



**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FIRST QUARTER  
MARCH 31, 2011**

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## COMPANY PROFILE AND SUMMARY OF ACTIVITIES

**ROBEX** Resources Inc. (“Robex” or “the Company”) is a Canadian mining exploration and development company focusing on gold projects in the country of Mali, West Africa. The Company’s shares are traded on the Canadian TSX Venture Exchange under the symbol **RBX** and on the Frankfurt Stock Exchange under the symbol RB4 and in United-States under OTC-RSRBF. Robex presently holds titles on nine different exploration permits, all located in Mali. Mali is currently Africa’s third most important gold producing country. Three of Robex’s permits are situated in southern Mali (Mininko, Kamasso and N’Golopene) while the other six are located in the western area of the country (Diangounte, Sanoula, Kolomba, Moussala, Wili-Wili and Wili-Wili west). Robex is actively working towards developing its permits, all of which indicate favourable geology for the discovery of gold deposits.

Robex’s top priorities are on the permits of Wili-Wili and Wili-Wili West, Diangounte, as well as Mininko, host to the Nampala deposit. This deposit contains an indicated resource of 290,000 ounces of gold plus an inferred resource of 419,000 on lens 100, and an inferred resources of 86 000 ounces on lens 200 and 300, for a total of 795,000 ounces at grades varying around 1g/t (in accordance with the Canadian standard 43-101).

During the course of this quarter, Robex continued to progress with tasks which are required to bring to completion the feasibility study on Nampala. The latest reverse circulation (RC) drilling campaign which ended at the beginning of 2011, initiated with the goal of increasing the indicated resource and to confirm the north-east extension of lens 100, was successful.

Furthermore, at the end of the quarter, a diamond drilling campaign was initiated. In all, 12 surveys will be conducted, eight of which in the oxidized portion of the deposit, to be combined with the results obtained earlier from reverse circulation (RC) holes and which will be used to calculate the slope needed to design the mine’s plan. Four other surveys totalling 1,200 metres will be conducted under the oxidized portion to estimate its mineralisation. These holes, aimed at increasing the deposit’s resource, will be added to those obtained during previous campaigns and included in the new resource calculation. The revised calculation will be included to the feasibility study which was awarded to Bumigeme, a Canadian company with a vast experience in the development of dressing procedures and mineral plants operation. This feasibility study aims to confirm the economic viability of an open-pit mining operation with a cyanide treatment plant processing 5,000 tonnes per day.

During the month of February 2011, additional metallurgical testwork in progress at SGS Lakefield Laboratory confirmed the initial high recovery and low reagent consumption achieved in 2010 on the original samples. The cyanidation tests on four composite samples were done at a pulp density of 40% solids at PH of 10.5-11.0 and a cyanide concentration of 1.0g/L NaCN with a retention time of 36 to 48 hours. The ore composites were ground to P80 minus 160 micron and averaged between 1.22 and 1.55 gpt gold. Recoveries between 87.5% and 90.3% were achieved after 36 hours only with a reagent consumption of 0.01 Kgm/t of Sodium cyanide and 1.1 to 1.3 Kgm/t of CaO. Additional tests are in progress which will concentrate on the optimisation of grind versus recovery. A finer grind in the P80 minus 50-75 micron range is expected to improve recoveries further with an expectation of 92 % or better. The very low consumption of cyanide and limestone during the testwork also confirms to date a very simple mining operation with minimum crushing/grinding for a portion of the feed with the rest



being fed directly to the cyanide leach tanks. Such a project could therefore be developed in large part locally and implemented at much lower capital costs than a hard-rock operation.

On other fronts, Robex continued along with its promotional efforts towards marketing the company and its most promising projects with the objective of securing financing and developing strategic partnerships.

During the month of February 2011, Robex was able to raise an amount of \$3,000,000 through a private placement while an additional amount of \$1,067,358 was raised following the exercise of warrants all through the quarter. These new funds will enable the Company to carry on tasks necessary to achieve its goal for the development of the Nampala deposit and to help finance exploration activities on its top-priority permits such as Wili-Wili and Diangounté.

Furthermore, Robex proceeded with the hiring of key personnel in order to carry out important upcoming fieldwork and it also conducted a thorough analysis of its human resources needs so as to strengthen its management team before entering into the next decisive stages in the development of the Company.

Robex ended this quarter by mandating a geological engineer, an independent qualified person under 43-101, as well as Robex's director of Malian operations to conduct a site survey of Wili-Wili and Diangounte. They discovered on the Diangounte permit a new zone, unidentified to date in Robex mapping records, which regroups six veins of mineralised quartz presently exploited by artisanal miners on an area unidentified to date in Robex mapping records. Robex has since initiated a 20,000 meters RC drilling campaign on the existing license of Diangounte.

Additional information concerning Robex can be found on the [www.sedar.com](http://www.sedar.com) web site, under the Company's section "Sedar filings" or on the company's website at [www.robexgold.com](http://www.robexgold.com).



## REVIEW OF MINING ASSETS IN MALI

### Caution - forward-looking statements

This section contains anticipated work and budgeted amounts for exploration programs which are dependent upon Robex's ability to obtain the necessary financing. Even though Robex has been successful in obtaining support in the past, there is no guarantee that it will be able to do so in the future.

### **THE MININKO PERMIT: Nampala gold deposit**

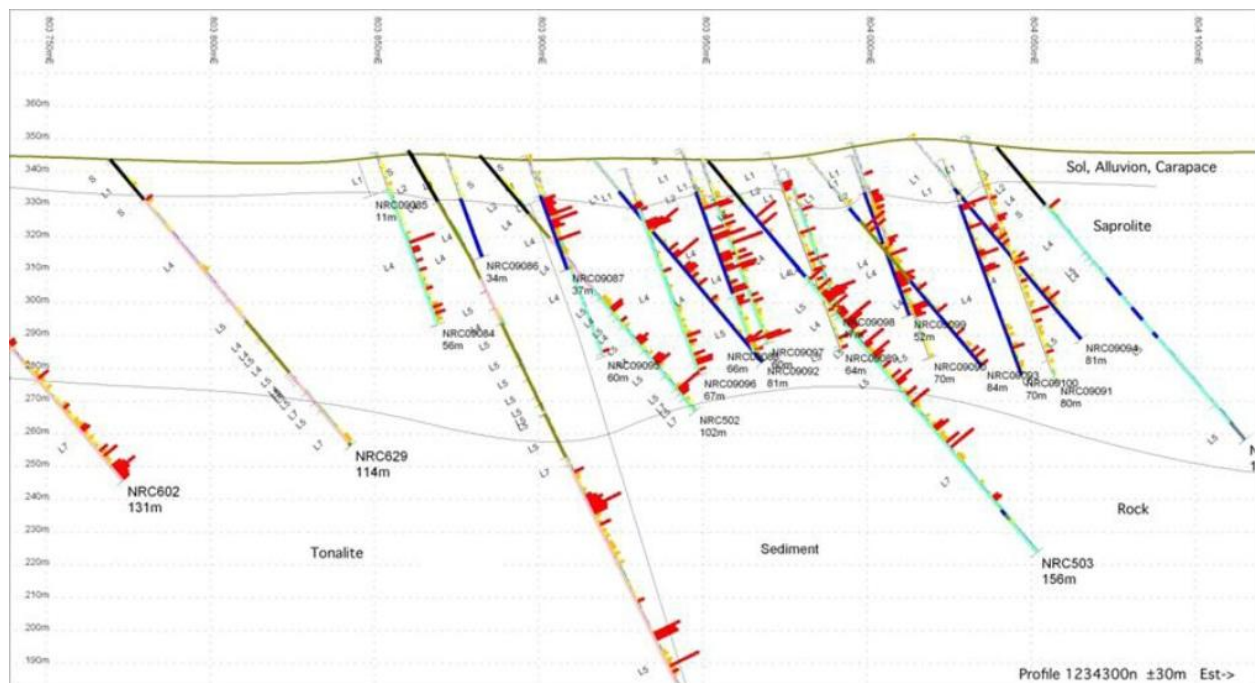
The Nampala gold deposit located on the Mininko permit (62 km<sup>2</sup>) is the most advanced project of all 9 permits now held by Robex in Mali. During 2007, the resource calculation completed by Australian mining consultant RSG (now Coffey Mining), outlined an inferred resource (NI 43-101 compliant) of 760,000 oz Au at a grade of 0.9 g/t Au (cut-off grade of 0.5 g/t Au) comprised in 28,872 million tonnes of ore rocks. Furthermore, deep drilling completed by Robex during the same year confirmed the down-dip extension and higher grade of the mineralised body. Additional resources could also be developed along strike and to the west.

During the fall season of 2009, the engineering-consulting firm Genivar, of Québec, reviewed and consequently assessed the three-dimensional resource block-model on the mineralisation of the Nampala deposit. Initially, the three-dimensional resource block-model was completed in the framework of the gold resource estimate (NI 43-101 compliant) completed by the Australian consultant firm RSG Global (now Coffey Mining) in 2007. The plan and section review completed by Genivar provided a better understanding of the anticipated gold distribution within the Nampala deposit. With the information available to date, the 200 and 300 lenses situated in the central and western portion of the site indicate that inferred resources are estimated to be at 15,000 ounces of gold for Lens 200 and 71,000 ounces of gold for Lens 300. The concentration and distribution within these two bodies represent, at present, a marginal economical potential which will have to be further investigated at a later stage. However, according to the block-model study, Lens 100, developed along the eastern flank of the Nampala zone, is host to an inferred resource of 675,000 ounces of gold contained within 22,539 Mt of ore at an average grade of 0.93 g/t Au. These resources are located between the surface and the explored depth of 150 meters. The Genivar study also showed that 256,000 of the 760,000 ounces estimated in the original 2007 Coffey Mining report are located in the altered and superior part of the deposit, near the surface, on top of fresh rock formation. In accordance with NI 43-101 standards, since the above-mentioned gold distribution data between lenses was extrapolated from the RSG report, further exploration work will be needed to confirm these findings.

The fall 2009 review and analysis of the gold resource contained in the Nampala deposit was followed by a 7,500 meter drilling campaign with the purpose of achieving a 25 meters drilling center pattern and enhancing the quality and definition of this resource. During the first quarter of 2010, laboratory test results were received and compiled (see February 18, 2010 press release) and, at the end of June 2010, Robex was pleased to announce and confirm that 244,000 ounces contained in Lens 100 had been upgraded from the inferred to the indicated category (see June 28, 2010 press release).



## Drilling cross-section – Nampala project

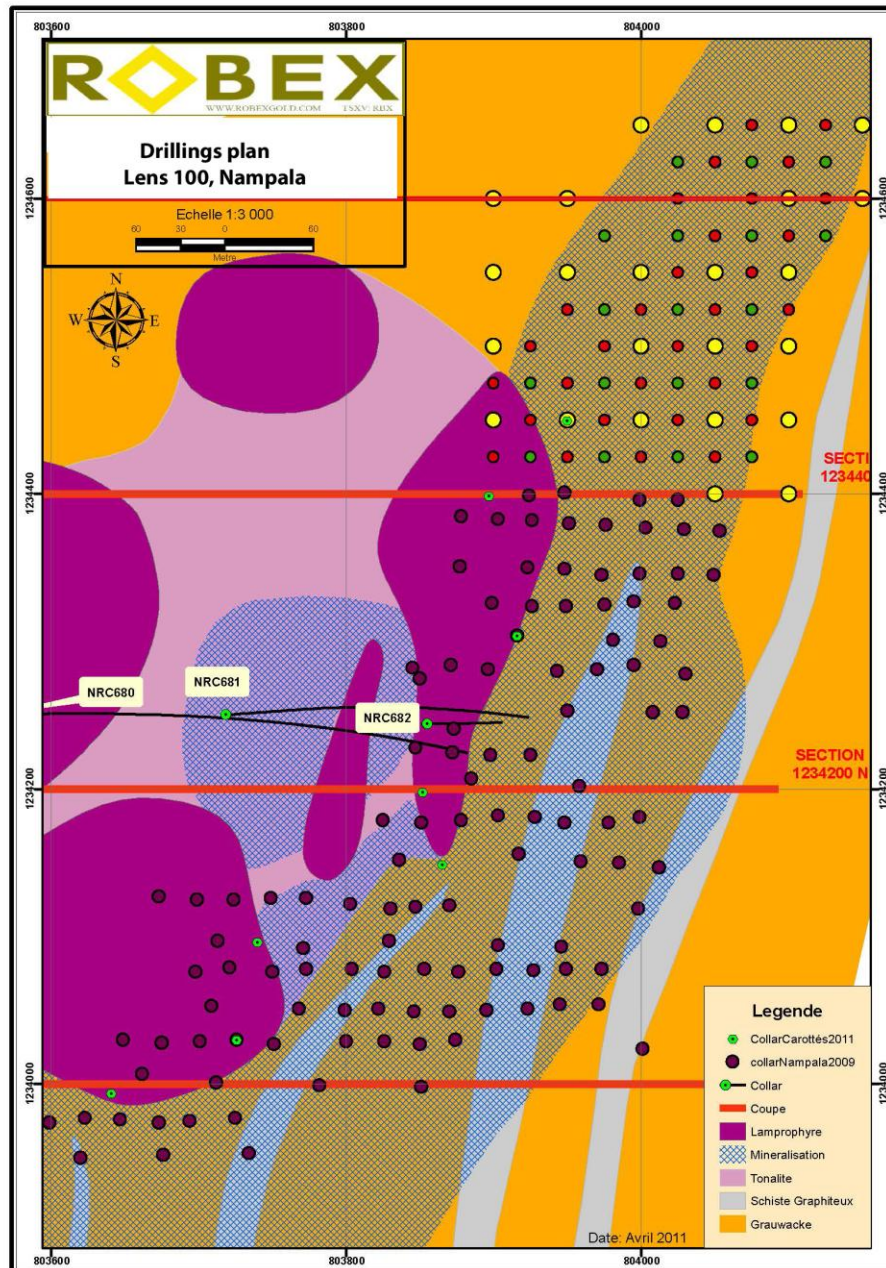


During the third quarter of 2010, Robex announced impressive gold recovery rates from metallurgical test-work on mineral samples collected from the reverse circulation drilling program at the Nampala project. Cyanidation test results show that recovery rates of 88.8 % and 89.2 % were achieved after 48 hours with a very low CN consumption ratio of 0.33 kgm/t or less. One sample was tested as received (no grinding) with a granulometry of 80 per cent at minus 140 microns (100 mesh) and the other (after grinding) with 80 % at minus 18 microns (800 mesh). The very low consumption of cyanide and limestone during the test-work also confirms to date a very simple mining operation with minimum crushing/grinding for a portion of the feed with the rest being fed directly to the cyanide leach tanks. Such a project could be developed in large part locally and implemented at much lower capital costs than a hard-rock operation. Additional tests are planned with SGS Mineral Services' laboratory in Lakefield, Canada in order to optimize gold recovery rates, determine grind size and the degree of gold liberation in the plus-200 mesh (74 microns) fraction and optimize cyanide and lime consumption in the hope of also reducing cyanidation time to 36 hours.

With the goal to initiate its feasibility study, Robex awarded several contracts with respect to the environmental, hydrogeological and geophysics studies as well as for a topographic study of the gold zone area (see October 18th press release for more details). Furthermore, an additional 72 reverse circulation holes were drilled during the last quarter of 2010 and the beginning of 2011 on the north-east extension of the oxide portion of zone 100, between sections 400 and 600. The objective of this latest RC drilling campaign was to upgrade as much of the inferred resource contained on lens 100 to the indicated category, between the surface and a depth of about 80 meters. Results received during the first quarter of 2011 revealed grades such as 3.45 g/t over 25 meters and 1.47 g/t over 57 meters including 3.28 g/t over 14 meters. During the past two years, a total of 192 holes were drilled within the



oxidized zone of lens 100. These holes helped reduce the spacing grid to 25 meters (as recommended by Coffey Mining in the 43-101 Resource Calculation report) and contributed as well in a better definition of the north-east extension of the Nampala deposit on the Mininko permit. A revised resource calculation is in progress with the purpose of integrating all the results obtained to date. Robex is confident that it will achieve its objective of 350,000 to 375,000 ounces of gold within the oxidized zone. To date, the Nampala deposit contains a resource of 290,000 oz indicated, 419,000 oz inferred on lens 100 and 86,000 oz inferred on lens 200 and 300, for a total of 795,000 oz.



At year end 2010, Robex announced the awarding of the contract to perform the feasibility study on the Nampala project to Bumigeme, a renowned Canadian engineering consulting company. This study, which began in December 2010, aims to confirm the economic viability of an open-pit mining operation through a cyanide treatment plant processing 5,000 tonnes per day. The awarding of the contract for the feasibility study is a very important step in the advancement of the project towards an eventual production decision.

During the month of March 2011, Robex hired the engineering firm Met-Chem Canada inc. to develop the mine plan for the feasibility of the Nampala project in Mali. Met-Chem's mandate consists of defining the mineable reserve, developing an optimal open pit concept together with selection and cost estimates for equipment and moving of materials which are to be incorporated in the feasibility study. Met-Chem is an internationally renowned consulting engineering firm established in 1969 to provide all phases of geology, mining, mineral processing and engineering services throughout the world. Met-Chem has conducted many projects of similar nature for base and precious metals.

As mentioned above, Robex also announced during this quarter a series of impressive results stemming from its latest RC drilling campaign. These results depict grades such as 3.45g/t over 25 meters and 1.74 g/t over 57 meters, including 14 meters at 3.28 g/t. Robex is confident that the drilling results received during this quarter will serve to substantially increase the ongoing revised resource calculation.

Robex remains confident that excellent past drilling results, recent metallurgy tests, which demonstrated recovery rates of about 90 per cent, the low rate of cyanide consumption, the resource's geometrically uniform distribution, as well as the rising price of gold, are all factors that will allow Robex to carry out this mining project and to develop the deposit to its full potential.

## **THE KAMASSO PERMIT**

The Kamasso Permit is located immediately to the South of the Mininko permit where it covers 220km<sup>2</sup> of prospective ground made-up of the same geological formation as the Mininko permit. In 2005, the permit was covered with a regional soil and termite mounds survey which outlined several promising targets that remain to be tested and developed with additional geochemical sampling, prospecting pitting and trenching to outline the best drilling targets. 700 meters of drilling was completed during the last quarter of 2009 for an amount of \$20,000. In 2011, different works are planned for this permit.

## **THE N'GOLOPENE PERMIT**

### **Strategically located nearby Syama Mine**

The N'Golopene permit covers 57 km<sup>2</sup> immediately adjoining to the North and East along the same geological sequence as the Syama mine (approximately 6,4Moz at 3.0 g/t Au – reserves and resources combined) now operated by Resolute Mining Ltd of Perth, Australia. During 2006 and 2007 Robex carried out a regional soil sampling survey and a geophysical survey covering about half of the permit area. Results of these surveys combined with a structural interpretation pointed to 2 main targets which



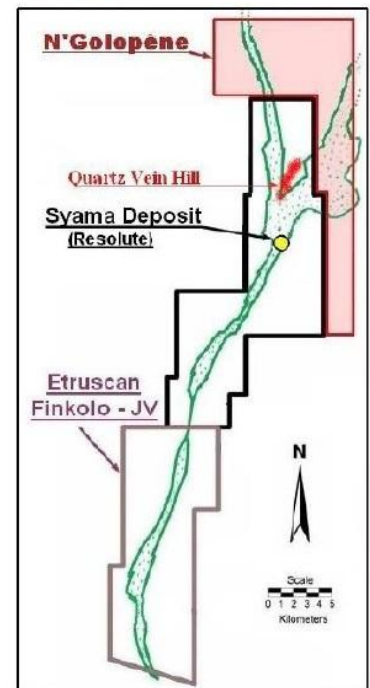
was subsequently tested with a 3,000 meters of RC drilling. Unfortunately, drilling results were inconclusive.

Considering that there are significant past and present artisanal mining sites located on the permit, it is believed that a reinterpretation of the data available could lead to new and significant gold targets on the permit. These targets are believed to be parallel to the geological axis already tested. Drilling by Resolute, 2 km to the south of the permit, outlined significant gold mineralization in the same geological sequences. One drill hole returned **5.39 g/t Au over 13 m** (drill hole QVC-148).

Furthermore, the Resolute-Etruscan Resources Finkolo joint venture project located to the south of the Syama permit straddles the same stratigraphy as the N’Golopene permit. The joint partners are now developing the Tabakoroni gold deposit for eventual production.

No field activities were completed on N’Golopene during this quarter. However, negotiations are still underway with an interested party who wishes to develop this permit.

Shema : The green shaded section represents the extension of the gold anomaly adjacent to the Syama mine, which covers the N’Golopene permit (pink section).



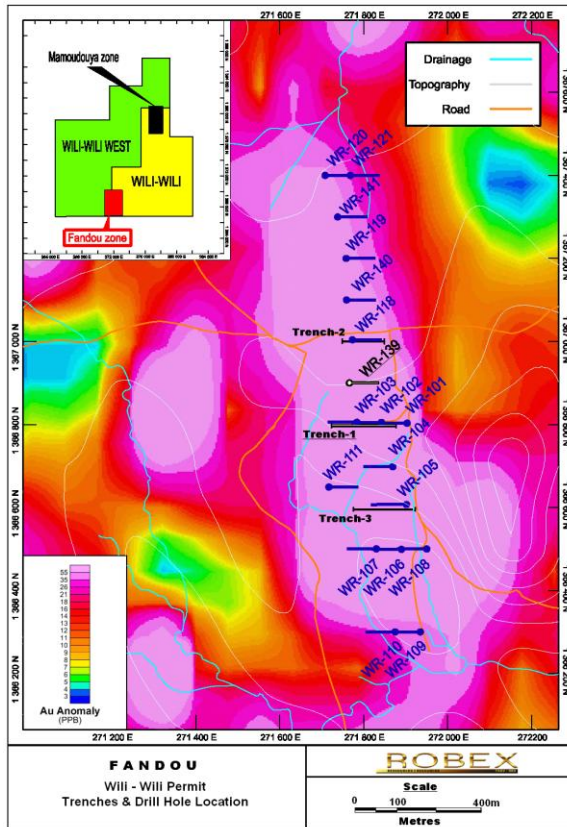
## THE WILI-WILI AND WILI-WILI WEST PERMITS

### Very promising potential

The two Wili-Wili permits represent a prime asset for the company. The permits are contiguous and together cover an area of 270 km<sup>2</sup> at the southern edge of the Kedougou-Kenieba window of Western Mali. In 2007, exploration efforts by Robex exposed the Fandou zone along the North-South boundary between the two permits in the southern half of the permits area. Oriented North-South, this strong and pervasive gold in soil anomaly is 2.8 km long by 600 meters wide.

Geophysical and geochemical surveying followed by pitting, trenching and RC drilling returned significant mineralization over a strike length of 1 km. The most significant results were outlined in Trench- 01: 2.3g/t Au over 13 meters, and in pits P-4 and P-10 with 5.9g/t Au over 9.0 meters and 3.29g/t Au over 9 meters respectively.





The subsequent drilling program completed in early 2007, also returned significant values in almost every holes notably: hole WR140 with 1.35g/t Au over 6 meters; WR119 with 2.15g/t Au over 5 meters; WR101 with 1.15g/t over 7 meters; and the best intersection was obtained in hole WR139 where 4.2g/t Au over 22 meters was intersected between the depth of 92 and 114 meters. It is believed that WR139 terminated in mineralisation.

### Most significant drill intercepts from early drilling on the Wili-Wili permits

Section Northing	Meterage N-S		RC hole no.	Intersection	
	Relat.	Cumul.		g/t	m.
1367300	0	0	WR-141	0.96	6.0
1367200	100	100	WR-119	1.09	32.0
			incl.	2.15	8.0
1367100	100	200	WR-140	1.35	6.0
1367004	96	296	WR-118	4.44	5.0
1366900	104	400	WR-139	4.20	22.0
1366808	92	492	WR-101	1.15	7.0
1366808			WR-102	2.50	8.0
			&	4.44	4.0
1366808			WR-103	1.19	6.0
1366695	113	605	WR-104	1.06	14.0
			incl.	1.98	5.0
1366610	85	690	WR-105	1.22	8.0
1366500	110	800	WR-106	1.34	3.0
1366500		800	WR-108	1.02	3.0
1366300	200	1 000	WR-110	1.18	3.0



During February 2008, an additional 14 shallow pits were excavated in the center of the zone, where previous drilling had returned significant values. The best results were outlined in pits P-4 (5.9 g/t Au over 9 meters) and P-10 (3.23 g/t Au over 9 meters). Compilation of the data available concluded that mineralisation at the Fandou zone was vertical and continuous between the surface and the drilling intersections at depth.

Based on previous results and its favourable geographic positioning on the West Mali Gold Belt, the Wili-Wili permits are considered to be very promising and are consequently on top of Robex's agenda. Field visits made during the first and second quarter of 2010 allowed Robex's exploration team to gain a better understanding of a newly discovered zone named the Hamdalaye gold zone which is presently the focal point of a major gold rush by artisanal miners. The intense artisanal activities now taking place on this zone seems to be centered on a gold rich quartz vein system oriented N-S with a width of at least 275 meters. The Hamdalaye zone, located in the northern half of the permits, was originally highlighted by a regional geochemical soil survey completed by the French BRGM in 1987. Management is looking forward with anticipation and excitement to the start of a drill program to test this promising zone as well as the Fandou zone, a 2.8km X 600 meters gold anomaly located on the southern part of the permits discovered back in 2007 and, accordingly, a 5,000 meter drilling program was elaborated by Robex's geologists.

With one of its two newly acquired RC drills, Robex was able to begin its highly anticipated drilling campaign during the month of May 2010 but, unfortunately, drilling had to be halted due to an unusually early rainy season start. Consequently, only 500 meters of drilling were completed. Robex plans to resume drilling at the beginning of 2012.

## **THE SANOULA PERMIT**

### **Significant drill results of 2.32 g/t over 15 meters**

The Sanoula permit covers 31.5 km<sup>2</sup> within a very favourable geological context. The geological sequences underlying the permit comprise carbonaceous sediments and tourmaline sandstones, known to host the Yatela and Sadiola mines operated by mining giant AngloGold-Ashanti and also the Loulo gold deposit to the South. Furthermore, the Senegalo-Malian shear zone crosses the entire permit from North to South. This deep seated regional structure is also related to gold mineralization at Sadiola and Loulo. RC drilling carried out in 2006 and 2007 by Robex, along the Senegalo-Malian shear zone within the Sanoula permit, yielded promising gold results in tourmaline rich meta-sedimentary sequences like the ones found at the Loulo Gold Mine.

The most significant results from the drilling are in hole SAR029 with 2.07 g/t Au across 10 meters and in hole SAR061 with 3.60 g/t Au across 4 meters. Also six other mineralized intervals yielded grades of 0.74 g/t to 3.75 g/t Au across widths ranging between 2.0 and 5 meters. Mineralisation is found in a shear zone related to the Senegalo-Malian structure, where the silicified sedimentary rock formations are injected with steeply dipping quartz veins.



**Table of past drilling results (interpreted composite samples)**

Forage	Échantillon	De	A	m	g/t
SAR021	300061	75	79	4.0	2.08
SAR022	300963	27	31	4.0	1.13
SAR029	300289	21	36	15.0	2.31
SAR030	300334	72	75	3.0	1.76
SAR059	304344	15	18	3.0	5.97
SAR060	304464	82	84	2.0	1.48
SAR061	304437	42	51	9.0	2.80

No field work was carried out during 2010. It is expected that in 2011, 2000 to 3000 meters of RC drilling will be done.

#### **THE KOLOMBA AND MOUSSALA PERMITS**

Located to the South of the Loulo Mine, the Kolomba and Moussala permits are contiguous and, together, cover 198 km<sup>2</sup>. Between 2005 and 2007, Robex completed several exploration activities on these permits including drilling of previously outlined geochemical gold in soil anomalies.

**KOLOMBA:** Drilling completed on the MM-2, MM-3 and Bilali Santos anomalies outlined low grade but consistent gold content. The best values were obtained in trenches excavated on a 40 x 50 meters gold in soil anomaly:

- Tr5: 34 meters @ 1.03g/t Au
- Tr6: 16 meters @ 1.92g/t Au
- Tr7: 34 meters @ 1.26g/t Au

**MOUSSALA:** In 2007, a program of geological mapping and two 100 meters long trenches were completed on the property. They were centered over an anomalous gold zone located at the crossing of two structures identified on Kolomba, to the North.

A North-South trending 660 meters wide gold in soil anomaly has been outlined with the geochemical soil survey. One of three zones identified appears to be the strike extension of the Bilali and MM-5A anomalies identified on the Kolomba permit. Two active artisanal mining sites have been visited in the Northeast quadrant of the permit.

The geology of the Southern half of the permit differs from that of the Northern half and could be more prospective for gold mineralization with five high grade geochemical anomalies distributed within a 1.5 km wide corridor. These targets of interest could rapidly be set for drilling.

No field activities were conducted on these two permits during 2010. However, Robex intends, during this year, to complete pitting and trenching activities in combination with an estimated 1000 to 3000 meters of RC drilling.



## THE DIANGOUNTÉ PERMIT

The Diangounté permit covers 52.14 km<sup>2</sup> of prospective Birimian volcano-sedimentary stratigraphy. The project area is known for its extensive gold in soil anomaly (Klöckner 1989) outlining the La Corne alluvial gold deposit where 1,78M<sup>3</sup> of alluvial and eluvial gravels at a grade of 3.22g/m<sup>3</sup> have been outlined. This regional anomaly is similar as the original gold in soil anomaly that lead to the discovery of the Sadiola orebody, located some 30 km to the Northeast. Interpretation of the geophysical survey data is rendered difficult due to the relative narrowness of the mineralised veins and structures. In addition, the absence, in the soils, of arsenic as a gold tracer limits the signature of the anomalies on the permit.

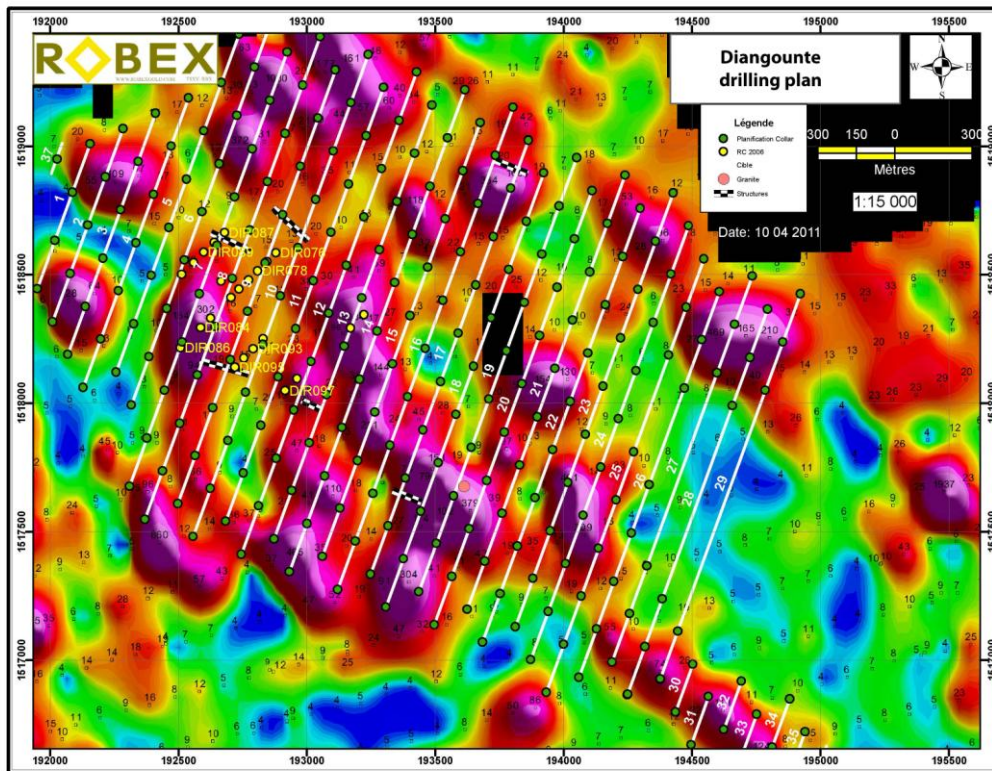
In 2006, Robex completed 2,079 meters of RC drilling in 24 holes to test the source rocks of the alluvial gold. Narrow but significant mineralization was encountered in several of the holes with the best one in **DIR097 with 24.8g/t Au across 6 meters** between 27 and 33 meters.

The mineralisation observed in the artisan excavations was confirmed at depth with the RC drilling. The free and often coarse gold is hosted in quartz veins associated with narrow, South-East trending, sub-vertical shears. The shear zones and related silicification affects the mafic to ultramafic intrusive and volcanic sequence and the hornblende bearing granite-granodiorite-tonalite bodies. Additional prospecting is recommended on the permit in an attempt to locate a more substantial gold concentration in the identified shear zone and possible parallel structures.

No work was carried out on the permit during 2010. However, in February 2011, Mr. Jacques Marchand, Geological Engineer and an independent qualified person under 43-101, as well as Mr. Abdel Kader Maiga, director of Malian operations for Robex, discovered a new zone on the Diangounte permit, unidentified to date in Robex mapping records, which regroups six veins of mineralised quartz presently exploited by artisanal miners. These new veins are found within a geochemical anomaly which extends over a circular area covering eight square km, expanding the exploitable area discovered by Robex in early 2000. Drilling from this period revealed results of up to 100gpt over three meters. All of these factors have convinced Robex to begin a 20,000 meter reverse circulation drilling campaign on the existing license of Diangounte (see drilling plan on next page).



Diangounte drilling plan:



## SUMMARY OF FINANCIAL ACTIVITIES

### *Cash and cash flows*

Working capital increased by \$2,743,280 during the first quarter of 2011. Working capital increased from a deficit of \$67,266 as at December 31, 2010 to a surplus of \$2,676,014 as at March 31, 2011.

Unrestricted cash totaled \$2,237,593 as at March 31, 2011 compared to \$165,376 as at December 31, 2010.

#### Working capital and unrestricted cash

	March 31, 2011	December 31, 2010
	\$	\$
<b>Current assets</b>	2,792,523	194,350
<b>Current liabilities</b>	<u>116,509</u>	<u>261,616</u>
<b>Working capital</b>	2,676,014	(67,266)
<b>Unrestricted cash</b>	2,237,593	165,376

### *Capitalized and deferred exploration and development expenses*

Capitalized and deferred exploration and development expenses totaled \$916,674 during the first quarter of 2011 compared to \$150,162 for the same period of 2010.

	First quarter ended March 31,	
	2011	2010
	\$	\$
<b>Capitalized and deferred exploration and development expenses</b>	859,739	131,392
<b>Depreciation of fixed assets related to exploration activities</b>	56,935	19,170
<b>Totals</b>	916,674	150,162



Net loss for the first quarter ended March 31, 2011

**DETAILS OF EXPENSES**

Description	First quarter ended March 31,	
	2011	2010
	\$	\$
Administration	64,306	2,600
Stock-based compensation expense	17,920	38,000
Professional fees	91,584	44,429
Interest and bank charges	1,687	692
Financial reporting and stock exchange fees	26,366	12,910
Financing solutions	32,787	2,000
Advertising and promotion	28,685	354
Foreign exchange loss	9,395	4,793
Others	1,931	786
<b>TOTALS</b>	<b>274,661</b>	<b>106,564</b>

Net loss for the first quarter of 2011 amounted to \$272,802 compared to a loss of \$107,044 for the same period ended March 31, 2010.

Notable variations are as follows:

- Administration expenses increased from \$2,600 in 2010 to \$64,306 in 2011.
- The cost of stock-based compensation decreased from \$38,000 in 2010 to \$17,920 in 2011.
- Professional fees increased from \$44,429 in 2010 to \$91,584 in 2011
- Financing reporting and stock exchange fees increased from \$12,610 to 26,366 in 2011
- Financing solutions costs increased from \$2,000 during the first quarter of 2010 to \$32,787 during the first quarter of 2011.
- Advertising and promotion expenses increased from \$354 in 2010 to \$26,685 in 2011.



Summary of quarterly results

QUARTERLY RESULTS

(000\$ except loss/share)	2011	2010				2009		
	(IFRS)	(GAAP)				(GAAP)		
Quarter	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Income	02	0	0	0	0	0	0	0
Net loss	(273)	(236)	(39)	(134)	(102)	(107)	(92)	(134)
Net loss per share	(0,002)	(0,002)	(0,000)	(0,001)	(0,001)	(0,001)	(0,001)	(0,002)

Variations in quarterly losses can be explained by the following:

**2011-Q1** Net loss for the first quarter of 2011 amounted to \$272,802 compared to \$107,044 for the same quarter of 2010. There was a \$61,706 increase in administration expenses due to several factors such as the hiring of a new employee, extra insurance costs and increased traveling expenses related to the many promotional roadshows and meetings with financial institutions and investors. Professional fees also increased by an amount of \$47,155 because of additional expenses related to the implementation of the new international financial reporting standards (IFRS) for financial statement presentation and also because of the hiring of professionals for corporate development purposes. Financial reporting and stock exchange fees increased by an amount of \$13,456 because of additional indirect capital raising costs stemming from the February 2011 private placement and the exercising of warrants all through the quarter. Advertising and promotion expenses increased by an amount of \$28,331 due to the hiring of a public investor relations firm and to costs related to an advertising campaign. There was a \$30,787 increase in financing solutions expenses because the Company took additional measures with regard to securing financing so as to ensure the long-term development of its Malian assets and enhance their valuation. The stock-based compensation expense decreased for an amount of \$20,710 even though more options were granted during the first quarter of 2011 (600,000 options granted) compared to the same quarter of 2010 (400,000 options granted). The reason for this dollar value decrease is because options granted to financial advisors were accounted for as share issue expenses.



- 2010-Q4** Net loss for the fourth quarter amounted to \$236,132 compared to \$107,888 in 2009. The most significant variation came from the stock-based compensation expense component which amounted to \$104,625 during the last quarter of 2010 compared to \$0 for the corresponding period of 2009. There was a \$35,000 increase in financing solutions expenses because the Company took additional measures to ensure the long-term development of its Malian assets and to enhance their valuation. Advertising and promotion expenses were subject to a \$15,237 reduction because, during the same quarter of 2009, particular efforts were made to increase the Company's visibility in the financial community.
- 2010-Q3** Net loss for the third quarter of 2010 amounted to \$38,974 compared to \$91,763 in 2009. Most notable variations stem from reductions in administration expenses, professional fees, financial reporting and stock exchange fees and financial solutions expenses. For 2010, administration expenses do not include any insurance expense. Professional fees were subject to a reduction due to the capitalization, as deferred exploration expenses, of professional fees directly related to the development of Robex's properties in Mali and to a decrease in legal fees. The decrease in financial reporting and stock exchange fees is explained by the fact that costs related to the shareholder general assembly were expensed a quarter earlier this year compared to 2009, the annual meeting having been held during the month of May 2010 compared to the month of July 2009 for the previous year's meeting. Financial solutions expenses were also lower because, in 2009, additional measures were taken by the Company with regard to securing financing and developing strategic partnerships.
- 2010-Q2** Net loss for the second quarter of 2010 amounted to \$134,354 compared to 192 075 \$ in 2009. There was a \$25,550 reduction to stock-based compensation expenses even though options were granted during the months of March and April 2010. During the second quarter of 2009, the Company had granted a greater amount of options. Professional fees decreased from \$62,052 in the second quarter of 2009 to \$48,776 for the same quarter of 2010 mostly because fees directly related to the development of Robex's properties in Mali were capitalised as deferred exploration expenses. Financial solutions expenses also decreased for an amount of \$25,500 because, in 2009, the Company took additional measures with regard to securing financing and developing strategic partnerships. Lastly, financial reporting and stock exchange fees showed a \$8,684 increase mostly because expenses related to the annual general assembly of shareholders were taken into account a quarter earlier. Note that this year's assembly was held during the month of May 2010 while last year's annual meeting took place during the month of July 2009.
- 2010-Q1** Net loss for the first quarter of 2010 amounted to \$102,251 compared to \$109,677 in 2009. There was a \$37,781 increase in stock-based compensation because options were granted during the month of February 2010 and professional fees also increased for an amount of \$15,508 because of a reduction in administration fees in 2009. During the first quarter of 2010, there was a \$7,810 decrease in administration expenses because of reduced insurance costs compared to the first quarter of 2009. Financial solutions



expenses also decreased for an amount of \$15,000 because, in 2009, the Company took additional measures with regard to securing financing and developing strategic partnerships. There was also a reduction in interest and bank charges for an amount of \$4,375 because of the absence of interest charges during the first quarter of 2010. Advertising and promotion expenses were subject to a \$17,532 reduction because, during the first quarter of 2009, particular efforts were made to increase the Company's visibility in the financial community. Finally, since no investments were sold during the first quarter of 2010, realized losses on the disposal of investments available for sale were nil for that quarter while the Company recorded, for the same period of 2009, a \$21,703 loss.

**2009-Q4** Net loss during the fourth quarter of 2009 amounted to \$107,888 compared to \$465,645 in 2008. During the fourth quarter of 2009, there were no write-offs on mining rights and titles while an amount of \$862,112 was written off during the fourth quarter of 2008. Also, a gain of \$538,398 on debts barred by statute was realized during the fourth quarter of 2008 compared to \$0 during the same quarter of 2009. As for other expenses, during the fourth quarter of 2009, we observe a decrease of \$19,068 in administration expenses compared to 2008, mainly because the officer based in Mali is no longer with the Company. During the fourth quarter of 2008, a loss of \$25,834 on the sale of mining rights and titles was posted while no sale of mining rights and titles was made during the same quarter of 2009. Administration fees increased in the fourth quarter of 2009 for an amount of \$29,747 compared to 2008 because of an increase in administration activities in the last quarter of 2009. And finally, during the last quarter of 2009, investments available for sale were sold for a \$40,069 loss compared to \$14,595 during the same quarter of 2008.

**2009-Q3** Net loss during the third quarter of 2009 amounted to \$91,763 compared to \$157,863 in 2008. Administration expenses were reduced from \$44,496 in 2008 to \$12,157 in 2009 mainly because the officer based in Mali is no longer with the Company. Professional fees decreased from \$68,856 in 2008 to \$47,356 in 2009 because of a reduction in administration fees. Interest and bank charges were reduced from \$11,383 to \$309 because the term note was barred by Statute at the end of 2008. Finally, financing solutions expenses were higher by \$11,940 in 2009 because of an increase in the company's measures taken with regard to securing financing and developing strategic partnerships.

**2009-Q2** Net loss during the second quarter of 2009 amounted to \$192,075 compared to \$158,632 in 2008. Administration expenses were reduced from \$29,402 in 2008 to \$12,122 in 2009 mainly because the officer based in Mali is no longer with the Company. Professional fees decreased from \$76,834 in 2008 to \$62,052 in 2009 because of a reduction in administration fees. There was a \$66,339 increase in the stock-based compensation expense because the Company granted 1,500,000 options during the second quarter of 2009. Finally, financing solutions expenses were higher by \$18,295 in 2009 because of an increase in the company's measures taken with regard to securing financing and developing strategic partnerships.



## CASH FLOW SITUATION AND FINANCING

The Company is considered to be in the exploration stage, thus it is dependent on obtaining regular financing in order to continue exploration. Despite previous success in raising sufficient capital, there is no guarantee of obtaining any future financing.

The working capital increased from a deficit of \$67,266 as at December 31, 2010 to a surplus of \$2,676,014 on March 31, 2011. Cash on hand, as of March 31, 2011, was \$2,237,593 compared to \$165,376 as at December 31, 2010. The Company plans to use these funds during the next quarters of 2011 and 2012 for its exploration projects and for general corporate expenses.

During the month of February 2011, the Company closed a private financing agreement for a gross amount of \$3,000,000. The private placement consisted of 23,245,075 units priced at \$0.13 each. Each unit includes one common share and one-half common purchase warrant, exercisable for a period of two years, allowing their holders to subscribe to shares at \$0.18 each.

During the first quarter of 2011, an amount of \$1,067,358 of new capital was also raised through the exercise of warrants.

As at March 31, 2011, accounts payable totaled \$116,505 and were due mostly to creditors, auditors and lawyers.

As at the date of this report (June 29, 2011):

- 162,431,002 common shares were outstanding (December 31, 2010 : 120,349,623).
- 3,425,000 options were outstanding. Exercise prices vary between 0.12 ¢ and 0.37 ¢ and expiry dates between 2012 and 2016. Each option allows their holders to buy one common share of the Company.
- 25,953,198 warrants were outstanding, entitling their holders to subscribe the same amount of common shares at prices varying from 0.11 ¢ to 0.30 ¢ with expiry dates between October 2011 and May 2014. Each warrant allows their holders to buy one common share of the Company.



Information regarding outstanding shares as at June 29, 2011 :

Description	Number of shares	Amount \$
As at December 31, 2010	120,349,623	25,014,909
Issued during February 2011	23,243,075	2,585,800
Issued during the first quarter of 2011 following the exercise of warrants	8,492,250	1,186,078
Issued during May 2011	5,555,554	1,310,000
Issued in April, May and June 2011 following the exercise of warrants	4,790,500	697,014
As at June 29, 2011	162,431,002	30,793,801

Information regarding outstanding options as at June 29, 2011 :

Description	Number of options	Average exercise price \$
As at December 31, 2010	2,025,000	0,15
Granted during February 2011	600,000	0,16
Granted during April 2011	1,000,000	0,235
Cancelled during June 2011	(200,000)	0,16
As at June 29, 2011	3,425,000	0,18
Exercisable	3,125,000	0,18



**Options granted and exercisable as at June 29, 2011 to directors, officers, employees and suppliers:**

Outstanding	Exercisable	Price (\$)	Expiry date
25,000	25,000	0,37	January 13, 2012
375,000	375,000	0,12	February 15, 2015
250,000	250,000	0,14	May 24, 2015
250,000	250,000	0,17	June 16, 2015
1,125,000	1,125,000	0,15	November 4, 2015
400,000	100,000	0,16	February 15, 2013
1,000,000	1,000,000	0,24	April 15, 2016

The fair value of these options was estimated using the Black Scholes stock option evaluation model with the following assumptions: estimated weighted average duration of 3 to 5 years for these options, risk free interest rate of 2.5 % to 6.24 %, variable volatility and no forecasted dividend.

**Information regarding outstanding warrants as at June 29, 2011 :**

Date	Number of warrants	Average exercise price \$
As at December 31, 2010	36,538,076	0,13
Issued during February 2011	11,830,537	0,18
Exercised during the first quarter of 2011	(8,492,250)	0,13
Expired during February 2011	(13,299,330)	0,15
Issued during May 2011	4,166,665	0,30
Exercised during April, May and June 2011	(4,790,500)	0,12
As at June 29, 2011	25,953,198	0,18



Warrant characteristics as at June 29, 2011 are as follows :

Number	Exercise price \$	Expiry date
5,360,000	0,11	October 2011
1,980	0,05	October 2011
3,555,555	0,13	March 2012
1,038,461	0,18	October 2012
11,830,537	0,18	February 2013
2,777,777	0,30	May 2013
1,388,888	0,30	May 2014
<b>25,953,198</b>		

#### RELATED PARTY TRANSACTIONS

The statement of loss and share issue expenses include an amount of \$29,000 incurred directly with directors and officers or with companies controlled by them. These transactions occurred in the normal course of business and are measured at the exchange amount, which is the amount of the consideration established by the related parties.

#### SUBSEQUENT EVENT

During the month of April, 2011, the Company granted a total of 1,000,000 incentive stock options with an exercise price of \$0,235 per share to one of its officers. These options will expire five years from the date of the grant.

During the month of May, 2011, the Company issued 5,555,555 units at a price of \$0.27 each. Each of these units is comprised of one common share and of one-half warrant. Each warrant entitles the holder to purchase one common share of the Company at a price of \$0.30 until May, 2013.

#### FINANCING

During the month of February 2011, the Company issued 23,245,075 units at a price of \$0.13 each for a gross amount raised of \$3,000,000. Each of these units is comprised of one common share and of one-half warrant. Each warrant entitles the holder to purchase one common share of the Company at a price of \$0.18 until February 2013.



During the month of May 2011, the Company closed a non-brokered placement of \$1,500,000. The private placement consisted of 5,555,555 units at \$0.27 each. Each unit includes one common share and one-half warrant. Each full warrant entitles the holder to purchase one additional common share at \$0.30 per share, valid for a period of two years following the closing of this private placement. Furthermore, a number of 1,388,888 finder's warrants were issued in relation to this private placement entitling the holder to purchase shares at \$0.30 per share until May 2014.

During the first quarter of 2011, the Company issued shares for an amount of \$1,067,358 paid in cash following the exercise of warrants.

For the period going from January 1, 2011 to June 29, 2011, the Company has issued a total of 13,282,750 shares following the exercise of warrants for \$1,634,313 paid in cash. (see tables above for more details)

#### **INTERNATIONAL FINANCIAL REPORTING STANDARDS (« IFRS »)**

The Canadian Accounting Standards Board confirmed in February 2008 that International Financial Reporting Standards will replace Canadian generally accepted accounting principles for publicly accountable enterprises for financial periods beginning on and after January 1, 2011. The disclosures concerning the transition from Canadian GAAP to IFRS are included in note 18 of the financial statements.

These IFRS Interim Financial Statements are for part of the period covered by the Company's first IFRS consolidated annual financial statements to be presented in accordance with IFRS for the year ending December 31, 2011. The Company previously prepared its consolidated annual and consolidated interim financial statements in accordance with Canadian GAAP.

#### **CAPITAL DISCLOSURES**

The Company's objective when managing capital is to maintain adequate cash resources to support planned activities. The Company includes shareholders equity and cash equivalents in the definition of capital.

The Company's objectives when managing capital are to maintain financial flexibility in order to preserve its ability to meet financial obligations. The Company monitors capital in the light of its monthly burn rate and short-term obligations linked to its financial liabilities.



## FINANCIAL INSTRUMENTS

### Fair value of financial instruments

The Company has and assumes financial assets and liabilities such as cash, accounts receivable and accounts payable. The fair value of cash, accounts receivable and accounts payable approximate their carrying value due to their short-term maturities.

### Market risk

The Company is exposed to market fluctuations in the price of gold, the U.S. currency and CFA francs with respect to the Canadian currency. The Company is not managing its exposure to these risks by using derivative financial instruments and forward sales contracts. The risks and managing these risks has remained unchanged over previous years.

### Currency risk

As at March 31, 2011, the Company holds cash in CFA francs totalling 145,587,506 CFA francs (CAN\$321,209).

### Credit risk

Financial instruments exposing the Company to concentrations of credit risk comprise accounts receivable. The Company continuously assesses the possible losses and establishes a provision for losses based upon the estimated realizable value.

### Liquidity risk

The purpose of managing liquidity risk is to maintain a sufficient amount of cash to ensure that the Company has available funds to meet its obligations.

Accounts payable are due over the next fiscal year.

## OTHER INFORMATION

This discussion and analysis of the financial position and results of operations as at June 29, 2011 should be read in conjunction with the unaudited financial statements for the quarter ended March 31, 2010 and the audited financial statements for the year ended December 31, 2010. The unaudited financial statements for the quarter ended March 31, 2011 were not reviewed by external auditors. Additional information on the Company can be obtained at the website [www.sedar.com](http://www.sedar.com) under SEDAR filings.



## **MANAGEMENT'S RESPONSABILITY FOR FINANCIAL INFORMATION**

The Company's financial statements are the responsibility of the company's management, and have been approved by the Board of Directors. The financial statements were prepared by the company's management in accordance with the recognition and measurement requirements of IFRS. The financial statements include certain amounts based on the use of estimates and assumptions. Management has established these amounts in a reasonable manner, in order to ensure that the interim financial statements are presented fairly in all material respects.

(signed) André Gagné, president and CEO      (signed) Claude Goulet, treasurer

Quebec, June 29, 2011

