to continue as a going concern is uncertain and is dependent upon the generation of profits from mineral properties, obtaining additional financing or maintaining continued support from its shareholders and creditors. In the event that additional financial support is not received or operating profits are not generated, the carrying values of the Company's assets may be adversely affected.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration in which it has an interest, in accordance with industry standards for the current stage of exploration. These procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, non-compliance with regulatory requirements or aboriginal land claims. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, political uncertainty and current exchange fluctuations and restrictions.

The Company's exploration and evaluation activities are subject to laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its activities are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations. During 2018, the Company disposed of its mineral property interest.

RANDBURG INTERNATIONAL GOLD CORP.

Notes to Condensed Interim Financial Statements

(Expressed in Canadian Dollars)

July 31, 2018

1. NATURE OF OPERATIONS AND GOING CONCERN (continued)

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize on its assets and settle its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements.

The Company has incurred operating losses over the last several years, earns no operating revenues and has a working capital deficiency of \$1,189,489 (January 31, 2018 - \$1,312,633). While the Company has been successful in obtaining its required financing in the past, through additional equity and non – arm's length loans, there is no assurance that such financing will continue to be available or be available on favorable terms. The Company's ability to continue as a going concern is uncertain and is dependent upon the generation of profits, obtaining additional financing or maintaining continued support from its shareholders and creditors. In the event that additional financial support is not received or operating profits are not generated, the carrying values of the Company's assets may be adversely affected. These conditions represent material uncertainties which cast significant doubt about the Company's ability to continue as a going concern.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these condensed interim financial statements are based on IFRSs issued and outstanding as of September 27, 2018, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended January 31, 2018. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ended January 31, 2018 could result in restatement of these condensed interim financial statements.

New and future accounting changes The Company has adopted the following amendments effective January 1, 2018

- (i) **IFRS 9 – Financial Instruments**
Classification and measurement applies to classification and measurement of financial assets and liabilities as defined in IAS 39. This amendment is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. The adoption of this standard had no material impact on the financial statements.
- (ii) **IFRS 15 – Revenue from Contracts with Customers.**
("IFRS 15") was issued in May 2014 when the IASB and the Financial Accounting Standards Board ("FASB") completed its joint project to clarify the principles for recognizing revenue and to develop a common revenue standard for IFRS and US GAAP. As a result of the joint project, the IASB issued IFRS15 to establish principles to address the nature, amount, timing and uncertainty of revenue and cash flows arising from an

RANDBURG INTERNATIONAL GOLD CORP.

Notes to Condensed Interim Financial Statements

(Expressed in Canadian Dollars)

July 31, 2018

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE (continued)

entity's contracts with customers. IFRS 15 is effective for annual periods beginning on or after January 1, 2018. The adoption of this standard had no material impact on the financial statements.

(iii) IFRS 2 – Share based payments.

In June 2016, the IASB issued amendments to IFRS 2, which clarify how to classify and measure certain type of share-based payment transactions.

These amendments are effective for annual periods beginning on or after January 1, 2018 and can be applied prospectively. The adoption of this standard had no material impact on the financial statements. The following has not yet been adopted and are being evaluated to determine its impact on the Company.

(iv) IFRS 16 – Leases ("IFRS 16") was issued by the IASB on January 13, 2016, and will replace IAS 17, Leases. IFRS 16 will bring most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however, remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 is effective for annual reporting periods beginning on or after January 1, 2019.

Basis of presentation

These financial statements have been prepared on a historical cost basis except for certain financial instruments that have been measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies set are the same as are disclosed in the annual audited financial statements for the year ended January 31, 2018 (See Note 3) to these financial statements which have been filed on ("SEDAR; the "System for Electronic Document and Retrieval") for the disclosure of public company documents in Canada.

The accounting policies have been applied consistently to all periods presented in these financial statements.

3. CAPITAL MANAGEMENT

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objective including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital and cash.

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July 31, 2018

The Company is in the exploration stage; as such the Company has relied on the equity markets to fund its activities. The Company will continue to assess new sources of financing available and to manage its expenditures to reflect current financial resources in the interest of sustaining long term viability.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to any external capital requirements.

4. MINERAL PROPERTY INTERESTS

	Balance July 31, 2018	Balance January 31, 2018	Balance January 31, 2017
Flett and Angus Township			
Acquisition costs	\$ -	\$ -	\$ 117,000
Exploration costs	-	-	35,969
	-	-	(56,769)
Book Value	\$ -	\$ -	\$ 96,200
Total Costs	\$ -	\$ -	\$ 96,200

On January 25, 2017 the Company entered into an agreement with Prophecy Development Corporation to sell its remaining 20% interest in certain mining claims in its Flett & Angus Township Property. The consideration was received on February 10, 2017 and consisted 20,000 common shares of Prophecy Development Corporation with a fair market value of \$96,200 based on the quoted market price of the shares. The shares received were disposed of in settlement of certain amounts due to related parties on the same date as the closing date.

Title to mining property interests

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

5. SHARE CAPITAL

Authorized:

Unlimited Common shares, without par value

Issued:

Common shares - 28,273,939

**July 31,
2018**

**January 31,
2018**

\$ 13,628,895

\$ 13,628,895

RANDBURG INTERNATIONAL GOLD CORP.

Notes to Condensed Interim Financial Statements

(Expressed in Canadian Dollars)

July 31, 2018

5. SHARE CAPITAL (continued):

Stock options

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price of the Company's stock, less an applicable discount, as calculated on the date of grant. The options can be granted for a maximum term of 5 years and vest at the discretion of the board of directors.

As at July 31, 2018 there were no stock options outstanding.

6. RELATED PARTY TRANSACTIONS

During the three-month ended July 31, 2018, the Company entered into the following transactions with related parties not disclosed elsewhere in the financial statements:

These transactions were in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

- a) Accrued management fees totaling \$4,500 (January 31, 2018 - \$18,000) to two directors of the Company.
- b) Accrued interest of \$ 11,454 (2018 - \$39,650) to a director and a person related to the president of the Company.
- c) The Company is subject to a loan due from Essex Oil Ltd. ("Essex") in the amount of approximately \$85,000 plus interest at 10% per annum. A director and officer of the Company is a director of Essex. The outstanding balance of the loan receivable plus all accrued interest as at January 31, 2018 and 2017 has been fully allowed for.
- d) On July 3, 2018 related party debt with a face value of \$870,241 was sold to unrelated parties.

RANDBURG INTERNATIONAL GOLD CORP.

Notes to Condensed Interim Financial Statements

(Expressed in Canadian Dollars)

July 31, 2018

6. RELATED PARTY TRANSACTIONS (continued):

The balances due to related parties as at July 31, 2018 and January 31, 2018 are summarized below:

	July 31, 2018	January 31, 2018
Advances from a former director, George Van Voorhis III of \$nil (January 31, 2018 - \$30,026), that bears interest at an annual rate of 12%, are unsecured, and have no fixed terms of repayment. The total includes accrued interest of \$nil (January 31, 2018 - \$75,907).	\$ -	\$ 105,933
Advances net of repayment from Elena Opara, a person related to the former president of the Company that bears interest at an annual rate of 12% and have no fixed terms of repayment. The advances are secured by a General Security Agreement. The total includes accrued interest of \$14,188 (January 31, 2018 - \$141,927).	26,268	261,821
Advances due to a former director, William Quan that are unsecured, non-interest bearing and have no fixed terms of repayment.	-	22,152
Advances due to a former director, Matthew Chodorowicz that are unsecured, non-interest bearing and have no fixed terms of repayment.	-	112,086
Amounts due to a former President and a company controlled by the president and director, Michael Opara that are unsecured, non-interest bearing and have no fixed terms of repayment.	<u>6,879</u>	<u>416,669</u>
	\$ 33,147	\$ 918,661

7. LOANS AND ADVANCES

Loans and advances are non-interest bearing and have no terms of repayment.

8. SUBSEQUENT EVENTS

There are no subsequent events to report up to and including September 27, 2018.

9. COMMITMENTS AND CONTINGENT LIABILITIES

In the ordinary course of business activities, the Company is a party in certain litigation and other claim. Management believes that the resolution of such litigation and claim will not have a material effect on the financial position of the Company.

The Company has an outstanding amount with Canada Revenue Agency (CRA) totaling \$86,571 at July 31, 2018 (January 31, 2018 - \$87,520) for which CRA is actively requesting payment. The amount is fully recorded in these financial statements.