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**TEMBO GOLD CORP.**

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED  
SEPTEMBER 30, 2016

*(Unaudited - Expressed in Canadian Dollars)*

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**NOTICE OF NO AUDITOR REVIEW OF  
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed consolidated interim financial statements they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

**TEMBO GOLD CORP.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**  
*(Unaudited - Expressed in Canadian Dollars)*

	Note	September 30, 2016 \$	December 31, 2015 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash		12,424	824
GST/HST receivable		3,164	-
Prepaid expenses and deposits		<u>9,466</u>	<u>19,184</u>
<b>Total current assets</b>		<u>25,054</u>	<u>20,008</u>
<b>Non-current assets</b>			
Property, plant and equipment	3	280,406	315,094
Exploration and evaluation assets	4	<u>24,786,615</u>	<u>25,970,778</u>
<b>Total non-current assets</b>		<u>25,067,021</u>	<u>26,285,872</u>
<b>TOTAL ASSETS</b>		<u>25,092,075</u>	<u>26,305,880</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	7	926,570	675,352
Advances payable	5	<u>64,000</u>	<u>64,000</u>
<b>TOTAL LIABILITIES</b>		<u>990,570</u>	<u>739,352</u>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	6	37,452,906	37,086,656
Share-based payments reserve		13,993,948	13,993,948
Foreign currency translation reserve		5,525,882	6,898,579
Deficit		<u>(32,871,231)</u>	<u>(32,412,655)</u>
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<u>24,101,505</u>	<u>25,566,528</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<u>25,092,075</u>	<u>26,305,880</u>

**Nature of Operations and Going Concern** - See Note 1

**Commitments** - see Note 9

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on November 25, 2016 and are signed on its behalf by:

/s/ David Scott  
David Scott  
Director

/s/ Marc Cernovitch  
Marc Cernovitch  
Director

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

**TEMBO GOLD CORP.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
*(Unaudited - Expressed in Canadian Dollars)*

	Note	Three Months Ended September 30,		Nine Months Ended September 30,	
		2016 \$	2015 \$	2016 \$	2015 \$
<b>Expenses</b>					
Accounting and administration	7	5,949	15,163	31,151	47,141
Audit		18,425	2,485	29,072	11,750
Depreciation	3	6,045	11,550	18,382	33,344
Executive management compensation	7	76,666	21,013	232,512	185,249
Insurance		-	2,813	-	8,346
Interest expense on advances	5	806	-	2,839	-
Legal		2,308	-	9,477	3,363
Office		2,558	1,112	15,045	35,623
Professional fees		2,621	-	14,532	12,493
Regulatory		9,418	2,600	12,768	9,943
Rent		12,813	-	55,161	37,985
Salaries and benefits		14,885	23,570	44,049	68,094
Shareholder costs		-	1,143	285	1,707
Transfer agent		1,435	958	3,408	3,023
Travel		-	-	-	1,932
		<u>153,929</u>	<u>82,407</u>	<u>468,681</u>	<u>459,993</u>
<b>Loss before other items</b>		<u>(153,929)</u>	<u>(82,407)</u>	<u>(468,681)</u>	<u>(459,993)</u>
<b>Other items</b>					
Interest income		2	-	27	687
Foreign exchange		(2,605)	-	10,078	-
		<u>(2,603)</u>	<u>-</u>	<u>10,105</u>	<u>687</u>
<b>Net loss for the period</b>		<u>(156,532)</u>	<u>(82,407)</u>	<u>(458,576)</u>	<u>(459,306)</u>
<b>Other comprehensive income (loss)</b>					
Change in currency translation of foreign subsidiary		<u>202,480</u>	<u>1,618,888</u>	<u>(1,372,697)</u>	<u>3,195,850</u>
<b>Comprehensive income (loss) for the period</b>		<u>45,948</u>	<u>1,536,481</u>	<u>(1,831,273)</u>	<u>2,736,544</u>
<b>Basic and diluted loss per common share</b>		<u>\$(0.00)</u>	<u>\$(0.00)</u>	<u>\$(0.00)</u>	<u>\$(0.00)</u>
<b>Weighted average number of common shares outstanding</b>		<u>153,616,801</u>	<u>136,757,634</u>	<u>144,553,282</u>	<u>136,757,634</u>

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

**TEMBO GOLD CORP.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY**  
*(Unaudited - Expressed in Canadian Dollars)*

<b>Nine Months Ended September 30, 2016</b>						
<b>Share Capital</b>						
	<b>Number of Shares</b>	<b>Amount \$</b>	<b>Share-Based Payments Reserve \$</b>	<b>Foreign Currency Translation Reserve \$</b>	<b>Deficit \$</b>	<b>Total Equity \$</b>
<b>Balance at December 31, 2015</b>	136,757,634	37,086,656	13,993,948	6,898,579	(32,412,655)	25,566,528
Common shares issued for:						
cash - private placement	18,475,000	369,500	-	-	-	369,500
Share issue costs	-	(3,250)	-	-	-	(3,250)
Currency translation adjustment	-	-	-	(1,372,697)	-	(1,372,697)
Net loss for the period	-	-	-	-	(458,576)	(458,576)
<b>Balance at September 30, 2016</b>	<b>155,232,634</b>	<b>37,452,906</b>	<b>13,993,948</b>	<b>5,525,882</b>	<b>(32,871,231)</b>	<b>24,101,505</b>

<b>Nine Months Ended September 30, 2015</b>						
<b>Share Capital</b>						
	<b>Number of Shares</b>	<b>Amount \$</b>	<b>Share-Based Payments Reserve \$</b>	<b>Foreign Currency Translation Reserve \$</b>	<b>Deficit \$</b>	<b>Total Equity \$</b>
<b>Balance at December 31, 2014</b>	136,757,634	37,086,656	13,993,948	2,682,239	(31,722,293)	22,040,550
Currency translation adjustment	-	-	-	3,195,850	-	3,195,850
Net loss for the period	-	-	-	-	(459,306)	(459,306)
<b>Balance at September 30, 2015</b>	<b>136,757,634</b>	<b>37,086,656</b>	<b>13,993,948</b>	<b>5,878,089</b>	<b>(32,181,599)</b>	<b>24,777,094</b>

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

**TEMBO GOLD CORP.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**  
*(Unaudited - Expressed in Canadian Dollars)*

	Nine Months Ended September 30	
	2016 \$	2015 \$
<b>Operating activities</b>		
Net loss for the period	(458,576)	(459,306)
Adjustment for:		
Depreciation	18,382	33,344
Changes in non-cash working capital items:		
GST/HST receivables	(3,164)	7,737
Prepaid expenses and deposits	8,972	39,833
Accounts payable and accrued liabilities	272,838	383,945
<b>Net cash used in operating activities</b>	<u>(161,548)</u>	<u>5,553</u>
<b>Investing activity</b>		
Expenditures on exploration and evaluation assets	<u>(174,008)</u>	<u>(408,679)</u>
<b>Net cash used in investing activity</b>	<u>(174,008)</u>	<u>(408,679)</u>
<b>Financing activities</b>		
Issuance of common shares	369,500	-
Share issue costs	<u>(3,250)</u>	<u>-</u>
<b>Net cash provided by financing activities</b>	<u>366,250</u>	<u>-</u>
<b>Effect of exchange rate changes on cash</b>	<u>(19,094)</u>	<u>-</u>
<b>Net change in cash</b>	11,600	(403,126)
<b>Cash at beginning of period</b>	<u>824</u>	<u>412,926</u>
<b>Cash at end of period</b>	<u>12,424</u>	<u>9,800</u>

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

**TEMBO GOLD CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016**  
*(Unaudited - Expressed in Canadian Dollars)*

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**1. Nature of Operations and Going Concern**

Tembo Gold Corp. (the “Company”) is a public company incorporated on March 3, 1937 pursuant to the laws of the Province of Ontario, Canada. The Company is a publicly listed company with its common shares listed on the TSX Venture Exchange (“TSXV”) under the symbol “TEM”.

The Company is a junior mineral exploration company currently engaged in the acquisition and exploration of mineral properties located in Tanzania. On the basis of information to date, the Company has not yet determined whether these properties contain economically recoverable ore reserves. The underlying value of the exploration and evaluation assets is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production. Exploration and evaluation assets represent costs incurred to date, less amounts depreciated and/or written off, and do not necessarily represent present or future values.

The Company’s material mineral properties are located in Tanzania and consequently the Company is subject to certain risks, including currency fluctuations and possible political or economic instability which may result in the impairment or loss of mining title or other mineral rights, and mineral exploration and mining activities may be affected in varying degrees by political stability and governmental regulations relating to the mining industry.

These condensed consolidated interim financial statements have been prepared on a going concern basis. As at September 30, 2016 the Company has a working capital deficit of \$965,516 and an accumulated deficit of \$32,871,231. The Company has not yet produced any revenues from its mineral interests and further funds will be required to fund existing levels of overhead and planned exploration expenditures over the course of the next twelve months. The Company will need to raise additional capital from the sale of common shares or other equity or debt instruments. If the Company is unable to raise the necessary capital and generate sufficient cash flows to meet obligations as they come due, the Company may have to reduce or curtail its operations or obtain financing at unfavourable terms. The material uncertainty may cast significant doubt about the Company’s ability to continue as a going concern. Furthermore, failure to continue as a going concern would require the Company’s assets and liabilities be restated on a liquidation basis which would differ significantly from the going concern basis. These condensed consolidated interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

**2. Basis of Preparation**

***Statement of Compliance***

These condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”), and in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”). These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2015, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies followed in these condensed consolidated interim financial statements are consistent with those applied in the Company’s consolidated financial statements for the year ended December 31, 2015.

***Basis of Measurement***

The Company’s condensed consolidated interim financial statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value. The condensed consolidated interim financial statements are presented in Canadian dollars unless otherwise stated.

**TEMBO GOLD CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016**  
*(Unaudited - Expressed in Canadian Dollars)*

**2. Basis of Preparation (continued)**

***Basis of Consolidation***

In addition to the Company, these condensed consolidated interim financial statements include all subsidiaries. Subsidiaries are all corporations over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. Inter-company transactions and balances are eliminated upon consolidation. They are de-consolidated from the date that control by the Company ceases.

***Comparative Figures***

Certain of the prior period comparative figures have been reclassified to conform with the current period presentation.

**3. Property, Plant and Equipment**

	Office Furniture and Equipment \$	Exploration Equipment and Camp Facility \$	Computer Software \$	Vehicles \$	Total \$
<b>Cost:</b>					
Balance at December 31, 2014	120,520	361,863	53,856	20,264	556,503
Disposition	(11,665)	-	-	(16,204)	(27,869)
Foreign exchange movement	<u>21,008</u>	<u>138,028</u>	<u>20,731</u>	<u>784</u>	<u>180,551</u>
Balance at December 31, 2015	129,863	499,891	74,587	4,844	709,185
Foreign exchange movement	<u>(6,784)</u>	<u>(26,114)</u>	<u>(3,897)</u>	<u>(253)</u>	<u>(37,048)</u>
Balance at September 30, 2016	<u>123,079</u>	<u>473,777</u>	<u>70,690</u>	<u>4,591</u>	<u>672,137</u>
<b>Accumulated Depreciation:</b>					
Balance at December 31, 2014	(99,141)	(141,209)	(53,856)	(20,264)	(314,470)
Depreciation	(20,596)	(14,221)	-	-	(34,817)
Disposition	11,665	-	-	16,204	27,869
Foreign exchange movement	<u>(6,943)</u>	<u>(44,215)</u>	<u>(20,731)</u>	<u>(784)</u>	<u>(72,673)</u>
Balance at December 31, 2015	(115,015)	(199,645)	(74,587)	(4,844)	(394,091)
Depreciation	(3,323)	(15,059)	-	-	(18,382)
Foreign exchange movement	<u>6,037</u>	<u>10,555</u>	<u>3,897</u>	<u>253</u>	<u>20,742</u>
Balance at September 30, 2016	<u>(112,301)</u>	<u>(204,149)</u>	<u>(70,690)</u>	<u>(4,591)</u>	<u>(391,731)</u>
<b>Carrying Value:</b>					
December 31, 2015	<u>14,848</u>	<u>300,246</u>	<u>-</u>	<u>-</u>	<u>315,094</u>
September 30, 2016	<u>10,778</u>	<u>269,628</u>	<u>-</u>	<u>-</u>	<u>280,406</u>



**TEMBO GOLD CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016**  
*(Unaudited - Expressed in Canadian Dollars)*

**4. Exploration and Evaluation Assets**

	<b>Total \$</b>
<b>Balance at December 31, 2014</b>	<u>21,402,926</u>
<b>Exploration costs</b>	
Equipment rental	8,849
Exploration	119,430
Field transportation	81,145
Security	37,936
Technical services	<u>124,466</u>
	<u>371,826</u>
<b>Acquisition costs</b>	
Property / concession payments	<u>32,549</u>
<b>Foreign exchange movement</b>	<u>4,163,477</u>
<b>Balance at December 31, 2015</b>	<u>25,970,778</u>
<b>Exploration costs</b>	
Equipment rental	5,953
Field transportation	65,674
Security	9,921
Technical services	<u>33,728</u>
	<u>115,276</u>
<b>Acquisition costs</b>	
Property / concession payments	<u>59,526</u>
<b>Foreign exchange movement</b>	<u>(1,358,965)</u>
<b>Balance at September 30, 2016</b>	<u>24,786,615</u>

***Tembo Gold Project***

The Tembo Gold Project is located in northwest Tanzania, and is comprised of 38 contiguous prospecting licenses and license applications covering approximately 110 square kilometres.

The Company will be required to make a US \$250,000 payment to a third party upon a production decision being made on the Tembo Gold Property. Further payments totalling US \$4,750,000 may then be payable as follows:

- (i) US \$250,000 payment upon production of 250,000 ounces of gold;
- (ii) US \$1,000,000 payment upon production of 1,000,000 ounces of gold;
- (iii) US \$1,500,000 payment upon production of 1,500,000 ounces of gold; and
- (iv) a final payment of US \$2,000,000 upon production of 2,000,000 ounces of gold.

**5. Advances Payable**

The Company has received ongoing advances from a shareholder of the Company to provide working capital to the Company. The advances bear interest at a rate of 5% per annum and have no fixed terms of repayment. During the nine months ended September 30, 2016 the Company recognized \$2,839 (2015 - \$nil) of interest expense which remained unpaid as at September 30, 2016 and was included in accounts payable and accrued liabilities.

**TEMBO GOLD CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016**  
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**6. Share Capital**

(a) ***Authorized Share Capital***

The Company's authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of preferred shares. All issued common shares are fully paid.

(b) ***Reconciliation of Changes in Share Capital***

*Nine Months Ended September 30, 2016*

During the nine months ended September 30, 2016 the Company completed a non-brokered private-placement financing of 18,475,000 common shares at a price of \$0.02 per share to raise gross proceeds of to \$369,500. Existing significant minority shareholders of the Company purchased 12,725,000 common shares of the private placement.

The Company incurred \$3,250 of share issue costs relating to this private placement.

*Fiscal 2015*

No equity financings were conducted by the Company during fiscal 2015.

(c) ***Warrants***

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at September 30, 2016 and 2015 and the changes for the nine months ended on those dates, is as follows:

	2016		2015	
	Number	Weighted Average Exercise Price \$	Number	Weighted Average Exercise Price \$
Balance, beginning and end of period	87,171,921	0.12	87,171,921	0.12

The following table summarizes information about the number of common shares reserved pursuant to the Company's warrants outstanding and exercisable at September 30, 2016:

Number	Exercise Price \$	Expiry Date
73,371,421	0.12	December 2, 2016
12,800,500	0.12	January 9, 2017
1,000,000	0.125	March 11, 2017
87,171,921		

(d) ***Share Option Plan***

The Company has established a rolling share option plan (the "Plan") in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of five years.

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**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
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**6. Share Capital (continued)**

During the nine months ended September 30, 2016 and 2015 no share options were granted.

Option-pricing models require the use of estimates and assumptions including the expected volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide a reliable measure of the fair value of the Company's share options.

A summary of the Company's share options at September 30, 2016 and 2015 and the changes for the nine months ended on those dates, is as follows:

	2016		2015	
	Number of Options Outstanding	Weighted Average Exercise Price \$	Number of Options Outstanding	Weighted Average Exercise Price \$
Balance, beginning of period	600,000	0.23	1,739,000	0.74
Expired	<u>(200,000)</u>	0.50	<u>(1,139,000)</u>	1.00
Balance, end of period	<u>400,000</u>	0.10	<u>600,000</u>	0.23

The following table summarizes information about the share options outstanding and exercisable at September 30, 2016:

Number	Exercise Price \$	Expiry Date
<u>400,000</u>	0.10	November 20, 2018

**7. Related Party Disclosures**

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period. Transactions made with related parties are made in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

*Transactions with Key Management Personnel*

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Company's Board of Directors and executive officers.

During the nine months ended September 30, 2016 and 2015 the following amounts were incurred:

	2016 \$	2015 \$
Executive compensation	<u>232,512</u>	<u>183,456</u>

As at September 30, 2016, \$490,348 (December 31, 2015 - \$295,963) remained unpaid and has been included in accounts payable and accrued liabilities.

The Company has also incurred rent in Tanzania for housing accommodation provided to the President of the Company. The value of the accommodation for the nine months ended September 30, 2016 was \$39,287 (2015 - \$24,459).

**TEMBO GOLD CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
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*(Unaudited - Expressed in Canadian Dollars)*

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**7. Related Party Disclosures**

During the nine months ended September 30, 2016 the Company incurred \$31,151 (2015 - \$nil) for accounting and administration services provided by a private corporation owned by the Corporate Secretary of the Company. As at September 30, 2016 \$4,100 (December 31, 2015 - \$1,349) remained unpaid and has been included in accounts payable and accrued liabilities.

See also Notes 5 and 6(b).

**8. Financial Instruments and Risk Management**

*Categories of Financial Assets and Financial Liabilities*

Financial instruments are classified into one of the following categories: FVTPL; held-to-maturity investments; loans and receivables; available-for-sale; and other financial liabilities. The carrying values of the Company's financial instruments are classified into the following categories:

<b>Financial Instrument</b>	<b>Category</b>	<b>September 30, 2016 \$</b>	<b>December 31, 2015 \$</b>
Cash	FVTPL	12,424	824
Accounts payable and accrued liabilities	Other financial liabilities	(926,570)	(675,352)
Advances payable	Other financial liabilities	(64,000)	(64,000)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities and time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for accounts payable and accrued liabilities and advances payable approximate their fair value due to their short-term nature. The recorded amounts for cash approximate their fair value. The Company's fair value of cash under the fair value hierarchy are measured using Level 1 inputs.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

*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. Management believes that the potential loss related to the credit risk included in cash is remote.

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**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016**  
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**8. Financial Instruments and Risk Management (continued)**

*Liquidity Risk*

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

<b>Contractual Maturity Analysis at September 30, 2016</b>					
	<b>Less than 3 Months \$</b>	<b>3 - 12 Months \$</b>	<b>1 - 5 Years \$</b>	<b>Over 5 Years \$</b>	<b>Total \$</b>
Cash	12,424	-	-	-	12,424
Accounts payable and accrued liabilities	(926,570)	-	-	-	(926,570)
Advances payable	(64,000)	-	-	-	(64,000)
<b>Contractual Maturity Analysis at December 31, 2015</b>					
	<b>Less than 3 Months \$</b>	<b>3 - 12 Months \$</b>	<b>1 - 5 Years \$</b>	<b>Over 5 Years \$</b>	<b>Total \$</b>
Cash	824	-	-	-	824
Accounts payable and accrued liabilities	(675,352)	-	-	-	(675,352)
Advances payable	(64,000)	-	-	-	(64,000)

*Market Risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

(a) Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash bears floating rates of interest. The interest rate risk on cash and on the Company's obligations are not considered significant.

(b) Foreign Currency Risk

The Company's significant subsidiaries are located in Tanzania and have adopted the US Dollar as their currency. The Company also maintains cash deposits in US Dollars with its Canadian bank. As such, the fluctuation of the Canadian Dollar in relation to the US Dollar will have an impact upon the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks. At September 30, 2016, 1 Canadian Dollar was equal to 0.76 US Dollar.

Balances are as follows:

	<b>US \$</b>	<b>CDN \$ Equivalent</b>
Cash	7,007	9,219
Accounts payable and accrued liabilities	<u>(596,078)</u>	<u>(784,313)</u>
	<u>(589,071)</u>	<u>(775,094)</u>

**TEMBO GOLD CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016**  
*(Unaudited - Expressed in Canadian Dollars)*

**8. Financial Instruments and Risk Management (continued)**

Based on the net exposures as of September 30, 2016 and assuming that all other variables remain constant, a 10% fluctuation on the Canadian Dollar against the US Dollar would result in the Company's net loss being approximately \$75,000 higher (or lower).

*Capital Management*

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital, cash and cash equivalents and short-term investments. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

**9. Commitments**

As at September 30, 2016 the Company has vehicle lease commitments totalling \$20,698 for fiscal 2016.

See also Note 4.

**10. Segmented Information**

The Company operates in one reportable segment, the exploration and development of unproven exploration and evaluation assets. The Company's exploration and evaluation assets are located in Tanzania and its corporate assets are located in Canada.

The Company's total assets are segmented geographically as follows:

	<b>As at September 30, 2016</b>		
	<b>Canada</b>	<b>Tanzania</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Current assets	8,473	16,581	25,054
Property, plant and equipment	-	280,406	280,406
Exploration and evaluation assets	-	24,786,615	24,786,615
	<u>8,473</u>	<u>25,083,602</u>	<u>25,092,075</u>
	<b>As at December 31, 2015</b>		
	<b>Canada</b>	<b>Tanzania</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Current assets	4,092	15,916	20,008
Property, plant and equipment	-	315,094	315,094
Exploration and evaluation assets	-	25,970,778	25,970,778
	<u>4,092</u>	<u>26,301,788</u>	<u>26,305,880</u>