



**UNIGOLD INC.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS AND  
UNAUDITED, CONDENSED CONSOLIDATED INTERIM OPERATING RESULTS**

For the Three and Six Months Ended June 30, 2015 and 2014

# UNIGOLD INC.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of the unaudited, condensed consolidated interim operating results and financial condition of Unigold Inc. ("Unigold" or the "Company") for the fiscal periods ended June 30, 2015 and 2014 should be read in conjunction with the unaudited, condensed consolidated interim financial statements of the Company and notes thereto at June 30, 2015. All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS"), and all dollar amounts are expressed in Canadian dollars unless otherwise indicated. Additional information, including the Company's press releases, has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") and is available online at [www.sedar.com](http://www.sedar.com). The date of this report is August 19, 2015.

### ***Company Overview***

Unigold is a Canadian based, growth oriented, junior natural resource company focused on exploring and developing its significant land position in the Dominican Republic, within the highly prospective, Cretaceous age, Tiroo Formation. The Tiroo Formation, an emerging gold and base metal district, is a 75 kilometre wide series of volcanic and sedimentary rocks trending northwesterly across the island of Hispaniola. Unigold's has a 100 percent interest in the 22,600 hectare Neita Exploration Concession, located in the west central highlands of the Dominican Republic along the border with Haiti. The license for the Concession was renewed in 2012 for another five-year term (comprised of a three-year term with two one-year extensions available upon application). The first one-year extension was granted March 2015. Unigold operates through its wholly owned Canadian subsidiary, Unigold Resources Inc., and its 97 per cent owned subsidiary, Unigold Dominicana, S.R.L., which is incorporated in the Dominican Republic.

### ***Forward-Looking Statements***

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information concerning Unigold's exploration program and planned gold production as well as Unigold's strategies and future prospects. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is based on the opinions and estimates of management at the date the information is made, and is based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Assumptions upon which such forward-looking information is based include, without limitation, availability of skilled labour, equipment, and materials; the potential of the Company's properties to contain economic metals deposits; the Company's ability to meet its working capital needs for the twelve-month period ending June 30, 2016; and the plans, costs, timing and capital for future exploration and development of the Company's property interests in the Dominican Republic. Many of these assumptions are based on factors and events that are not within the control of Unigold and there is no assurance they will prove to be correct. Factors that could cause actual results to vary materially from results anticipated by such forward-looking information include changes in market conditions, variations in ore reserves, resources, grade or recovery rates, risks relating to international operations (including legislative, political, social, or economic developments in the jurisdictions in which Unigold operates), economic factors, government regulation and approvals, environmental and reclamation risks, actual results of exploration activities, fluctuating metal prices and currency exchange rates, costs, changes in project parameters, conclusions of economic evaluations, the possibility of project cost overruns or unanticipated costs and expenses, labour disputes and the availability of skilled labour, failure of plant, equipment or processes to operate as anticipated, capital expenditures and requirements for additional capital, risks associated with internal control over financial reporting, and other risks of the mining industry. Although Unigold has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Unigold undertakes no obligation to update forward-

looking information if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking information.

## ***Nature of Operations and Going Concern***

On November 12, 2013, the Company announced an initial inferred mineral resource estimate for the Candelones deposits of 39.5 M tonnes averaging 1.6 grams per tonne ("g/t") Au containing 2.0 M ounces of gold. The report was produced by Micon International Limited ("Micon") and followed National Instrument 43-101 guidelines. The Technical Report (which is filed on [www.sedar.com](http://www.sedar.com)) was prepared assuming exploitation of the resources as an open-pit.

On February 24, 2015 the Company announced an updated resource estimate focusing on the high-grade mineralization zones at the Candelones Extension of 5.3 M tonnes averaging 5.27 g/t Au containing 894,000 ozs Au. The updated mineral resource estimate (which was filed on [www.sedar.com](http://www.sedar.com) April 8, 2015) was also prepared by Micon following NI 43-101 guidelines. This updated estimate considers underground exploitation of the Candelones Extension deposit, focusing on high grade gold/copper mineralization that occurs as multiple, flat lying to moderately south dipping, sub-parallel lenses, ranging from 3.0 to 6.0 metres in thickness. The high grade lenses lie within the larger mineralized envelope of lower grade gold / copper mineralization that was the focal point of the initial mineral resource estimate for the Candelones Project that was reported in November, 2013.

The reader is cautioned that mineral resources are not mineral reserves and do not have demonstrated economic viability. However, by definition, mineral resources demonstrate "reasonable prospects for economic extraction". The recoverability of the amounts shown for mineral properties and deferred exploration and evaluation costs are dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete its exploration programs and upon future profitable production or proceeds from disposition of such properties.

Because of limited working capital and continuing operating losses, the Company's continuance as a going concern is dependent upon its ability to obtain adequate financing and to reach profitable levels of operation. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operations or be able to sell properties.

## ***Highlights for Q2 2015***

### ***Other***

- Non-brokered private placement raised \$1,020,000 from Osisko Gold Royalties Ltd. ("Osisko"); and
- Common share consolidation of 10-for-one completed to facilitate the private placement.

## ***Exploration***

### ***Neita***

Unigold's Neita concession covers a 22,616 ha area within the highly prospective Tireo Formation, a 75 kilometre wide series of volcanic and sedimentary rocks trending northwesterly through the island of Hispaniola. The Tireo Formation hosts a number of promising gold and base metal targets, both in the Dominican Republic and Haiti. Over 5.0 million ounces of gold equivalent resources have been identified in the Tireo Formation in the past year. The property was placed on a care and maintenance basis at year-end 2014 to conserve cash.

In Q1 2015, Unigold announced an updated, NI 43-101 inferred mineral resource of 5.3 M tonnes averaging 5.27 g/t Au containing 894,000 ozs Au and 0.35 % Copper ("Cu") containing 41,175,000 lbs Cu at the Candelones Extension deposit, within the Neita Concession. The updated mineral resource estimate represents a first step in the evaluation of the viability of a small to mid-sized underground mine and mill complex at the Candelones Extension deposit where initial drilling has identified higher grade lenses of gold and copper mineralization within the larger, lower grade, near surface resource established in November, 2013. The Company believes that should the economic and technical viability be established underground development offers significant advantages to the initial near surface development model; specifically in terms of a smaller environmental footprint, reduced capital costs, reduced permitting complexity and a reduced development timeline resulting in improved project economics. Candelones falls within the main gold trend, a series of significant soil anomalies defining the southern boundary of the Concession. The updated mineral resource was estimated by Mr. W. Lewis, P.Geo. and Mr. A. San Martin,

MAusIMM (CP) of Micon International Limited, a Toronto based consulting company, independent of Unigold. Mr. Lewis and Mr. San Martin meet the requirements of a “qualified person” as established by the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources and Mineral Reserves (May, 2014) (“the CIM Standards”). The estimate is based on a long term gold price of U.S. \$ 1,200 per ounce, a long term copper price of U.S. \$ 3.00 per pound and an economic cut-off grade of 3.50 g/t gold. The exploration license for the Neita concession was extended for one additional year in March 2015.

In the second quarter of 2015 Unigold focused on marketing the updated mineral resource estimate and the concept of an underground mine and mill complex exploiting the Candelones Extension deposit. The market was not receptive to the initiative. With new funds available from the private placement, the Company plans a limited exploration program in the second half of 2015 comprising a limited, infill diamond drill program on the Candelones property. The timing and scope of this exploration work shall be dependent on the available cash resources.

Completed work:

Compilation data	Statistics		
	Q2 2015	YTD	PROJECT TO DATE
Drilling – holes	–	–	448
Drilling – metres	–	–	103,389
Trenching – metres	–	–	31,559
Geochemical analysis	–	–	142,697
Grab samples	–	–	10,108
Soil samples	–	–	32,704
Stream samples	–	–	884
Induced polarization lines – km	–	–	196
Magnetic survey lines – km	–	–	687

The material categories of exploration and evaluation assets are summarized below:

	As at	January 1, 2015	Year to date additions	Year to date disposals	June 30, 2015
Consulting (contract geologists and other technical specialists)		\$ 6,158,918	\$ 13,160	\$ –	\$ 6,172,078
Drilling (including supplies and logistics expenses)		12,927,832	–	–	12,927,832
Field expense (including geochemistry and geophysics)		2,210,875	–	–	2,210,875
Laboratory analysis		4,430,095	–	–	4,430,095
Travel		1,528,613	8,390	–	1,537,003
Wages & salaries		3,794,519	159,705	–	3,954,224
Other (includes legal costs, capitalized depreciation)		5,338,826	188,499	(28,908)	5,498,417
		\$ 36,389,678	\$ 369,754	\$ (28,908)	\$ 36,730,524

### *Los Guandules*

In January 2013, Unigold entered into an agreement with Malbex Resources Inc. to transfer its interest in the Los Guandules prospect. The transaction was conditional on the grant of an exploration licence to Malbex by the Dominican Republic Ministry of Mines. Malbex was advised in March 2015 that the license would not be granted and, as a result, the agreement was terminated.

### *El Carrizal*

In January 2013, Unigold entered into an agreement with Terreno Resources Corp. to sell its option to acquire 100% of the El Carrizal Concession. The closing of the transaction contemplated by the agreement was subject to the final approval of the TSX Venture Exchange and the shareholders of Terreno. The agreement was extended several times, most recently to July 31, 2015. Terreno has determined that it has no further interest in the property and the agreement expired unexercised July 31, 2015.

## Results of Operations

For the quarter ended June 30, 2015, the Company recorded a loss of \$139,736, or \$0.01 per share, compared with a loss of \$739,071 or \$0.03 per share, in Q2 2014.

Compensation expense of \$69,122 is lower than the \$159,647 recorded in Q2 2014. The Company has no full time employees in Canada. Included in compensation is \$25,000 for directors' fees which are being accrued since the beginning of the year. Travel and business development expense has decreased to \$2,162 compared to \$54,447 in Q2 2014. Travel to the Dominican Republic has decreased since the operation was placed on care and maintenance. No business development is taking place because the market is not receptive to marketing efforts by junior gold exploration companies.

The material components of general and administrative expenses are detailed below.

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Rent	\$ 12,465	\$ 12,465	\$ 24,930	\$ 24,930
Insurance	6,888	9,887	13,776	20,135
Telephone	1,221	2,270	2,292	6,428
Computer supplies and support	4,284	2,409	9,521	15,988
Other	2,389	4,272	6,225	9,533
Total	\$ 27,247	\$ 31,303	\$ 56,744	\$ 77,014

## Liquidity and Capital Resources

The Company has no producing properties and, consequently, has no current operating income or cash flow. Financing of the Company's activities to date has been primarily obtained from equity issues. The continuing development of the Company's properties therefore depends on the Company's ability to obtain additional financing.

Market appetite for investing in resource stocks is at a very low level. The price of gold declined significantly over the last 2 1/2 years, from U.S. \$1,664 per ounce at December 31, 2012 to U.S. \$1,171 at June 30, 2015. Gold dropped significantly in July ending the month below U.S. \$ 1,100. Most mineral resource companies have seen significant stock price erosion. M&A activities and financing activities are at extremely low levels. Globally, resource nationalism has made investors wary. Many major projects have been written down, deferred or cancelled. There has been a continuing sell-off at the junior end of the market that is starving junior exploration companies of capital. Investors are looking for low-risk, near-term, high yield opportunities that the junior mining sector cannot currently provide. The Company may not be able to raise capital in these markets or, if financing is possible, it may be fairly small to limit dilution. The shareholders approved a resolution at the 2015 Annual General and Special Meeting allowing the Board of Directors to undertake a share consolidation of up to 10-to-one if such a consolidation is required as part of a financial transaction.

Despite this poor market, Unigold was extremely fortunate to be able to raise \$1,020,000 in a private placement in June. Osisko Gold Royalties Ltd. purchased 5,100,000 post-consolidation shares at a price of \$0.20 per share and owns approximately 17% of Unigold. In order to complete the transaction, a 10-to-1 share consolidation was necessary due to the rules of the TSX Venture Exchange that prohibit issuing shares below \$0.05 per share. At the time of the transaction, Unigold was trading well below that level. In addition Osisko has acquired the following rights:

(i) Participation Right: As long as Osisko holds Unigold shares equal to at least 10% of the issued and outstanding Unigold shares on a non-diluted basis, Osisko will have the right to participate in future equity financings by Unigold on a pro rata basis to its non-diluted shareholding at the applicable time.

(ii) Nomination Right: As long as Osisko holds Unigold shares equal to at least 10% of the issued and outstanding Unigold Shares on a non-diluted basis, Osisko will be entitled to nominate the greater of: (a) two (2) nominees, and (b) the number of nominees obtained by multiplying Osisko's percentage ownership of Unigold Shares (on a non-

diluted basis) by the number of directors Unigold's management slate of nominees proposed to the Board (fractional numbers being rounded down to the nearest whole number) at any meeting of shareholders of Unigold.

(iii) Royalty Option: Osisko will be granted an option to purchase a 2% net smelter return ("NSR") royalty on Unigold's Neita property for a consideration of \$2,000,000, exercisable 90 days following the delivery of a feasibility study. Once exercised, Unigold will have the right to repurchase a 1% NSR (being 50% of the 2% NSR held by Osisko) for \$1,000,000 until 90 days following the achievement of commercial production.

(iv) Royalty/Stream Right: As long as Osisko holds Unigold Shares equal to at least 10% of the issued and outstanding Unigold Shares on a non-diluted basis, Osisko will have the right of first refusal over any royalty, stream, forward, off-take, gold loan or other agreement involving the sale of a similar interest in products from properties of Unigold that Unigold proposes to enter into from time to time. In the event that Osisko does not exercise its right of first refusal, Unigold may thereafter offer such right to a third party on terms no more favourable to such third party than those offered to Osisko.

The Company is exploring other financing activities including joint ventures, merger/acquisition transaction and asset sales. In the second quarter the Company received \$23,561 from the sale of unused vehicles and equipment.

As at June 30, 2015, the Company had cash balances of \$1,161,630 (December 31, 2014 – \$638,850) and working capital of \$1,106,740 (December 31, 2014 – \$644,245).

## Outlook

Unigold has limited cash available at June 30, 2015. Given the present challenging market conditions, the Company has moved to conserve its cash. At year-end 2014, operations in the Dominican Republic were placed on a care and maintenance basis and the Dominican administration office moved to less expensive quarters. Executive management employment contracts were restructured at the end of 2014 and senior staff are working for Unigold in 2015 as consultants on an "as-needed basis" on essential activities such as addressing working capital needs and statutory financial reporting and governance.

With new funds available from the private placement, the Company plans a limited exploration program in the second half of 2015 comprising a limited, infill diamond drill program on the Candelones property. The timing and scope of this exploration work shall be dependent on the available cash resources.

## Quarterly Financial Information (Unaudited)

The following table sets out selected financial information derived from the Company's condensed consolidated interim financial statements for each of the eight most recently completed quarters:

(\$ thousands, except per share amounts)	2015		2014				2013	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenue	–	–	–	–	–	–	–	–
Net loss	(140)	(217)	(696)	(262)	(739)	(392)	(726)	(392)
Net loss per share: Basic and diluted	(0.01)	(0.00)	(0.03)	(0.01)	(0.03)	(0.02)	(0.03)	(0.02)
Acquisition of exploration and evaluation assets	71	204	547	809	519	507	1,029	1,515

The net loss in the fourth quarter of 2014 included cash contract restructuring payments of \$430,459. The second quarter net loss in 2014 included a non-cash write-off of exploration properties which increased the loss by \$445,283. In Q4 2013, \$215,000 of accrued expenses relating to the disposal of exploration property were written off due to delays in finalizing the deal.

## Related Party Transactions

Included in the accounts for the periods ended June 30, 2015 and 2014 are payments made to officers, directors and corporations under the control or significant influence of officers and directors of the Company as follows:

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Management services fees paid to corporations controlled by or under significant influence of an officer of the Company: Wes Hanson	\$ –	\$ 37,000	\$ 8,000	\$ 77,500
Professional fees paid to an officer: Joseph Del Campo	24,375	–	43,125	–
Professional fees paid to an officer: John Green	17,250	–	59,575	–
Professional fees paid to a former officer: Andrew Cheatle	–	–	10,374	–
Professional fees and expenses paid to a law firm where a director of the Company, René Branchaud, is also a partner	–	732	–	732
	<b>\$ 41,625</b>	<b>\$ 37,732</b>	<b>\$ 121,074</b>	<b>\$ 78,232</b>

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

### ***Commitments, Contingencies and Contractual Obligations***

The Company's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations 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.

Minimum contractual payments over the next five years are as follows:

Year	Total	2015	2016	2017	2018	2019
Office lease	\$ 24,000	\$ 24,000	\$ –	\$ –	\$ –	\$ –
Services	142,000	124,000	17,000	1,000	–	–
	<b>\$ 166,000</b>	<b>\$ 148,000</b>	<b>\$ 17,000</b>	<b>\$ 1,000</b>	<b>\$ –</b>	<b>\$ –</b>

### ***Trend Information***

There are no major trends that are anticipated to have a material effect on the Company's financial condition and results of operations in the near future.

### ***Off-Balance Sheet Arrangements***

The Company has no off-balance sheet arrangements, no capital lease agreements and no long-term debt obligations.

### ***Proposed Transactions***

There are no proposed transactions that will materially affect the performance of the Company. As is typical of the gold exploration sector, Unigold is continually reviewing potential property acquisition, investment and joint venture transactions and opportunities

## ***Critical Accounting Policies and Estimates***

The Company prepares its consolidated financial statements in accordance with IFRS. The most significant accounting estimates are the policy of capitalizing exploration costs on its properties and the valuation of such properties; and the stock-based compensation calculation.

The Company reviews its portfolio of exploration properties on an annual basis to determine whether a write-down of the capitalized cost of any property is required. The recoverability of the amounts shown for exploration properties and deferred exploration and evaluation assets is dependent on the existence of economically recoverable reserves, and the ability to obtain financing to complete the development of such reserves.

The Company uses the Black-Scholes model to determine the fair value of options and warrants. The main factor affecting the estimates of stock-based compensation is the stock price volatility used. The Company uses the historical price data and comparables in the estimate of future volatilities.

## ***Risks and Uncertainties***

At the present time, Unigold does not hold any interest in a mining property in production. The Company's viability and potential successes lie in its ability to develop, exploit and generate revenue out of mineral deposits. Revenues, profitability and cash flow from any future mining operations involving the Company will be influenced by precious and/or base metal prices and by the relationship of such prices to production costs. Such prices have fluctuated widely and are affected by numerous factors beyond the Company's control.

### ***Liquidity and Capital Market Risk***

The Company has limited financial resources and there is no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfill its obligations under applicable agreements. Although Unigold has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the property interests of the Company with the possible dilution or loss of such interests.

### ***Nature of Mineral Exploration and Development Projects***

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful. The exploration and development of mineral deposits involves significant financial and other risks over an extended period of time, which even a combination of careful evaluation, experience, and knowledge may not eliminate. Few mining properties that are explored are ultimately developed into producing mines. Major expenses are required to establish reserves by drilling and to construct mining and processing facilities. Large amounts of capital are frequently required to purchase necessary equipment. It is impossible to ensure that the current or proposed exploration programs on properties in which the Company has an interest will result in profitable commercial mining operations.

Success in establishing mineral reserves through exploration is the result of a number of factors, including the quality of management, the Company's level of geological and technical expertise, the quality of land available for exploration and other factors. Once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities. Whether a deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit, such as its size and grade, costs and efficiencies of the recovery methods that can be employed, proximity to infrastructure, financing costs and governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of gold or silver, and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on its invested capital. Because of these uncertainties, no assurance can be given that exploration programmes will result in the establishment or expansion of resources or reserves.

### ***The Corporation's Properties Are Subject to Title Risks***

The Company has taken all reasonable steps to ensure that it has proper title to its properties. However, the Company cannot provide any guarantees that there are no prior unregistered agreements, claims or defects that may result in the Company's title to its properties being challenged. A successful challenge to the precise area and location of these claims could result in the Company being unable to operate on its properties as anticipated or being unable to enforce its rights with respect to its properties which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition.

### ***The Company and Its Projects Are Subject to Risks of Operating in Foreign Countries***

The Company's projects are subject to the risks of operating in foreign countries. The Company's foreign operations and investments and its ability to carry on its business in the normal course may be adversely affected by political and economic considerations such as civil unrest, war (including in neighbouring states), terrorist actions, labour disputes, corruption, sovereign risk, political instability, the failure of foreign parties, courts or governments to honour or enforce contractual relations, changing government regulations with respect to mining (including environmental requirements, taxation, land tenure, foreign investments, income repatriation and capital recovery), fluctuations in currency exchange and inflation rates, import and export restrictions, challenges to the Company's title to properties or mineral rights, problems renewing licenses and permits, opposition to mining from environmental or other non-governmental organizations, increased financing costs, instability due to economic under-development, inadequate infrastructure, and the expropriation of property interests. In addition, the enforcement by Unigold of its legal rights to exploit its properties or to utilize its permits and licenses may not be recognized by the court systems in the Dominican Republic. The occurrence of one or more of these risks could have a material and adverse effect on the viability and financial performance of its foreign operations, which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition. Any of these events could also result in conditions that delay or prevent the Company from exploring or developing its properties even if economic quantities of minerals are found.

### ***Financing Risk***

To fund future investments in its mineral properties the Company requires capital. The Company may not have sufficient internally generated cash flow and working capital and may have to access the capital markets. Subject to economic conditions at the time, there can be no assurance the Company would be able to raise additional debt or equity financing on acceptable terms. If the Company cannot finance its future projects it could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition.

### ***Environmental Matters***

In the risks section above, reference was made to several risks impacting on environment matters. Unigold believes that it is in compliance with all environmental regulations in the Dominican Republic and has made no provision for environmental remediation costs as such costs are believed to be immaterial.

### ***Corporate Social Responsibility ("CSR"), Safety, Health and Environment.***

The Company engages in and adheres to the principles of sound Corporate Social Responsibility with the local communities and people where it operates. While the company recognizes that the funds to achieve these goals are derived from shareholders investment in the company, it also believes that those same shareholders recognize that pragmatic and cost effective CSR activity benefits all stakeholders and enables ongoing field activity with the support of local leaders, government, landowners and the community in general.

There were no lost time accidents during the period. There were no reportable environmental compliance events during the period.

The Company has retained AMEC Consulting to develop its management systems policies. The management system policies include designing and implementing a surface water participatory monitoring program that will identify existing water quality and quantity conditions in the exploration impact areas, communicating these to the local population and to serve as a baseline for the future ESIA. The Company is also developing a Human Resource Policy and Employee Grievance Mechanism, a Security Policy and Procedure, Land Acquisition and Compensation for Exploration and completing a Rapid Biodiversity Assessment.

## **Future Accounting Changes**

### ***Accounting standards and interpretations issued but not yet adopted***

Certain new standards, interpretations, amendments and improvements to existing standards are not yet effective for the period ended June 30, 2015, and have not been applied in preparing these unaudited, condensed consolidated interim financial statements as follows:

- IFRS 9, *Financial Instruments*, addresses the classification and measurement of financial assets;

These standards are being evaluated to determine their impact on the unaudited, condensed consolidated interim financial statements of the Company. IFRS 9 is effective for the Company's fiscal year starting January 1, 2018.

## **Financial Instruments**

### ***Fair Value***

IFRS requires that the Company disclose information about the fair value of its financial assets and liabilities. The carrying amounts for cash and cash equivalents, sundry receivables, accounts payable and accrued liabilities on the Statements of Financial Position approximate fair value because of the limited term of these instruments.

Fair value estimates are made at the statement of financial position date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

### ***Credit Risk***

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, other receivables, other financial assets and other investments. Cash is held with reputable Canadian financial institutions, from which management believes the risk of loss to be minimal. Financial instruments included in other receivables consist of harmonized sales tax due from the Federal Government of Canada. Other receivables are in good standing as of June 30, 2015. Management believes that the credit risk concentration with respect to financial instruments included in other receivables is minimal.

### ***Liquidity Risk***

As of June 30, 2015, the Company has a cash balance of \$1,161,630 (December 31, 2014 – \$638,850) to settle current accounts payable and accrued liabilities of \$81,186 (2014 – \$49,230). The Company's other current assets consist of other receivables of \$11,048 (December 31, 2014 – \$17,302) and other financial assets and prepaids of \$15,248 (December 31, 2014 – \$37,323).

### ***Market Risk***

At the present time, the Company does not hold any interest in a mining property that is in production. The Company's viability and potential success depends on its ability to develop, exploit, and generate revenue from the development of mineral deposits. Revenue, cash flow, and profits from any future mining operations in which the Company is involved will be influenced by precious and/or base metal prices and by the relationship of such prices to production costs. Such prices can fluctuate widely and are affected by numerous factors beyond the Company's control.

### ***Foreign Exchange Risk***

The Company's financings are in Canadian dollars. Certain of the Company's transactions with its subsidiary, Unigold Dominicana, S.R.L. are incurred in foreign currencies and are therefore subject to gains or losses due to fluctuations in exchange rates. The Company is therefore subject to foreign exchange risk. As at June 30, 2015, the Company had cash balances of \$28,245 (December 31, 2014 – \$44,877) in United States dollars. U.S. \$ accounts payable as at June 30, 2015 were U.S. \$nil (December 31, 2014 – U.S. \$nil).

### ***Interest Rate Risk***

The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its financial institutions. The Company periodically monitors the investments it makes and is satisfied with the

creditworthiness of its financial institutions. As of June 30, 2015, interest rate risk is minimal since the Company has no interest-bearing debt instruments.

### ***Commodity Price Risk***

The ability of the Company to develop its properties and the future profitability of the Company is directly related to the market price of certain minerals.

### ***Sensitivity Analysis***

The Company is exposed to foreign currency risk of fluctuations on financial instruments that are denominated in U.S. dollars and the Dominican Republic Peso related to cash balances, other investments and accounts payable. Sensitivity to a plus or minus 5% change in the foreign exchange rate would not have resulted in a significant fluctuation in loss for the period ended June 30, 2015. The Company does not undertake currency hedging activities to mitigate its foreign currency risk.

### ***Capital Management***

Unigold considers its capital structure to consist of total equity attributable to equity holders of the Company. The Company manages its capital structure and makes adjustments to it, in order to have the funds available to support its exploration and corporate activities. The Company's objective in managing capital is to safeguard its ability to operate as a going concern. The Company is in the development stage and as such is dependent on external financing. In order to carry out planned exploration and development, and pay for administrative and operating costs, the Company will spend its existing working capital. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its exploration properties and maximize shareholder returns. The Company satisfies its capital requirements through careful management of its cash resources and by equity issues, as necessary, based on the prevalent economic conditions of both the industry and the capital markets and the underlying risk characteristics of the related assets. Management reviews its capital management approach on an ongoing basis. The Company is not subject to externally imposed capital requirements.

## ***Report on Internal Control over Financial Reporting and Disclosure Controls and Procedures***

In connection with Exemption Orders issued in November 2007 by each of the British Columbia Securities Commission and Ontario Securities Commission, the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited, condensed consolidated interim financial statements and the accompanying related MD&A. In contrast to the certificate under National Instrument 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR at [www.sedar.com](http://www.sedar.com). Management believes that based upon the evaluations and actions taken to date, reasonable assurance can be provided that there is no material misstatement of the financial results reported as of June 30, 2015.

### ***Outstanding Share Data***

Details about the Company's outstanding common shares as at August 19, 2015 are as follows:

Common shares issued and outstanding	29,471,309
Potential issuance of common shares – warrants	2,542,500
Stock options issued to directors, employees, officers and consultants	1,192,500

### ***Qualified Person***

The foregoing scientific and technical information has been prepared or reviewed by Wes Hanson, P.Geol., the Chief Operating Officer of the Company. He also supervises all work associated with the Company's exploration programs in the Dominican Republic. Mr. Hanson is a "qualified person" within the meaning of National Instrument 43-101. W. Lewis P. Geo. and A. San Martin MAusIMM(CP), both employed by Micon have reviewed and approved statements associated with the mineral resource estimates.

**UNIGOLD INC.**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the Six Months Ended June 30, 2015 and 2014  
Expressed in Canadian Dollars  
Unaudited

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

UNIGOLD INC.

**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**

(Expressed in Canadian Dollars)

As at,	June 30, 2015 (unaudited)	December 31, 2014
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 1,161,630	\$ 638,850
Other receivables	11,048	17,302
Other financial assets and prepaids	15,248	37,323
Total current assets	1,187,926	693,475
<b>Non-current assets</b>		
Property, plant and equipment (Note 6)	805,288	945,080
Exploration properties (Note 7)	283,747	283,747
Exploration and evaluation assets (Note 7)	36,730,524	36,389,678
<b>Total assets</b>	<b>\$ 39,007,485</b>	<b>\$ 38,311,980</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 81,186	\$ 49,230
Total liabilities	81,186	49,230
<b>Equity attributable to shareholders of the Company</b>		
Share capital (Note 8(a))	55,114,860	54,094,860
Reserve for warrants (Note 8(b))	1,389,382	1,389,382
Reserve for share-based payments (Note 8(c))	1,559,382	2,446,170
Accumulated deficit	(19,140,156)	(19,670,493)
Total equity attributable to shareholders of the Company	38,923,468	38,259,919
<b>Non-controlling interest</b>	<b>2,831</b>	<b>2,831</b>
<b>Total equity</b>	<b>38,925,299</b>	<b>38,262,750</b>
<b>Total liabilities and equity</b>	<b>\$ 39,007,485</b>	<b>\$ 38,311,980</b>

Nature of operations (Note 1)

Going concern (Note 2)

Commitments and contingencies (Notes 7 and 16)

Approved on Behalf of the Board:

s/ Joseph Del Campo  
Director

s/ Joseph Hamilton  
Director

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

UNIGOLD INC.

**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

(Unaudited-Expressed in Canadian Dollars)

	Share capital		Warrants	Other reserves		Accumulated Deficit	Equity attributable to shareholders
	Number of shares	Amount		Share-based payment	Total other reserves		
<b>Balance, January 1, 2015</b>	<b>24,371,309</b>	<b>\$ 54,094,860</b>	<b>\$ 1,389,382</b>	<b>\$ 2,446,170</b>	<b>\$ 3,835,552</b>	<b>\$ (19,670,493)</b>	<b>\$ 38,259,919</b>
Transfer to deficit on expiry	–	–	–	(881,123)	(881,123)	881,123	–
Net loss for the period	–	–	–	–	–	(216,715)	(216,715)
<b>Balance March 31, 2015</b>	<b>24,371,309</b>	<b>\$ 54,094,860</b>	<b>\$ 1,389,382</b>	<b>\$ 1,565,047</b>	<b>\$ 2,954,429</b>	<b>\$ (19,006,085)</b>	<b>\$ 38,043,204</b>
Transfer to deficit on expiry	–	–	–	(5,665)	(5,665)	5,665	–
Private placement	5,100,000	1,020,000	–	–	–	–	1,020,000
Net loss for the period	–	–	–	–	–	(139,736)	(139,736)
<b>Balance June 30, 2015</b>	<b>29,471,309</b>	<b>\$ 55,114,860</b>	<b>\$ 1,389,382</b>	<b>\$ 1,559,382</b>	<b>\$ 2,948,764</b>	<b>\$ (19,140,156)</b>	<b>\$ 38,923,468</b>

  

	Share capital		Warrants	Other reserves		Accumulated Deficit	Equity attributable to shareholders
	Number of shares	Amount		Share-based payment	Total other reserves		
<b>Balance, January 1, 2014</b>	<b>24,371,309</b>	<b>\$ 54,094,860</b>	<b>\$ 3,374,178</b>	<b>\$ 2,547,313</b>	<b>\$ 5,921,491</b>	<b>\$ (19,693,670)</b>	<b>\$ 40,322,681</b>
Share-based payment	–	–	–	21,797	21,797	–	21,797
Transfer to deficit on expiry	–	–	(1,820,577)	(60,474)	(1,881,051)	1,881,051	–
Net loss for the period	–	–	–	–	–	(391,671)	(391,671)
<b>Balance March 31, 2014</b>	<b>24,371,309</b>	<b>\$ 54,094,860</b>	<b>\$ 1,553,601</b>	<b>\$ 2,508,636</b>	<b>\$ 4,062,237</b>	<b>\$ (18,204,290)</b>	<b>\$ 39,952,807</b>
Share-based payment	–	–	–	269	269	–	269
Transfer to deficit on expiry	–	–	–	(3,145)	(3,145)	3,145	–
Net loss for the period	–	–	–	–	–	(739,071)	(739,071)
<b>Balance June 30, 2014</b>	<b>24,371,309</b>	<b>\$ 54,094,860</b>	<b>\$ 1,553,601</b>	<b>\$ 2,505,760</b>	<b>\$ 4,059,361</b>	<b>\$ (18,940,216)</b>	<b>\$ 39,214,905</b>

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

UNIGOLD INC.

**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS**

(Unaudited-Expressed in Canadian Dollars)

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
<b>Operating expenses</b>				
Compensation ( <i>Note 11</i> )	\$ 69,122	\$ 159,647	\$ 166,005	\$ 334,659
Professional and consulting fees	22,012	53,147	85,239	136,767
Travel and business development	2,162	54,447	14,805	143,253
Listing and shareholder information	12,358	22,328	37,368	38,847
General and administrative expenses	27,247	31,303	56,744	77,014
Amortization	865	1,201	1,745	2,402
Gain on sale of property, plant and equipment ( <i>Note 6</i> )	(277)	–	(277)	–
Impairment of exploration properties ( <i>Note 7</i> )	–	445,283	–	445,283
Foreign exchange loss (gain)	6,295	(15,830)	(3,225)	(19,440)
<b>Net loss for the period before the undernoted</b>	<b>(139,784)</b>	<b>(751,526)</b>	<b>(358,404)</b>	<b>(1,158,786)</b>
Investment income	48	12,455	1,953	28,044
<b>Total loss and comprehensive loss for the period</b>	<b>\$ (139,736)</b>	<b>\$ (739,071)</b>	<b>\$ (356,451)</b>	<b>\$ (1,130,742)</b>
<b>Net loss per share - basic &amp; diluted (<i>Note 10</i>)</b>	<b>\$ (0.01)</b>	<b>\$ (0.03)</b>	<b>\$ (0.01)</b>	<b>\$ (0.05)</b>

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

UNIGOLD INC.

**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**

(Unaudited-Expressed in Canadian Dollars)

For the six month period ended June 30,	2015	2014
<b>Cash flows from operating activities</b>		
Net loss for the period	\$ (356,451)	\$ (1,130,742)
Adjustments to add/(deduct) non-cash items		
Share-based payment	–	883
Amortization	1,745	2,402
Impairment of exploration properties	–	445,283
Loss on sale of property, plant and equipment	(277)	–
Deduct investment income	(1,953)	(28,044)
	<b>(356,936)</b>	<b>(710,218)</b>
Working capital adjustments		
Other receivables	6,254	97
Other financial assets and prepaids	22,076	50,733
Accounts payable and accrued liabilities	31,954	(294,596)
Net cash flows from operating activities	<b>(296,652)</b>	<b>(953,984)</b>
<b>Cash flows from investing activities</b>		
Disposal of property, plant and equipment	71,579	–
Acquisition of exploration and evaluation assets	(274,671)	(1,026,270)
Investment income	1,953	28,044
Net cash flows from investing activities	<b>(200,568)</b>	<b>(998,226)</b>
<b>Cash flows from financing activities</b>		
Private placement	1,020,000	–
Net cash flows from financing activities	<b>1,020,000</b>	<b>–</b>
<b>Net increase (decrease) in cash</b>	<b>522,780</b>	<b>(1,952,210)</b>
Cash, beginning of period	638,850	5,015,425
<b>Cash, end of period</b>	<b>\$ 1,161,630</b>	<b>\$ 3,063,215</b>

Supplemental information pertaining to cash flows (Note 13)

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

## **NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

*For the periods ended June 30, 2015 and 2014*

Unaudited-Expressed in Canadian dollars unless otherwise stated.

### **1. Nature of Operations and Basis of Presentation**

#### ***Nature of operations***

Unigold Inc. (“Unigold” or the “Company”) was incorporated pursuant to the Business Corporations Act (Ontario) on May 9, 1990. The Company’s executive office is located at 44 Victoria Street, Suite 504, Toronto, Ontario M5C 1Y2.

Unigold is in the process of exploring its property in the Dominican Republic.

#### ***Basis of presentation***

These condensed consolidated interim financial statements include the accounts of the Company, and its wholly owned subsidiary, Unigold Resources Inc., which is incorporated in Canada under the Canada Business Corporations Act, and its 96.7% owned subsidiary, Unigold Dominicana, S.R.L., which is incorporated in the Dominican Republic. All material intercompany balances and transactions have been eliminated.

### **2. Going Concern**

These condensed consolidated interim financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Because of continuing operating losses, the Company's continuance as a going concern is dependent upon its ability to obtain adequate financing or to reach profitable levels of operation. Management feels that there is a material uncertainty, which causes significant doubt about the Company’s ability to continue as a going concern. To address its financing requirements, the Company will seek financing through measures that may include joint venture agreements, debt and equity financings, asset sales, and rights offerings to existing shareholders.

It is not possible to predict whether financing efforts will be successful or if Unigold will attain profitable levels of operation. These condensed consolidated interim financial statements do not include any adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classification that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying condensed consolidated interim financial statements. These adjustments could be material.

### **3. Measurement Uncertainty**

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and exploration and evaluation assets, and the Company’s continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company’s ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values. All of the Company’s exploration properties are located outside of Canada and are subject to the risk of foreign investment, including increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and political uncertainty.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current state of exploration of such properties, these procedures do not guarantee the Company’s title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory and environmental requirements.

## **NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

*For the periods ended June 30, 2015 and 2014*

Unaudited-Expressed in Canadian dollars unless otherwise stated.

### **4. Summary of Significant Accounting Policies**

#### **(a) Statement of compliance**

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard (“IAS”) 34 *Interim Financial Reporting* using the accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board. These condensed consolidated interim financial statements have been prepared on the basis of and using accounting policies, methods of computation and presentation consistent with those applied in Unigold’s 2014 Consolidated Annual Financial Statements. The accounting policies applied in these condensed consolidated interim financial statements are based on IFRS issued and outstanding as of August 19, 2015, the date the Audit Committee approved these statements. Any subsequent changes to IFRS that are given effect in the Company’s annual consolidated financial statements for the year ending December 31, 2014 could result in restatement of these condensed consolidated interim financial statements, including the transition adjustments recognized on change-over to IFRS.

The preparation of financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company’s accounting policies. See *Note 5*.

#### **(b) Basis of preparation**

The condensed consolidated interim financial statements are presented in Canadian dollars. The financial statements are prepared on the historical cost basis. In addition, these financial statements are prepared using the accrual basis of accounting except for cash flow information.

#### **(c) Accounting standards and interpretations issued but not yet adopted**

Certain pronouncements were issued by the International Accounting Standards Board (“IASB”) or the IFRIC that are mandatory for accounting periods on or after January 1, 2015 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 9 – Financial Instruments (“IFRS 9”) was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity’s own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

IFRS 10 – Consolidated Financial Statements (“IFRS 10”) and IAS 28 – Investments in Associates and Joint Ventures (“IAS 28”) were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption permitted.

## **NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

*For the periods ended June 30, 2015 and 2014*

Unaudited-Expressed in Canadian dollars unless otherwise stated.

IFRS 13 – Fair Value Measurement (“IFRS 13”) was amended to clarify that the exception which allows fair value measurements of a group of financial assets and liabilities on a net basis applies to all contracts within the scope of IAS 39 or IFRS 9, regardless of whether they meet the definitions of financial assets or liabilities as defined in IAS 32. The amendment is effective for annual periods beginning on or after July 1, 2014.

IAS 1 – Presentation of Financial Statements (“IAS 1”) was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption permitted.

IAS 24 – Related Party Disclosures (“IAS 24”) was amended to clarify that an entity providing key management services to the reporting entity or the parent of the reporting entity is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. The amendments to IAS 24 are effective for annual periods beginning on or after July 1, 2014.

These standards are being evaluated to determine their impact on the consolidated financial statements of the Company. IFRS 9 is effective for the Company’s fiscal year starting January 1, 2018.

### **(d) Accounting policies**

The accounting policies applied by the Company in these condensed consolidated interim financial statements are the same as those applied to the Company’s annual consolidated financial statements for the year ended December 31, 2014 and the corresponding interim reporting period. *Note 4* to those annual statements describes the significant accounting policies used by the Company. These interim financial statements do not include all the notes of the type normally included in an annual financial report and therefore should be read in conjunction with the Company’s annual financial statements for the year ended December 31, 2014, as they provide an update of previously reported information.

## **5. Significant Accounting Judgments and Estimates**

The preparation of these condensed consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

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

- i. the recoverability of exploration properties and exploration and evaluation assets which are included in the condensed consolidated interim statement of financial position;
- ii. the inputs used in accounting for valuation of warrants and options which are included in the condensed consolidated interim statement of financial position;
- iii. the inputs used in accounting for share-based compensation expense in the condensed consolidated interim statement of comprehensive loss;

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the periods ended June 30, 2015 and 2014

Unaudited-Expressed in Canadian dollars unless otherwise stated.

- iv. the nil provision for asset retirement obligations which is included in the condensed consolidated interim statement of financial position;
- v. the estimated useful life of property, plant and equipment; and
- vi. the existence and estimated amount of contingencies (*Note 16*).

**6. Property, Plant and Equipment**

Vehicles, field equipment and camp and buildings relate to the Company's exploration activities. During the six month period ended June 30, 2015 \$95,083 (2014 – \$121,812) of amortization was capitalized to exploration and evaluation assets.

Cost	Land	Office furniture and equipment	Computer equipment	Vehicles	Field equipment	Camp and buildings	Total
Balance December 31, 2013	\$ 13,771	\$ 15,626	\$ 138,173	\$ 153,400	\$ 1,396,041	\$ 311,891	\$ 2,028,902
Additions	–	–	–	5,163	–	26,348	31,511
Disposals/transfer	–	–	–	–	–	–	–
Balance December 31, 2014	\$ 13,771	\$ 15,626	\$ 138,173	\$ 158,563	\$ 1,396,041	\$ 338,239	\$ 2,060,413
Disposals	–	(753)	–	(81,247)	–	(13,514)	(95,514)
Balance June 30, 2015	\$ 13,771	\$ 14,873	\$ 138,173	\$ 77,316	\$ 1,396,041	\$ 324,725	\$ 1,964,899

Amortization and impairment	Land	Office furniture and equipment	Computer equipment	Vehicles	Field equipment	Camp and buildings	Total
Balance December 31, 2013	\$ –	\$ 7,625	\$ 49,468	\$ 57,319	\$ 646,521	\$ 104,453	\$ 865,386
Amortization	–	1,600	26,612	29,211	149,904	42,620	249,947
Disposals	–	–	–	–	–	–	–
Balance December 31, 2014	\$ –	\$ 9,225	\$ 76,080	\$ 86,530	\$ 796,425	\$ 147,073	\$ 1,115,333
Amortization	–	625	9,314	8,220	59,962	18,707	96,828
Disposals	–	(460)	–	(46,793)	–	(5,297)	(52,550)
Balance June 30, 2015	\$ –	\$ 9,390	\$ 85,394	\$ 47,957	\$ 856,387	\$ 160,483	\$ 1,159,611

Carrying amounts	Land	Office furniture and equipment	Computer equipment	Vehicles	Field equipment	Camp and buildings	Total
At December 31, 2014	\$ 13,771	\$ 6,401	\$ 62,093	\$ 72,033	\$ 599,616	\$ 191,166	\$ 945,080
At June 30, 2015	13,771	5,483	55,779	29,359	539,654	164,242	805,288

**7. Exploration Properties and Exploration and Evaluation Assets**

Exploration properties and deferred exploration and evaluation costs consist of the following:

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS***For the periods ended June 30, 2015 and 2014*

Unaudited-Expressed in Canadian dollars unless otherwise stated.

	Balance December 31, 2013	2014 Additions/ (Provisions)	Balance December 31, 2014	2015 Addition	2015 Disposal	Balance June 30, 2015
<b>Exploration property interests</b>						
Neita,	\$ 283,747	\$ –	\$ 283,747	\$ –	\$ –	\$ 283,747
Los Guandules,	340,827	(340,827)	–	–	–	–
El Carrizal,	104,456	(104,456)	–	–	–	–
	729,030	\$ (445,283)	\$ 283,747	\$ –	\$ –	\$ 283,747
<b>Exploration and evaluation assets</b>						
Neita,	\$ 33,737,087	\$ 2,652,591	\$ 36,389,678	\$ 369,754	\$ (28,908)	\$ 36,730,524

**Neita**

The Company owns 100% of the exploration rights for gold, silver, copper, zinc and all associated minerals on the Neita Property in the north western Dominican Republic, as well as a sole and exclusive option for the commercial mining of the mineral deposits. In March 2012, Unigold's license was renewed until March 2015 with option for two 1-year renewals. In March 2015 the first 1-year renewal was granted. During the period ended June 30, 2015, \$95,083 (2014 – \$121,811) of amortization was capitalized to exploration and evaluation assets and \$nil (2014 – \$21,183) of non-cash share-based expense was capitalized to exploration and evaluation assets.

**Los Guandules**

On February 16, 2004, the Company entered into an agreement relating to the acquisition by the Company of the Los Guandules concession in the Dominican Republic. Since Unigold had no further interest in the prospect, in 2014 a provision of \$340,827 was made against the carrying value of the asset.

In the first quarter of 2013, Unigold entered into an agreement with Malbex Resources Inc. ("Malbex") whereby Unigold has provided its consent to the acquisition of Americana by Malbex and the termination of the Unigold's option agreement with Americana. The acquisition was conditional on the issuance to Americana of the concession agreement in respect of the property. In March 2015 the Dominican Government denied the application and the agreement expired March 31, 2015.

**El Carrizal**

On May 30, 2011, the Company entered into an agreement relating to the acquisition by the Company of an option to acquire the El Carrizal Concession. Since Unigold had no further interest in the prospect, in 2014 a provision of \$104,456 was made against the carrying value of the asset.

In the first quarter of 2013, Unigold entered into an agreement with Terreno Resources Corp. ("Terreno") to sell its option to acquire 100% of the El Carrizal concession. The agreement was extended numerous times. Terreno has determined that it has no further interest in the property and the agreement expired on July 31, 2015.

**8. Equity Attributable to Equity Holders of the Company****(a) Common shares***Authorized, issued and outstanding shares*

Common shares, no par value, authorized unlimited number of shares, issued and outstanding were 29,471,309 shares as at June 30, 2015 (December 31, 2014 – 24,371,309).

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS***For the periods ended June 30, 2015 and 2014*

Unaudited-Expressed in Canadian dollars unless otherwise stated.

	Number of shares	\$
Balance December 31, 2013	24,371,309	54,094,860
Balance March 31, 2014	24,371,309	54,094,860
Balance June 30, 2014	24,371,309	54,094,860
Balance September 30, 2014	24,371,309	54,094,860
Balance December 31, 2014	24,371,309	54,094,860
Balance March 31, 2015	24,371,309	54,094,860
Private placement	5,100,000	1,020,000
Balance June 30, 2015	29,471,309	55,114,860

On June 25, 2015, Unigold issued 5,100,000 post-consolidation common shares at a price of \$0.20 per share for aggregate gross proceeds of \$1,020,000. The private placement was conducted after giving effect to a consolidation of the common shares of the Company on the basis of one (1) new common share for every ten (10) common shares issued and outstanding (the "Consolidation"). The Consolidation was approved by shareholders of Unigold at the annual and special meeting of shareholders held on March 31, 2015 and became effective as of June 24, 2015. All references to common shares outstanding, per share amounts, warrants and options have been retroactively restated to reflect the Consolidation.

**(b) Reserve for warrants**

A summary of share purchase warrants outstanding and changes during the periods indicated is presented below:

	Number of Warrants	Weighted average exercise price \$	Weighted average grant date fair value
Balance December 31, 2013	4,601,905	4.10	\$ 3,374,178
Expired-transferred to deficit	(1,992,205)	4.80	(1,820,577)
Balance March 31, 2014	2,609,700	3.59	1,553,601
Balance June 30, 2014	2,609,700	3.59	1,553,601
Expired-transferred to deficit	(67,200)	4.50	(164,219)
Balance September 30, 2014	2,542,500	3.56	1,389,382
Balance December 31, 2014	2,542,500	3.56	1,389,382
Balance March 31, 2015	2,542,500	3.56	1,389,382
<b>Balance June 30, 2015</b>	<b>2,542,500</b>	<b>3.56</b>	<b>\$ 1,389,382</b>

As a result of the 1,376,500 unit private placement in November 2011, the Company issued 1,240,000-Warrants to purchase common shares of the Company at a price of \$1.00 per share, and 136,500 Broker Warrants to purchase common shares of the Company at a price of \$1.00, until November 17, 2013. The outstanding Broker Warrants expired unexercised and the expiry date of the Warrants was extended to November 17, 2015.

As a result of the 3,505,330 unit private placement in March 2012, the Company issued 1,752,665 2012-Warrants to purchase common shares of the Company at a price of \$5.00 per share, and 239,540 Broker Warrants to purchase common shares of the Company at a price of \$3.00, until March 8, 2014. The outstanding warrants expired unexercised March 8, 2014. As a result of the 1,120,000 share private placement in September 2012, the Company issued 67,200 Broker Warrants-II to purchase common shares of the Company at a price of \$4.50 per share until September 13, 2014. The Broker Warrants expired unexercised September 13, 2014.

As a result of the \$5,000,000 IFC financing in June 2013, the Company issued 1,500,000 IFC Warrants to purchase common shares of the Company at a price of \$5.00 per share until June 10, 2017. An "accelerator clause" applies to 50% of the warrants. If the Company has filed a NI 43-101 compliant mineral resource estimate outlining 3,000,000 ounces of gold and the stock price trades above \$10.00 for thirty days, then Unigold may call for exercise of the warrants which, if not exercised, will expire in 60 days.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS***For the periods ended June 30, 2015 and 2014*

Unaudited-Expressed in Canadian dollars unless otherwise stated.

At June 30, 2015 and December 31, 2014 the Company had warrants issued as follows:

<b>Exercise Price</b>	<b>Number of Warrants Outstanding</b>	<b>Weighted Average Remaining Contractual Life - Years</b>	<b>Number of Warrants Exercisable</b>	<b>Expiry Date</b>
\$1.50	1,042,500	0.4	1,042,500	Nov.17, 2015
\$5.00	1,500,000	1.9	1,500,000	June 10, 2017
<b>\$3.56</b>	<b>2,542,500</b>	<b>1.3</b>	<b>2,542,500</b>	

**(c) Reserve for share-based payment**

A summary of share-based payment reserve activity during the periods indicated is presented below:

	<b>\$</b>
Balance December 31, 2013	2,547,313
Issued – employee stock options	21,797
Expired/forfeited – transferred to deficit	(60,474)
Balance March 31, 2014	2,508,636
Issued – employee stock options	269
Expired/forfeited – transferred to deficit	(3,145)
Balance June 30, 2014	2,505,760
Issued – employee stock options	5
Expired/forfeited – transferred to deficit	(30,342)
Balance September 30, 2014	2,475,423
Expired/forfeited – transferred to deficit	(29,253)
Balance December 31, 2014	2,446,170
Expired/forfeited – transferred to deficit	(881,123)
Balance March 31, 2015	1,565,047
Expired/forfeited – transferred to deficit	(5,665)
Balance June 30, 2015	<b>1,559,382</b>

**9. Share-Based Payment – Employee Stock Option Plan**

The Company has a stock option plan (the “Plan”), the purpose of which is to attract, retain and motivate management, staff and consultants by providing them with the opportunity, through share options, to acquire a proprietary interest in the Company and benefit from its growth. The maximum number of options to be issued under the Plan shall not exceed 10% of the total number of common shares issued and outstanding. The options are non-transferable and may be granted for a term not exceeding five years. The exercise price of the options shall be determined by the board of directors on the basis of the market price of the common shares, subject to all applicable regulatory requirements.

A summary of the Plan activity during the periods indicated is presented below:

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS***For the periods ended June 30, 2015 and 2014*

Unaudited-Expressed in Canadian dollars unless otherwise stated.

	Number	Weighted average exercise price \$
Balance December 31, 2013	1,827,500	1.95
Expired/forfeited	(35,000)	2.30
Balance March 31, 2014	1,792,500	1.95
Expired/forfeited	(7,500)	1.00
Balance June 30, 2014	1,785,000	1.95
Expired/forfeited	(37,500)	1.50
Balance September 30, 2014	1,747,500	1.96
Expired/forfeited	(20,000)	2.20
Granted	25,000	1.00
Balance December 31, 2014	1,752,500	1.94
Expired/forfeited	(535,000)	2.00
Balance March 31, 2015	1,217,500	1.83
Expired/forfeited	(25,000)	1.00
Balance June 30, 2015	1,192,500	1.85

As at June 30, 2015 the Company had stock options issued to directors, officers, employees and consultants of the Company as follows:

Exercise Price	Number of Options Outstanding	Weighted Average Remaining Contractual Life - Years	Number of Options Exercisable	Expiry Date
\$2.40	50,000	0.3	50,000	Oct.14, 2015
\$1.80	160,000	0.4	160,000	Dec.1, 2015
\$1.10	270,000	1.4	270,000	Nov.17, 2016
\$3.20	7,500	1.6	7,500	Jan.19, 2017
\$3.30	277,500	2.0	277,500	Jun.26, 2017
\$2.80	75,000	2.7	75,000	Mar.27,2018
\$1.00	352,500	3.0	352,500	July 3, 2018
<b>\$1.85</b>	<b>1,192,500</b>	<b>1.9</b>	<b>1,192,500</b>	

As at June 30, 2015, there are 1,754,631 options available for grant (June 30, 2014 – 644,632). During the quarter ended June 30, 2015, share-based payment expense of \$nil was recorded (June 30, 2014 – \$269). In addition, \$nil (2014 – \$73,194) was capitalized to exploration and evaluation assets. The weighted average exercise price of stock options exercisable as at June 30, 2015 is \$1.85 (June 30, 2014 – \$2.40).

**10. Net Loss per Share**

For the three and six months ended June 30, 2015 and 2014, the outstanding stock options and warrants were not included in the computation of the diluted net loss per share because the effect was anti-dilutive.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS***For the periods ended June 30, 2015 and 2014*

Unaudited-Expressed in Canadian dollars unless otherwise stated.

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Loss attributable to shareholders	\$ (139,736)	\$ (739,071)	\$ (356,451)	\$ (1,130,742)
Weighted average number of shares	24,651,529	24,371,309	24,512,193	24,371,309
Basic loss per share	\$ (0.01)	\$ (0.03)	\$ (0.01)	\$ (0.05)
Incremental shares on assumed exercise of options and warrants	–	–	–	–
Weighted average number of shares	24,651,529	24,371,309	24,512,193	24,371,309
Diluted loss per share	\$ (0.01)	\$ (0.03)	\$ (0.01)	\$ (0.05)

**11. Compensation**

The compensation expense of the Company was as follows:

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Salaries and non-wage costs	\$ 44,122	\$ 124,378	\$ 116,005	\$ 263,776
Directors' fees	25,000	35,000	50,000	70,000
Share-based payment	–	269	–	883
	\$ 69,122	\$ 159,647	\$ 166,005	\$ 334,659

**12. Related Party Transactions**

The Company's related parties as defined by IAS 24, *Related Party Disclosures*, include the Company's subsidiaries (*Note 1*), the Board of Directors, close family members and enterprises which are controlled by these individuals and key management as well as certain persons performing similar functions.

The remuneration of directors and key management of the Company was as follows.

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Aggregate compensation	\$ 66,625	\$ 176,210	\$ 171,074	\$ 215,500
Share-based compensation	–	–	–	21,183
	\$ 66,625	\$ 176,210	\$ 171,074	\$ 236,683

Included in the accounts for the periods ended June 30, 2015 and 2014 are payments made to officers, directors and corporations under the control or significant influence of officers and directors of the Company as follows:

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the periods ended June 30, 2015 and 2014

Unaudited-Expressed in Canadian dollars unless otherwise stated.

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Management services fees paid to corporations controlled by or under significant influence of an officer of the Company: Wes Hanson	\$ –	\$ 37,000	\$ 8,000	\$ 77,500
Professional fees paid to an officer: Joseph Del Campo	24,375	–	43,125	–
Professional fees paid to an officer: John Green	17,250	–	59,575	–
Professional fees paid to a former officer: Andrew Cheatle	–	–	10,374	–
Professional fees and expenses paid to a law firm where a director of the Company, René Branchaud, is also a partner	–	732	–	732
	<b>\$ 41,625</b>	<b>\$ 37,732</b>	<b>\$ 121,074</b>	<b>\$ 78,232</b>

These transactions were in the normal course of operations. See also *Note 7* for property dispositions.

**13. Supplemental Information Pertaining to Cash Flows**

	Six months ended June 30,	
	2015	2014
Income taxes paid	\$ –	\$ –
Change in accrued exploration and evaluation assets	(14,094)	(214,102)
Amortization included in exploration and evaluation assets ( <i>Note 6,7</i> )	95,083	121,811
Share-based payments charged to exploration and evaluation assets ( <i>Note 7</i> )	–	21,183

**14. Financial Risk Management**

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from the previous period.

**(a) Credit risk**

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and other receivables.

Cash is held with a reputable Canadian financial institution, from which management believes the risk of loss to be minimal.

Financial instruments included in other receivables consist of sales tax due from the Federal Government of Canada. Other receivables are in good standing as of June 30, 2015. Management believes that the credit risk concentration with respect to financial instruments included in other receivables is minimal.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

*For the periods ended June 30, 2015 and 2014*

Unaudited-Expressed in Canadian dollars unless otherwise stated.

**(b) Liquidity risk**

The Company has in place a planning and budgeting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its capital, administrative, and exploration and evaluation expenditures. The Company ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

As at June 30, 2015, the Company has working capital of \$1,106,740 (December 31, 2014 – \$644,245). The Company's ability to meet its financial obligations is dependent upon securing financing.

As of June 30, 2015, the Company has a cash balance of \$1,161,630 (December 31, 2014 – \$638,850) to settle current accounts payable and accrued liabilities of \$81,186 (December 31, 2014 – \$49,230). The Company's other current assets consist of other receivables of \$11,048 (December 31, 2014 – \$17,302) and other financial assets and prepaids of \$15,248 (December 31, 2014 – \$37,323).

See also *Note 2 – Going Concern*.

**(c) Market risk**

At the present time, the Company does not hold any interest in a mining property that is in production. The Company's viability and potential success depends on its ability to develop, exploit, and generate revenue from the development of mineral deposits. Revenue, cash flow, and profits from any future mining operations in which the Company is involved will be influenced by precious and/or base metal prices and by the relationship of such prices to production costs. Such prices can fluctuate widely and are affected by numerous factors beyond the Company's control.

**(d) Foreign exchange risk**

The Company's financings are in Canadian dollars. Certain of the Company's transactions with its subsidiary, Unigold Dominicana, S.R.L. are incurred in foreign currencies and are therefore subject to gains or losses due to fluctuations in exchange rates. The Company is therefore subject to foreign exchange risk. As at June 30, 2015, the Company had cash balances of \$28,245 (December 31, 2014 – \$44,877) in United States dollars. U.S. \$ accounts payable as at June 30, 2015 were U.S. \$nil (December 31, 2014 – U.S. \$nil).

Sensitivity to a plus or minus 5% change in the foreign exchange rate would not have resulted in a significant fluctuation in the loss for the period ended June 30, 2015. The Company does not undertake currency hedging activities to mitigate its foreign currency risk.

**(e) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's current policy is to earn interest on bank balances which approximate rates available from investment-grade short-term deposit certificates issued by its financial institutions. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its financial institutions. As of June 30, 2015, interest rate risk is minimal since the Company has no interest-bearing debt instruments.

A sensitivity analysis has determined that an interest rate fluctuation of 5% in interest rates would not have resulted in significant fluctuation in the interest income during the period ended June 30, 2015.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS***For the periods ended June 30, 2015 and 2014*

Unaudited-Expressed in Canadian dollars unless otherwise stated.

**(f) Fair value of financial assets and liabilities**

Fair value estimates are made at the statement of financial position date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The book values of cash, other receivables, other financial assets, and accounts payable and accrued liabilities, approximate their respective fair values due to the short-term nature of these instruments.

The following is a summary of the Company's financial instruments:

	As at <b>June 30, 2015</b>		December 31, 2014	
	<b>Carrying Amount</b>	<b>Fair Value</b>	Carrying Amount	Fair Value
Cash	<b>\$ 1,161,630</b>	<b>\$ 1,161,630</b>	\$ 638,850	\$ 638,850
Other receivables	<b>11,048</b>	<b>11,048</b>	17,302	17,302
Accounts payable and accrued liabilities	<b>81,186</b>	<b>81,186</b>	49,230	49,230

**15. Capital Risk Management**

The Company considers its capital structure to consist of equity attributable to shareholders of the Company which at June 30, 2015 was \$38,923,468 (December 31, 2014 – \$38,259,919). The Company manages its capital structure and makes adjustments to it, in order to have the funds available to support its exploration and operations activities.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its exploration properties and maximize shareholder returns. The Company satisfies its capital requirements through careful management of its cash resources and by utilizing its existing credit facility or equity issues, as necessary, based on the prevalent economic conditions of both the industry and the capital markets and the underlying risk characteristics of the related assets. Management reviews its capital management approach on an ongoing basis. The Company and its subsidiaries are not subject to externally imposed capital requirements.

**16. Commitments and Contingencies****(a) Legal proceedings**

The Company and its entities are party to certain legal proceedings arising in the ordinary course of business. In the opinion of management, there are no current legal proceedings or other claims outstanding, which, on final disposition, could have a material adverse effect on the financial position of the Company.

**(b) Environmental matters**

The Company has operated in the mineral exploration industry in the Dominican Republic for many years. The enforcement of environmental regulation in the Dominican Republic is evolving and the enforcement posture of government authorities is continually being reconsidered. The Company periodically evaluates its obligations under environmental regulations.

The Company's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the periods ended June 30, 2015 and 2014

Unaudited-Expressed in Canadian dollars unless otherwise stated.

environment and believes its operations 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.

**(c) Guarantees**

The Company has no guarantees outstanding.

**(d) Contingencies**

The Company is a party to certain employment contracts. These contracts contain clauses requiring that \$nil be paid on termination resulting from a change of control of the Company, \$32,566 be paid on termination for other than cause. As the likelihood of these events taking place is not determinable, the contingent payments have not been reflected in these consolidated financial statements.

**(e) Operating contractual obligations**

Minimum contractual payments over the next five years are estimated as follows:

Year	Total	2015	2016	2017	2018	2019
Office lease	\$ 24,000	\$ 24,000	\$ –	\$ –	\$ –	\$ –
Services	142,000	124,000	17,000	1,000	–	–
	\$ 166,000	\$ 148,000	\$ 17,000	\$ 1,000	\$ –	\$ –

The Company has entered into leases for office premises. The leases have an average life of six months (December 31, 2014 – one year) with renewal terms at the option of the lessee at lease payments based on market prices at the time of renewal. There are no restrictions placed upon the lessee by entering into these leases. Payments recognized as an expense were as follows:

Period ended June 30,	2015	2014
Lease payments	\$ 27,930	\$ 24,930

Non-cancellable operating lease commitments:

As at	June 30, 2015	December 31, 2014
Within one year	\$ 24,000	\$ 56,000
After one year but not more than five years	–	–
More than five years	–	–

**(f) 2013 Private Placement**

In connection with the 2013 private placement, an investment agreement was signed which gives the International Finance Corporation (“IFC”) the following rights:

(i) Participation Right: As long as IFC holds Unigold shares equal to at least 2% of the issued and outstanding Unigold shares on a non-diluted basis, IFC will have the right to participate in future equity financings by Unigold on a pro rata basis to its non-diluted shareholding at the applicable time.

**(g) 2015 Private Placement**

In connection with the 2015 private placement, an investment agreement was signed which gives Osisko Gold Royalties Ltd. (“Osisko”) the following rights:

(i) Participation Right: As long as Osisko holds Unigold shares equal to at least 10% of the issued and outstanding Unigold shares on a non-diluted basis, Osisko will have the right to participate in future equity financings by Unigold on a pro rata basis to its non-diluted shareholding at the applicable time.

(ii) Nomination Right: As long as Osisko holds Unigold shares equal to at least 10% of the issued and outstanding Unigold Shares on a non-diluted basis, Osisko will be entitled to nominate the greater of: (a) two (2) nominees, and (b) the number of nominees obtained by multiplying Osisko’s percentage ownership of Unigold Shares (on a non-

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS***For the periods ended June 30, 2015 and 2014*

Unaudited-Expressed in Canadian dollars unless otherwise stated.

diluted basis) by the number of directors Unigold's management slate of nominees proposed to the Board (fractional numbers being rounded down to the nearest whole number) at any meeting of shareholders of Unigold.

(iii) Royalty Option: Osisko will be granted an option to purchase a 2% net smelter return ("NSR") royalty on Unigold's Neita property for a consideration of \$2,000,000, exercisable 90 days following the delivery of a feasibility study. Once exercised, Unigold will have the right to repurchase a 1% NSR (being 50% of the 2% NSR held by Osisko) for \$1,000,000 until 90 days following the achievement of commercial production.

(iv) Royalty/Stream Right: As long as Osisko holds Unigold Shares equal to at least 10% of the issued and outstanding Unigold Shares on a non-diluted basis, Osisko will have the right of first refusal over any royalty, stream, forward, off-take, gold loan or other agreement involving the sale of a similar interest in products from properties of Unigold that Unigold proposes to enter into from time to time. In the event that Osisko does not exercise its right of first refusal, Unigold may thereafter offer such right to a third party on terms no more favourable to such third party than those offered to Osisko.

**17. Segmented Information**

The Company's only activity is mineral exploration and evaluation. All of the Company's land, vehicles, field equipment, and camp and buildings (see *Note 6*) are physically located in the Dominican Republic. All of the Company's exploration and evaluation activities referred to in *Note 7* relate to properties in the Dominican Republic.

<b>As at and for the period ended June 30, 2015</b>			
	<b>Canada</b>	<b>Dominican Republic</b>	<b>Total</b>
Assets	\$ 1,146,464	\$ 37,861,021	\$ 39,007,485
Liabilities	80,045	1,141	81,186
Amortization expense	(1,745)	–	(1,745)
Investment income	1,941	12	1,953
Financing expense	–	–	–
Other expenses	(354,541)	(2,118)	(356,659)
<b>As at and for the period ended December 31, 2014</b>			
	<b>Canada</b>	<b>Dominican Republic</b>	<b>Total</b>
Assets	\$ 629,063	\$ 37,682,917	\$ 38,311,980
Liabilities	33,996	15,234	49,230
Amortization expense	(4,804)	–	(4,804)
Investment income	43,615	52	43,667
Financing expense	–	–	–
Other expenses	(2,117,933)	(10,107)	(2,128,040)

## **Corporate information**

### **Directors**

Jose Acero

*President of Metales Antillanos S.A.  
Santo Domingo, Dominican Republic*

René Branchaud, LLB <sup>(2)(3)</sup>

*Partner in Lavery, de Billy LLP  
Montreal, Quebec, Canada*

Daniel Danis, MSc, P.Geo. <sup>(2)(5)</sup>

*Businessman  
Laval, Quebec, Canada*

Joseph Del Campo, CPA, CMA <sup>(1)(3)(6)</sup>

*Businessman  
Woodbridge, Ontario, Canada*

Joseph Hamilton, P.Geo., CFA <sup>(1)(3)(4)(5)</sup>

*Managing Director of Primary Capital  
Orono, Ontario, Canada*

Charles Page, MSc, P.Geo. <sup>(1)(2)(5)</sup>

*Consulting Geologist  
Burlington, Ontario, Canada*

(1) Audit Committee

(2) Compensation Committee

(3) Corporate Governance  
and Nominating Committee

(4) Chairman

(5) Technical Committee

(6) Corporate Social Responsibility Committee

### **Officers**

Joseph Del Campo, CPA, CMA

*President and Chief Executive Officer*

John Green, MBA, CPA, CMA

*Chief Financial Officer and  
Corporate Secretary*

Wes Hanson, P.Geo. <sup>(6)</sup>

*Chief Operating Officer*

### **Stock Listing**

TSX Venture Exchange, Tier 2 Company,

Trading Symbol: UGD

CUSIP: 90476X509

### **Auditors**

McGovern, Hurley, Cunningham, LLP,

Toronto, Ontario

### **Legal Counsel**

Bennett Jones LLP,

Toronto, Ontario

Marat Legal, S.R.L.,

Santo Domingo, Dominican Republic

### **Registrar & Transfer Agent**

Computershare Trust Company of Canada,

Contact information:

Computershare Investor Services

100 University Ave., 8th Floor

Toronto, ON M5J 2Y1

1 800 564-6253

Web Contact Form:

[www.investorcentre.com/service](http://www.investorcentre.com/service)

### **Banker**

Bank of Montreal,

Toronto, Ontario

### **Executive Office**

44 Victoria Street

Suite 504

Toronto, Ontario

M5C 1Y2

Canada

Telephone: 416.866.8157

Facsimile: 416.866.8674

E-mail: [unigold@unigoldinc.com](mailto:unigold@unigoldinc.com)

### **Investor Relations**

Further information about the Company or copies of the Annual or Quarterly Reports and press releases are available from the Company's website at [www.unigoldinc.com](http://www.unigoldinc.com).

The Company's filings with Canadian securities regulatory authorities can be accessed on SEDAR at [www.sedar.com](http://www.sedar.com).