EQUINOX GOLD

Condensed Consolidated Interim Financial Statements

For the three and nine months ended September 30, 2020 and 2019

(Unaudited, expressed in thousands of United States dollars, unless otherwise stated)

EQUINOX GOLD

Condensed Consolidated Statements of Financial Position

(Unaudited, expressed in thousands of United States dollars)

	Note	September 30, 2020	December 31, 2019
Assets			
Current assets			
Cash and cash equivalents		$ 310,719	$ 67,716
Trade and other receivables		47,237	27,390
Inventory	5	214,867	46,262
Prepaid expenses and other current assets		23,966	6,681
Restricted cash – current		596	607
		597,385	148,656
Restricted cash		4,903	14,678
Inventory	5	124,100	141,578
Mineral properties, plant and equipment	6	1,841,654	497,944
Exploration and evaluation assets		13,750	13,750
Other assets		22,564	22,744
Total assets		$ 2,604,356	$ 839,350
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued liabilities		$ 109,027	$ 67,204
Current portion of loans and borrowings	7	6,667	61,574
Derivative liabilities – current	8	72,159	-
Other current liabilities		14,200	3,145
		202,053	131,923
Loans and borrowings	7	536,455	202,475
Derivative liabilities	8	122,676	56,146
Reclamation obligations		111,638	29,885
Other long-term liabilities		31,333	5,150
Deferred tax liabilities		222,454	10,712
Total liabilities		1,226,609	436,291
Shareholders' equity			
Share capital	10	1,513,786	505,686
Reserves		39,081	27,959
Deficit		(175,120)	(130,586)
Total equity		1,377,747	403,059
Total liabilities and equity		$ 2,604,356	$ 839,350

Commitments and contingencies (notes 6, 11 and 21)

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

EQUINOXGOLD

Condensed Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)

(Unaudited, expressed in thousands of United States dollars, except share and per share amounts)

	Note	Three months ended September 30, 2020	Three months ended September 30, 2019	Nine months ended September 30, 2020	Nine months ended September 30, 2019
Revenue	11	$ 244,454	$ 91,896	$ 589,876	$ 162,677
Operating expenses	12	(110,385)	(49,918)	(284,386)	(98,075)
Depreciation and depletion		(36,379)	(11,192)	(88,102)	(19,224)
Earnings from mine operations		97,690	30,786	217,388	45,378
Care and maintenance	13	(12,069)	-	(31,176)	-
Exploration		(2,868)	(943)	(9,461)	(7,030)
General and administration	14	(8,142)	(3,318)	(24,741)	(10,117)
Income from operations		74,611	26,525	152,010	28,231
Finance expense		(12,773)	(5,335)	(31,104)	(12,437)
Finance income		613	78	1,250	1,332
Other expense	15	(39,518)	(9,671)	(117,962)	(24,620)
Net income (loss) before taxes		22,933	11,597	4,194	(7,494)
Current tax expense		(9,324)	(1,811)	(25,391)	(4,824)
Deferred tax (expense) recovery		(1,797)	(1,729)	(23,337)	502
Net income (loss) and comprehensive income (loss)		$ 11,812	$ 8,057	$ (44,534)	$ (11,816)
Net income (loss) and comprehensive income (loss) attributable to:					
Equinox Gold shareholders		$ 11,812	$ 8,057	$ (44,534)	$ (9,852)
Non-controlling interests		-	-	-	(1,964)
		$ 11,812	$ 8,057	$ (44,534)	$ (11,816)
Net income (loss) per share, basic and diluted	16	$ 0.05	$ 0.07	$ (0.22)	$ (0.09)
Weighted average shares outstanding,	16				
Basic		241,249,679	113,288,119	202,538,753	111,523,430
Diluted		244,066,116	141,748,278	202,538,753	111,523,430

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

EQUINOX GOLD

Condensed Consolidated Statements of Cash Flows

(Unaudited, expressed in thousands of United States dollars)

	Note	Three months ended September 30, 2020	Three months ended September 30, 2019	Nine months ended September 30, 2020	Nine months ended September 30, 2019
Cash provided by (used in):					
Operations					
Net income (loss) for the period		$ 11,812	$ 8,057	$ (44,534)	$ (11,816)
Adjustments for:					
Depreciation and depletion		37,768	11,292	94,352	19,466
Change in fair value of warrants	8(c), 15	8,596	7,408	47,334	11,387
Unrealized loss on gold contracts	8(a)	10,160	-	24,083	-
Tax expense		11,121	3,540	48,728	4,322
Finance expense		12,773	5,335	31,104	12,437
Unrealized loss on foreign exchange contracts	8(b)	2,675	1,594	25,232	1,594
Share-based compensation		2,450	1,017	6,535	3,150
Loss on extinguishment of debt		-	220	-	14,123
Expected credit losses (recovery)	15	(412)	(261)	6,074	(224)
Finance fees paid		(7,229)	(1,696)	(32,068)	(9,553)
Unrealized foreign exchange (gain) loss		4,259	(88)	(14,330)	(1,691)
Income taxes paid		(13,479)	-	(26,604)	-
Other		9,125	1,140	3,903	(3,213)
Operating cash flow before non-cash changes in working capital		89,619	37,558	169,809	39,982
Changes in non-cash working capital:					
Accounts receivable, prepaid expenses and deposits		(6,426)	(8,084)	274	(7,152)
Inventory		(18,562)	(4,242)	(15,730)	(23,347)
Accounts payable and accrued liabilities		(3,299)	12,735	(20,768)	11,305
		61,332	37,967	133,585	20,788
Investing					
Capital expenditures		(47,668)	(25,267)	(121,991)	(81,751)
Acquisition of Leagold	4	-	-	55,252	-
Mesquite acquisition working capital adjustment		-	-	-	(12,451)
Other		2,500	(111)	(855)	(1,375)
		(45,168)	(25,378)	(67,594)	(95,577)
Financing					
Proceeds from option and warrant exercises	10	5,992	293	169,386	1,179
Draw down of loans and borrowings	7	-	20,000	518,958	189,661
Net proceeds from equity financings	10	-	-	39,938	-
Decrease in restricted cash		3,137	-	9,158	1,389
Repayment of loans and borrowings	7	(200,000)	(20,000)	(546,274)	(136,888)
Other		(5,148)	(68)	(8,618)	3,279
		(196,019)	225	182,548	58,620
Effect of foreign exchange on cash and cash equivalents		(3,488)	(369)	(5,536)	838
Increase (decrease) in cash and cash equivalents		(183,343)	12,445	243,003	(15,331)
Cash and cash equivalents, beginning of period		494,062	33,046	67,716	60,822
Cash and cash equivalents, end of period		$ 310,719	$ 45,491	$ 310,719	$ 45,491

Supplemental cash flow information (note 17)

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

EQUINOX GOLD

Condensed Consolidated Statements of Changes in Equity

(Unaudited, expressed in thousands of United States dollars, except share amounts)

	Share Capital								
	Shares		Amount		Reserves		Deficit		Total
December 31, 2019	113,452,363	$	505,686	$	27,959	$	(130,586)	$	403,059
Shares and options issued for acquisition of Leagold (note 4)	94,635,765		732,042		19,777		-		751,819
Shares issued in financings (note 10)	6,472,491		40,000		-		-		40,000
Shares issued on exercise of shareholder anti-dilution right (note 10)	461,947		2,855		-		-		2,855
Equity component of Convertible Notes (note 7(b))	-		-		8,322		-		8,322
Shares issued on exercise of warrants, stock options and RSUs (note 10)	26,847,608		233,265		(20,489)		-		212,776
Share-based compensation	-		-		3,512		-		3,512
Share issue costs	-		(62)		-		-		(62)
Net loss and comprehensive loss	-		-		-		(44,534)		(44,534)
September 30, 2020	241,870,174	$	1,513,786	$	39,081	$	(175,120)	$	1,377,747

	Share Capital										
	Shares		Amount		Reserves		Deficit		Non-controlling interests		Total
December 31, 2018	110,425,401	$	491,100	$	15,402	$	(111,723)	$	14,519	$	409,298
Shares issued to settle Debenture	2,227,835		10,110		-		-		-		10,110
Equity component of Convertible Notes	-		-		10,217		-		-		10,217
Shares issued on exercise of warrants, stock options and RSUs	748,361		4,173		(2,708)		-		-		1,465
Share-based compensation	-		-		3,151		-		-		3,151
Changes in non-controlling interest from equity offerings and other	-		-		-		(503)		3,949		3,446
Deconsolidation of Solaris Resources	-		-		-		-		(16,504)		(16,504)
Net loss and comprehensive loss	-		-		-		(9,852)		(1,964)		(11,816)
September 30, 2019	113,401,597	$	505,383	$	26,062	$	(122,078)	$	-	$	409,367

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

1. NATURE OF OPERATIONS

Equinox Gold Corp. (the "Company" or "Equinox Gold") was incorporated under the Business Corporations Act of British Columbia on March 23, 2007. Equinox Gold's primary listing is on the Toronto Stock Exchange ("TSX") in Canada where its common shares trade under the symbol "EQX" and its warrants trade under the symbol "EQX.WT". The Company's shares also trade on the NYSE American Stock Exchange ("NYSE-A") in the United States under the symbol "EQX" and its warrants also trade on the OTC Markets in the United States under the symbol "EQXWF".

Equinox Gold is a gold mining company engaged in the operation, acquisition, exploration and development of mineral properties. On March 10, 2020, the Company completed its acquisition of Leagold Mining Corporation ("Leagold"). The results of operations of Leagold are included in these financial statements from March 10, 2020 (note 4).

All of the Company's properties are located in the Americas, with one property in Mexico, two in the United States and five in Brazil. Each property is wholly-owned by the Company. The Company's producing assets are the Los Filos Mine Complex ("Los Filos") in Mexico, the Mesquite Mine ("Mesquite") in the United States, and the Aurizona Mine ("Aurizona"), Fazenda Mine ("Fazenda"), RDM Mine ("RDM") and Pilar Mine ("Pilar") in Brazil. The Company's development-stage assets are the Castle Mountain Mine ("Castle Mountain") in the United States, which is in the late stages of commissioning, and the Santa Luz Mine ("Santa Luz") in Brazil which is on care and maintenance and for which the Company is in the late stage of completing an updated feasibility study.

2. BASIS OF PREPARATION

(a) Basis of presentation

These condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, and do not include all of the information required for full annual financial statements prepared using International Financial Reporting Standards ("IFRS"). These condensed consolidated interim financial statements should be read in conjunction with the Company's most recent annual audited financial statements for the year ended December 31, 2019. Except as described in note 2(d), the accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Company's annual audited consolidated financial statements for the year ended December 31, 2019.

These condensed consolidated interim financial statements were approved and authorized for issuance by the Board of Directors on November 5, 2020.

(b) Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are entities controlled by the Company. Control is defined as Equinox Gold having power over the entity, rights to variable returns from its involvement with the entity, and the ability to use its power to affect the amount of returns. All intercompany transactions and balances are eliminated on consolidation.

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

2. BASIS OF PREPARATION (CONTINUED)

At September 30, 2020, the Company's material subsidiaries include the following:

Company	Location	Ownership Interest
Castle Mountain Venture	USA	100%
Desarrollos Mineros San Luis S.A. de C.V.	Mexico	100%
Fazenda Brasileiro Desenvolvimento Mineral Ltda	Brazil	100%
Mineração Aurizona S.A.	Brazil	100%
Mineração Riacho Dos Machados Ltda	Brazil	100%
Pilar de Goias Desenvolvimento Mineral Ltda	Brazil	100%
Santa Luz Desenvolvimento Mineral Ltda	Brazil	100%
Western Mesquite Mines, Inc.	USA	100%

(c) Functional currency and presentation currency

Except as otherwise noted, these financial statements are presented in United States dollars ("US dollars"), the functional currency of the Company and its subsidiaries.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate prevailing at the date of the statement of financial position. Non-monetary assets and liabilities are translated at historical exchange rates, unless the item is carried at fair value, in which case it will be translated at the exchange rate in effect at the date when the fair value was determined. Resulting foreign exchange gains and losses are recognized in income or loss. Foreign currency gains and losses are reported on a net basis.

(d) Significant accounting policies

Depletion of mineral properties

The carrying amounts of mineral properties are amortized using the units-of-production method over the estimated recoverable ounces, which is the estimated total ounces to be extracted in current and future periods based on proven and probable reserves, and, in the case of certain underground mines, certain measured and indicated resources.

(e) Adoption of new accounting standards

The following amendment to existing standards has been issued but not yet adopted by the Company:

IAS 16, *Property, plant and equipment – proceeds before intended use*

On May 14, 2020, the IASB published a narrow scope amendment to IAS 16 Property, Plant and Equipment - Proceeds before Intended Use. The amendment prohibits deducting from the cost of property, plant and equipment amounts received from selling items produced while preparing the asset for its intended use. Instead, amounts received will be recognized as sales proceeds and related cost in profit or loss. The effective date is for annual periods beginning on or after January 1, 2022. The Company is assessing the effect of the narrow scope amendment on its consolidated financial statements.

3. USE OF JUDGEMENTS AND ESTIMATES

In preparing these condensed consolidated interim financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ. Significant judgements made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those applied in the most recent annual audited consolidated financial statements for the year ended December 31, 2019 except as follows:

(a) Acquisitions

On the acquisition of a set of assets and liabilities, a company must determine whether what was acquired includes the inputs, processes and outputs necessary to constitute a business as defined in IFRS 3 – *Business Combinations*. If an acquired set of assets and liabilities includes goodwill, the set is presumed to be a business. Based on an assessment of the relevant facts and circumstances, the Company concluded that the acquisition of Leagold on March 10, 2020 met the criteria of a business combination and that Equinox Gold was the acquirer.

(b) Fair value of assets and liabilities acquired

Accounting for acquisitions requires estimates with respect to the fair value of the assets and liabilities acquired. Such estimates require valuation methods, including discounted cash flows, depreciated replacement costs and other methods. The models used in these valuation methods use forecasted cash flows, discount rates, current replacement costs and other assumptions. Changes in these assumptions changes the value assigned to the acquired assets and liabilities and goodwill, if any.

Significant assumptions related to the Company's acquisition of Leagold are disclosed in note 4.

(c) Commencement of commercial production

Management considers several factors in determining when a mining property is capable of operating at levels intended by management. Until a mine is capable of operating at levels intended by management, costs incurred are capitalized as part of the costs of the related mining properties and proceeds from mineral sales are offset against costs capitalized. Depletion of capitalized costs for mining properties begins when the mine is capable of operating at levels intended by management. Amongst other quantitative and qualitative factors, plant utilization, stacking rates and irrigation rates over a specified period were utilized in determining the appropriate timing for a heap leach operation.

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

4. ACQUISITION OF LEAGOLD

On March 10, 2020, the Company completed the acquisition of Leagold (the "Leagold Acquisition" or "Transaction"). Leagold was a gold mining company with four operating mines, one development project and one expansion project, all located in the Americas, including Los Filos in Mexico, and Fazenda, RDM, Pilar and Santa Luz in Brazil. The acquisition supported the Company's growth strategy and enhanced the Company's production profile.

Under the terms of the Transaction, the Company acquired 100% of the issued and outstanding shares of Leagold at an exchange ratio of 0.331 of an Equinox Gold share for each Leagold share. Holders of Leagold options, warrants performance share units ("PSUs") and deferred share units ("DSUs") received equivalent Equinox Gold options, warrants, PSUs and DSUs with the number of such securities issuable adjusted by the 0.331 exchange ratio.

By virtue of the Company issuing equity instruments and relative voting rights of Equinox Gold shareholders, including significant minority shareholders post-merger, among other factors, the Company has been identified as the acquirer in the transaction and has accounted for the transaction as a business combination. Transaction costs incurred in respect of the acquisition totaling $3.9 million, of which $2.6 million were incurred in 2020, were expensed and presented within professional fees in general and administration expense in the statement of income (loss) and comprehensive income (loss).

The acquisition date fair value of the consideration transferred consisted of the following:

Purchase price:		
Share consideration[1]	$	732,042
Option consideration[2]		19,777
Warrant consideration[3]		8,543
PSU and DSU consideration[4]		3,721
Total consideration	$	764,083

(1) The fair value of 94,635,765 common shares issued to Leagold shareholders was determined using the Company's share price of C$10.51 per share on the acquisition date.

(2) The fair value of 5,728,647 replacement options issued was determined using the Black-Scholes option pricing method with the following weighted average assumptions: exercise price of C$7.77, expected life of 2.07 years, annualized volatility of 60.2%, dividend yield of 0.0%, and discount rate of 0.54%.

(3) The fair value of 16,626,569 replacement warrants issued was determined using the Black-Scholes option pricing method with the following weighted average assumptions: exercise price of C$11.14, expected life of 0.32 years, annualized volatility of 44.1%, dividend yield of 0.0%, and discount rate of 0.69%.

(4) The fair value of 369,919 replacement PSUs and 319,288 replacement DSUs issued was determined using the Leagold share price of C$3.49 on the acquisition date, adjusted for the 0.331 exchange ratio.

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

4. ACQUISITION OF LEAGOLD (CONTINUED)

The Company retained an independent appraiser to determine the fair value of assets acquired and liabilities assumed. The allocation is preliminary as there has not been sufficient time to complete the valuation process. The fair values are subject to change as the valuation work is finalized in the twelve months following the acquisition date.

During the three months ended September 30, 2020, the Company reviewed its estimates of conversion costs for heap leach inventory and useful lives of certain plant and equipment at Los Filos as of the acquisition date. As a result of this review, the fair value of inventory at the acquisition date increased by $34.3 million, mineral properties, plant and equipment decreased by $44.2 million and deferred tax liabilities decreased by $9.8 million. The impact of these adjustments has been applied retrospectively and therefore, certain previously reported figures have been updated to reflect these adjustments.

	Reported as of March 31, 2020	Adjustments	Reported as of September 30, 2020
Net assets (liabilities) acquired:			
Cash and cash equivalents	$ 55,252	$ -	$ 55,252
Trade and other receivables	33,524	-	33,524
Inventory	90,082	34,332	124,414
Mineral property, plant and equipment	1,350,794	(44,157)	1,306,637
Other assets	21,432	-	21,432
Accounts payable and accrued liabilities	(88,490)	-	(88,490)
Loans and borrowings and accrued interest	(323,870)	-	(323,870)
Derivative liabilities	(78,526)	-	(78,526)
Reclamation obligations	(69,487)	-	(69,487)
Deferred tax liabilities	(195,628)	9,825	(185,803)
Other liabilities	(31,000)	-	(31,000)
Fair value of net assets acquired	$ 764,083	$ -	$ 764,083

In accordance with the acquisition method of accounting, the acquisition cost has been allocated on a preliminary basis to the underlying assets acquired and liabilities assumed, based primarily upon their estimated fair values at the date of acquisition. The preliminary fair values of mineral properties have been estimated using discounted cash flow models and the preliminary fair values of plant and equipment have been estimated using a replacement cost approach. Expected future cash flows are based on estimates of future gold prices and projected future revenues, estimated quantities of ore reserves and mineral resources, expected future production costs and capital expenditures based on life of mine plans at the acquisition date.

As of the date of these condensed consolidated interim financial statements, the allocation of the Leagold Acquisition purchase price has not been finalized. Mineral properties, plant and equipment, tax contingencies in Brazil and Mexico, and deferred taxes are all subject to change. Any further adjustments made will be recognized in the period determined retrospectively and previous periods information will be revised.

Consolidated revenue for the three and nine months ended September 30, 2020 includes revenue from the assets acquired in the Leagold Acquisition of $121.3 million and $247.4 million, respectively. Consolidated net income for the three months ended September 30, 2020 includes net income before tax from Leagold of $7.5 million, and for the nine months ended September 30, 2020 consolidated net loss includes net income before tax from Leagold of $16.0 million. Had the transaction occurred on January 1, 2020, pro-forma unaudited consolidated revenue and net loss before tax for the nine months ended September 30, 2020 would have been approximately $680 million and $31 million, respectively.

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

5. INVENTORY

		September 30, 2020		December 31, 2019
Heap leach ore (current and non-current)	$	268,826	$	158,598
Less: Non-current portion of heap leach ore		(124,100)		(141,578)
Current portion of heap leach ore		144,726		17,020
Stockpiles		9,331		9,776
Work-in-process		17,704		6,366
Supplies		38,393		12,329
Finished goods		4,713		771
Current inventory	$	214,867	$	46,262

Non-current inventory relates to heap leach ore at Mesquite not expected to be recovered in the next year.

6. MINERAL PROPERTIES, PLANT AND EQUIPMENT

		Mineral properties[1]		Plant and equipment[1]		Construction in-progress[1]		Other		Total
Cost										
Balance – December 31, 2018	$	86,740	$	80,234	$	153,171	$	555	$	320,700
Additions		26,132		(900)		63,108		1,633		89,973
Transfers		53,473		131,918		(195,328)		-		(9,937)
Transfer from exploration and evaluation assets		133,060		-		-		-		133,060
Disposals		-		(1,758)		-		(74)		(1,832)
Change in reclamation cost asset		6,080		-		-		-		6,080
Balance – December 31, 2019	$	305,485	$	209,494	$	20,951	$	2,114	$	538,044
Leagold Acquisition		874,555		403,238		28,525		319		1,306,637
Additions		50,033		32,261		40,627		179		123,100
Disposals		(2)		(2,330)		-		-		(2,332)
Change in reclamation cost asset		23,919		-		-		-		23,919
Balance – September 30, 2020	$	1,253,990	$	642,663	$	90,103	$	2,612	$	1,989,368
Accumulated depreciation										
Balance – December 31, 2018	$	326	$	3,363	$	-	$	100	$	3,789
Additions		12,682		24,136		-		294		37,112
Disposals		-		(766)		-		(35)		(801)
Balance – December 31, 2019	$	13,008	$	26,733	$	-	$	359	$	40,100
Additions		44,269		64,109		-		519		108,897
Disposals		-		(1,283)		-		-		(1,283)
Balance – September 30, 2020	$	57,277	$	89,559	$	-	$	878	$	147,714
Net book value:										
At December 31, 2019	$	292,477	$	182,761	$	20,951	$	1,755	$	497,944
At September 30, 2020	$	1,196,713	$	553,104	$	90,103	$	1,734	$	1,841,654

[1] Cost balances as at December 31, 2018, 2019 cost additions, and 2019 cost transfers have been reclassified to conform with the current period presentation.

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

6. MINERAL PROPERTIES, PLANT AND EQUIPMENT (CONTINUED)

During the nine months ended September 30, 2020, the Company capitalized to construction-in-progress $38.6 million and $2.0 million of costs at Castle Mountain and Los Filos, respectively (nine months ended September 30, 2019 – $3.4 million for Castle Mountain).

Certain of the Company's mining properties are subject to royalty arrangements based on their net smelter returns ("NSR"s) or gross revenues. At September 30, 2020, the Company's significant royalty arrangements were as follows:

Mineral property	Royalty arrangements
Mesquite	0.5%-7% NSR
Los Filos	3% of gross sales at Xochipala concession
Aurizona	1.5% of gross sales; 3%-5% sliding scale NSR based on gold price
Fazenda	0.75%-1.5% of gross sales
RDM	1%-1.5% of gross sales
Pilar	0.75-1.5% of gross sales
Castle Mountain	2.65% NSR

7. LOANS AND BORROWINGS

	Note		September 30, 2020		December 31, 2019
Credit Facility	7(a)	$	289,169	$	116,625
2019 Convertible Notes			127,952		125,850
2020 Convertible Notes	7(b)		126,001		-
Standby Loan			-		12,000
Debenture			-		9,574
			543,122		264,049
Less: Current portion of loans and borrowings			(6,667)		(61,574)
Non-current portion of loans and borrowings		$	536,455	$	202,475

(a) Credit Facility

On March 10, 2020, in conjunction with the Leagold Acquisition, the Company amended its $130 million corporate revolving credit facility with a syndicate of lenders led by The Bank of Nova Scotia, Société Générale, Bank of Montreal and ING Capital LLC. The amended credit facility is comprised of a $400 million revolving loan (the "Revolving Facility") and $100 million amortizing term loan (the "Term Loan") (together, the "Credit Facility"). On close of the Leagold Acquisition and concurrent financing, the Company drew the full amount of the Term Loan and an additional $100 million from the Revolving Facility. Proceeds from the draws were used to repay Leagold debt outstanding on the acquisition date. On March 24, 2020, the Company drew the remaining $180 million available under the Revolving Facility as a cautionary measure given the uncertainty regarding the potential impact of the COVID-19 pandemic on the Company's operations.

The Credit Facility bears interest at an annual rate of LIBOR plus 2.5% to 3.75%, subject to certain leverage ratios. The Revolving Facility matures on March 8, 2024, at which date it must be repaid in full and the Term Loan matures on March 10, 2025 with quarterly repayments equal to 6.67% of principal beginning September 30, 2021 through to maturity.

The Company determined that amending the corporate revolving credit facility to become the Credit Facility was a non-substantial modification of the existing outstanding debt. The Company recognized a gain on modification of debt of $2.6 million to reflect the adjusted amortized cost of the drawn portion of the Revolving Facility,

7. LOANS AND BORROWINGS (CONTINUED)

recorded within other expense. Additional transaction costs of $9.2 million were incurred in relation to the Credit Facility and are recorded as a reduction to the carrying value of debt.

In August 2020, the Company repaid $200 million principal under the Revolving Facility and recorded $2.7 million in finance expense due to accelerated recognition of deferred financing costs as a result of the change in timing of cash flows. The revised carrying value of debt outstanding is accreted to the principal amount over the respective terms of the Revolving Facility and Term Loan using a weighted average effective interest rate of 4.4%.

The Credit Facility is secured by first-ranking security over all present and future property and assets of the Company. The Credit Facility is subject to standard conditions and covenants, including maintenance of debt service coverage ratio, leverage ratio and minimum liquidity of $50 million. As at September 30, 2020, the Company is in compliance with these covenants.

(b) 2020 Convertible Notes

On March 10, 2020, the Company issued $130 million in Convertible Notes to Mubadala Investment Company ("Mubadala") and on April 9, 2020, pursuant to a pre-existing investor rights agreement, the Company issued $9.3 million in additional convertibles notes (referred to together with the Mubadala notes as the "2020 Notes") to Pacific Road Resources Funds ("Pacific Road"). Proceeds from the 2020 Notes and Credit Facility (note 7(a)) were used to repay $323.9 million principal and accrued interest outstanding under Leagold's debt facilities (note 4) at the acquisition date.

The 2020 Notes mature on March 10, 2025 and bear interest at a fixed rate of 4.75% per year payable quarterly in arrears. The 2020 Notes are convertible at the holder's option into common shares of the Company at a fixed conversion price of $7.80 per share. Holders may exercise their conversion option at any time, provided that the holder owns less than 20% of the outstanding common shares of the Company. On or after March 10, 2023, the Company has a call right that may be exercised if the 90-day volume weighted average price ("VWAP") of the Company's shares exceeds $10.14 for a period of 30 consecutive days. If the call right is exercised, the holders would be required to either (i) exercise the conversion option on the remaining principal outstanding or (ii) demand cash payment from the Company subject to a predetermined formula based on the conversion price of $7.80 per share and the Company's share price at the time of redemption.

Gross proceeds from the 2020 Notes of $139.3 million was allocated to the debt and equity components. The fair value of the debt portion of $128.1 million was estimated using a discounted cash flow model based on an expected term of 5 years and a discount rate of 6.9%. The residual of $8.6 million ($11.7 million net of deferred tax expense of $3.1 million) was recognized in other equity reserves. The debt component is recorded at amortized cost, net of transaction costs, and is accreted to the principal amount over the term of the 2020 Notes using an effective interest rate of 7.3%. Transaction costs of $3.3 million were incurred and allocated on a pro-rata basis with $3.0 million allocated to the debt component and $0.3 million allocated to the equity component.

Security for the 2020 Notes includes a charge on all assets of the Company and is subordinate to the Credit Facility.

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

7. LOANS AND BORROWINGS (CONTINUED)

(c) Loans and borrowings continuity

In June 2020, the Company repaid in full the aggregate $24.1 million in principal and accrued interest due related to its Standby Loan and Debenture. The repayment of loan principal of $12.0 million and $1.7 million of accrued interest to the Company's Chairman, Ross Beaty, is a related party transaction.

The following is a summary of the changes in loans and borrowings arising from investing and financing activities for the nine months ended September 30, 2020:

Balance – December 31, 2019	$	264,049
Debt assumed in Leagold Acquisition, including accrued interest		323,870
Modification gain and transaction costs incurred on Credit Facility		(4,839)
$380 million draw from Credit Facility, net of deferred financing costs		372,682
Debt component of Convertible Notes, net of deferred financing costs		124,622
Repayment of debt and accrued interest		(547,463)
Accretion and accrued interest		10,201
Balance – September 30, 2020	$	543,122

8. DERIVATIVE FINANCIAL INSTRUMENTS

(a) Gold collars and forward contracts

As part of the Leagold Acquisition (note 4), the Company assumed gold collar and forward contracts. The gold collars have put and call strike prices of $1,325 and $1,430 per ounce, respectively, for 3,750 ounces per month from acquisition to September 2022 for a total of 116,250 ounces. The forward swap contracts cover 4,583 ounces per month from acquisition to September 2022 for a total of 142,083 ounces, at an average fixed gold price of $1,350 per ounce. As of September 30, 2020, the Company had 90,000 ounces and 110,000 ounces remaining to be delivered under collars and forwards, respectively.

The gold collars and forward swap contracts have not been designated as hedges and are recorded at fair value at the end of each reporting period with changes in fair value recognized in other expense.

The fair value of gold collars and forward swap contracts at September 30, 2020 was a liability of $102.6 million, of which $51.0 million was recorded as current derivative liabilities. For the three and nine months ended September 30, 2020, the Company recognized the following within other expense (note 15):

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
Realized loss on settlement of gold contracts	$ 13,398	$ -	$ 23,019	$ -
Unrealized loss on revaluation of gold contracts outstanding	10,160	-	24,083	-
	$ 23,558	$ -	$ 47,102	$ -

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

8. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

(b) Foreign exchange contracts

As at September 30, 2020, the Company had in place USD:BRL and USD:MXP put and call options with the following notional amounts, weighted average maturity dates and rates:

	USD notional amount		Call options' weighted average	Put options' weighted average
Currency	Within 1 year	1-2 years	strike price	strike price
BRL	$ 126,441	$ 30,337	4.42	5.04
MXP	22,000	8,000	21.75	26.01

The foreign exchange contracts have not been designated as hedges and are recorded at fair value at the end of each reporting period with changes in fair value recognized in other expense. The Company entered into these contracts at no premium and therefore incurred no investment costs at inception.

The fair value of foreign exchange contracts at September 30, 2020 was a liability of $23.6 million, of which $21.2 million was recorded as current derivative liabilities. For the three and nine months ended September 30, 2020, the Company recognized the following within other expense (note 15):

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
Realized loss on settlement of foreign exchange contracts	$ 334	$ 543	$ 584	$ 543
Unrealized loss on revaluation of foreign exchange contracts outstanding	2,675	1,594	25,232	1,594
	$ 3,009	$ 2,137	$ 25,816	$ 2,137

(c) Warrant liability

The functional currency of the Company is the US dollar. As the exercise price of the Company's share purchase warrants (note 10(d)) is fixed in Canadian dollars, these warrants are considered a derivative as a variable amount of cash in the Company's functional currency will be received on exercise. Accordingly, these share purchase warrants are classified and accounted for as a derivative liability at fair value through net income or loss.

The fair value of the warrants is determined using the Black Scholes option pricing model at the period-end date or the market price on the TSX for warrants that are trading.

Balance – December 31, 2018	$ 18,861
Warrants exercised	(868)
Change in fair value	38,153
Balance – December 31, 2019	56,146
Issued in Leagold Acquisition	8,543
Warrants exercised	(43,389)
Change in fair value	47,334
Balance – September 30, 2020	$ 68,634

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

8. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

The fair value of non-traded warrants was calculated with the following weighted average assumptions:

	September 30, 2020	December 31, 2019
Risk-free rate	0.2%	1.7%
Warrant expected life	1.2 years	1.2 years
Expected volatility	52.0%	45.1%
Expected dividend	0%	0.0%
Share price (C$)	$16.19	$10.16

The fair value of traded warrants was based on the market price of C$0.82 per warrant on September 30, 2020 (December 31, 2019 – C$0.42).

9. LEASES

(a) Right-of-use assets

		Plant and equipment		Computer and office equipment
Balance – December 31, 2018	$	-	$	229
Additions		782		537
Depreciation		(202)		(225)
Balance – December 31, 2019		580		541
Recognized in Leagold Acquisition		10,386		318
Additions		13,613		-
Depreciation		(5,522)		(240)
Balance – September 30, 2020	$	19,057	$	619

(b) Lease liabilities

		September 30, 2020		December 31, 2019
Current lease liabilities included in other current liabilities	$	8,230	$	501
Non-current lease liabilities included in other long-term liabilities		13,479		848
	$	21,709	$	1,349

In June 2020, the Company entered into a new lease agreement for the use of mining equipment in relation to contract mining at Castle Mountain for a period of four years. The Company makes fixed payments and additional variable lease payments depending on the usage of the assets during the contract period. On commencement of the lease, the Company recognized a $13.4 million right-of-use asset and related lease liability.

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

10. SHARE CAPITAL

(a) Authorized and issued

The Company is authorized to issue an unlimited number of common shares with no par value.

(b) Share issuances

During the nine months ended September 30, 2020, the Company issued 26,847,608 common shares for warrants and options exercised and received proceeds of $174.8 million.

On March 10, 2020, in conjunction with the acquisition of Leagold and concurrent financings, the Company closed a non-brokered private placement for 6,472,491 common shares of the Company at a price of $6.18 per share for gross proceeds of $40 million, including $36.0 million in common shares issued to the Company's Chairman, Ross Beaty, which is a related party transaction. The Company incurred $0.1 million in share issuance costs.

Pacific Road exercised its anti-dilution option pursuant to its investor rights agreement with the Company in relation to the issuance of shares for the acquisition of Leagold. On April 9, 2020, the Company issued 461,947 common shares to Pacific Road at a price of $6.18 per common share for proceeds of $2.9 million.

(c) Share based compensation plans

The following table summarizes non-cash share-based compensation for the period:

	Three months ended September 30, 2020	Three months ended September 30, 2019	Nine months ended September 30, 2020	Nine months ended September 30, 2019
Share purchase option expense	$ 188	$ 362	$ 432	$ 1,070
RSU expense	1,036	547	2,418	1,971
PSU expense	1,102	-	3,113	-
DSU expense	124	-	572	-
Total compensation expense	$ 2,450	$ 909	$ 6,535	$ 3,041
Compensation expense included in:				
General and administration	$ 2,035	$ 909	$ 5,341	$ 3,041
Operating expenses	317	-	898	-
Exploration	98	-	296	-
	$ 2,450	$ 909	$ 6,535	$ 3,041

(i) Share purchase options

During the nine months ended September 30, 2020, the Company granted 156,200 (nine months ended September 30, 2019 – 359,210) share purchase options to directors, officers and employees of the Company. The fair value of options granted was determined using the Black-Scholes option pricing model using the following weighted average assumptions:

	2020	2019
Exercise price (C$)	$11.80	$5.30
Risk-free interest rate	0.4%	1.8%
Volatility	65.2%	65.7%
Dividend yield	0%	0.0%
Expected life	5.0 years	5.0 years

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

10. SHARE CAPITAL (CONTINUED)

A summary of the Company's share purchase options is as follows:

	Shares issuable on exercise of options		Weighted average exercise price (C$)
Outstanding, December 31, 2018	2,776,302	$	6.35
Granted	359,210		5.30
Exercised	(240,895)		2.85
Expired/forfeited	(219,504)		10.97
Outstanding, December 31, 2019	2,675,113	$	5.99
Issued in Leagold Acquisition	5,728,647		7.77
Granted	156,200		11.80
Exercised	(5,246,178)		7.33
Expired/forfeited	(68,457)		10.09
Outstanding, September 30, 2020	3,245,325	$	6.90

At September 30, 2020, the Company had the following options issued and outstanding:

Options Outstanding					Options Exercisable		
Range of exercise price (C$)	Number of options		Weighted average exercise price (C$)	Weighted average remaining contractual life (years)	Number of options		Weighted average exercise price (C$)
$1.89 - $2.99	615,025	$	2.33	0.91	615,025	$	2.33
$3.00 - $4.99	11,730		3.99	1.59	11,730		3.99
$5.00 - $6.99	1,473,434		5.80	2.19	1,332,143		5.86
$7.00 - $8.99	687,374		8.37	1.51	687,374		8.37
$9.00 - $17.15	457,762		14.47	2.11	301,562		15.86
	3,245,325				2,947,834		

The weighted average exercise price of options exercisable at September 30, 2020, was C$5.92.

(ii) Restricted share units

Equity settled RSUs

During the nine months ended September 30, 2020, the Company granted 373,847 (nine months ended September 30, 2019 – 607,360) RSUs to directors, officers and employees with a fair value of $3.0 million (2019 – $1.8 million) based on the Company's share price on the date of grant.

During the nine months ended September 30, 2020, the Company granted 213,600 (nine months ended September 30, 2019 – 123,740) pRSUs to officers and employees of the Company with a fair value of $2.1 million (2019 – $0.8 million) based on the Company's share price on the date of grant. The pRSUs vest in two tranches and the number of shares issued will range from 0% to 200% based on the achievement of gold production targets and total shareholder return compared to the S&P Gold Miners Index over a three-year period.

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

10. SHARE CAPITAL (CONTINUED)

A continuity table of the equity settled RSUs and pRSUs outstanding is as follows:

	RSUs	pRSUs
Outstanding, December 31, 2018	543,276	1,142,544
Granted	488,560	143,740
Settled	(220,289)	(129,706)
Forfeited	(8,500)	(44,200)
Outstanding, December 31, 2019	803,047	1,112,378
Granted	373,847	213,600
Settled	(416,569)	(151,006)
Forfeited	(4,750)	(740)
Outstanding, September 30, 2020	755,575	1,174,232

Cash settled RSUs

A continuity table of the cash settled RSUs outstanding is as follows:

	RSUs outstanding
Outstanding, December 31, 2018	-
Granted	168,800
Outstanding, December 31, 2019	168,800
Granted	78,900
Settled	(65,900)
Forfeited	(37,000)
Outstanding, September 30, 2020	144,800

The total fair value of cash settled RSUs outstanding as at September 30, 2020 was $1.2 million (December 31, 2019 – $0.2 million) and is included in other liabilities.

(iii) Performance share units

As part of the Leagold Acquisition (note 4), the Company issued 369,915 replacement performance share units ("PSUs") under Leagold's PSU plan. The PSUs vest in three tranches based on the achievement of certain gold production targets at the Los Filos, Fazenda, RDM, Pilar and Santa Luz mines and are payable in cash. All unvested PSUs expire on December 31 of the third year following the calendar year in which the PSUs were granted. The fair value of the PSUs is based on the current share price and reflects management's best estimates of the probability that gold production targets will be achieved.

A continuity table of the PSUs outstanding is as follows:

	PSUs outstanding
Outstanding, December 31, 2019	-
Issued in Leagold Acquisition	369,915
Settled	(72,533)
Forfeited	(14,506)
Outstanding, September 30, 2020	282,876

The total fair value of PSUs outstanding as at September 30, 2020 was $2.8 million (December 31, 2019 – $nil) and is included in other liabilities.

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

10. SHARE CAPITAL (CONTINUED)

(iv) Deferred share units

As part of the Leagold Acquisition (note 4), the Company issued 319,286 replacement deferred share units ("DSUs") to non-executive directors of Leagold. The DSUs are redeemable for 90 days from the date a director ceases to be a member of the Board. Units are settled in cash based on the common share price at the date of settlement.

A continuity table of the DSUs outstanding is as follows:

	DSUs outstanding
Outstanding, December 31, 2019	-
Issued in Leagold Acquisition	319,286
Issued	8,266
Redeemed	(173,773)
Outstanding, September 30, 2020	153,779

The total fair value of DSUs outstanding as at September 30, 2020 was $1.8 million (December 31, 2019 – $nil) and is included in other liabilities.

(d) Share purchase warrants

A continuity of the Company's share purchase warrants is as follows:

	Shares issuable on exercise of warrants	Weighted average exercise price (C$)
Outstanding, December 31, 2018	24,565,862	$ 11.90
Exercised	(363,235)	5.36
Expired	(151,437)	14.60
Outstanding, December 31, 2019	24,051,190	$ 12.00
Issued in Leagold Acquisition	16,626,569	11.14
Exercised	(20,881,989)	9.48
Expired	(667,480)	13.14
Outstanding, September 30, 2020	19,128,290	$ 13.95

At September 30, 2020, the Company had the following share purchase warrants issued and outstanding:

Range of exercise price (C$)[1]	Shares issuable on exercise of warrants	Weighted average exercise price (C$)[1]	Expiry dates
$3.67 - $4.99	317,454	$ 3.67	May 2021
$5.00 - $9.99	910,543	5.67	March 2021 – May 2023
$10.00 - $14.99	1,872,407	10.93	December 2020 – March 2022
$15.00	16,027,886	15.00	October 2021
	19,128,290		

[1] 17,804,286 warrants with a weighted average exercise price of $14.21 are exercisable into one common share of Equinox Gold and one-quarter of a share of Solaris Resources Inc. ("Solaris"). Equinox Gold will receive nine-tenths of the proceeds from the exercise of each of these warrants and the remaining proceeds will be paid to Solaris.

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

11. REVENUE

Revenues from contracts with customers disaggregated by metal were as follows:

	Three months ended September 30, 2020	2019	Nine months ended September 30, 2020	2019
Gold	$ 243,929	$ 91,896	$ 588,807	$ 162,677
Silver	525	-	1,069	-
Total revenue	$ 244,454	$ 91,896	$ 589,876	$ 162,677

(a) Gold offtake arrangement

As part of the Leagold Acquisition, the Company assumed offtake arrangements with Orion Mine Finance ("Orion") that provides for gold offtake of 50% of the gold production from Los Filos and 35% of the gold production from the Fazenda, RDM, Pilar and Santa Luz mines at market prices, until a cumulative delivery of 1.1 million ounces and 0.7 million ounces, respectively, to Orion. As at September 30, 2020, a total of 0.3 million ounces had been delivered to Orion under the terms of the offtake arrangements.

(b) Silver streaming arrangement

As part of the Leagold Acquisition, the Company assumed a silver streaming agreement with Wheaton Precious Metals Corp. ("WPM") under which the Company must sell to WPM a minimum of 5 million payable silver ounces produced by Los Filos from August 5, 2010 to the earlier of the termination of the agreement or October 15, 2029 at the lesser of $3.90 per ounce or the prevailing market price, subject to an inflationary adjustment. The contract price is revised each year on the anniversary date of the contract, which at acquisition was $4.43 per ounce. As at September 30, 2020, a total of 1.9 million ounces had been delivered to WPM under the terms of the streaming agreement.

12. OPERATING EXPENSES

Operating expenses consist of the following components by nature:

	Three months ended September 30, 2020	2019	Nine months ended September 30, 2020	2019
Raw materials and consumables	$ 49,721	$ 25,317	$ 116,783	$ 60,253
Salaries and employee benefits	27,089	10,839	59,510	23,861
Contractors	22,998	9,502	54,557	15,460
Repairs and maintenance	10,109	4,474	24,749	13,450
Site administration	13,865	3,813	29,114	6,255
Royalties	6,416	3,447	16,062	5,346
	130,198	57,392	300,775	124,625
Less: Change in inventories	(19,813)	(7,474)	(16,389)	(26,550)
Total operating expenses	$ 110,385	$ 49,918	$ 284,386	$ 98,075

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

13. CARE AND MAINTENANCE

The Company's Santa Luz Mine is on care and maintenance. During the three and nine months ended September 30, 2020, the Company incurred $0.8 million and $1.8 million, respectively, in care and maintenance costs at Santa Luz (three and nine months ended September 30, 2019 – $nil).

Included in care and maintenance for the nine months ended September 30, 2020 was $18.2 million in mine standby costs (three months ended September 30, 2020 and three and nine months ended September 30, 2019 – $nil) resulting from government mandated shutdowns due to the COVID-19 pandemic at its operations in Mexico (three months ended September 30, 2020 – $nil; nine months ended September 30, 2020 – $15.3 million) and certain mines in Brazil (three months ended September 30, 2020 – $nil; nine months ended September 30, 2020 – $2.9 million).

In September 2020, the Company temporarily suspended operations at Los Filos as a result of a community blockade. During the three and nine months ended September 30, 2020, the Company incurred $11.2 million in care and maintenance costs related to the temporary suspension.

14. GENERAL AND ADMINISTRATION

General and administration expenses for the Company consists of the following components by nature:

		Three months ended September 30,		Nine months ended September 30,	
	Note	2020	2019	2020	2019
Salaries and benefits		$ 2,224	$ 775	$ 5,589	$ 2,829
Share-based compensation	10(c)	2,035	909	5,341	3,041
Professional fees	4	1,623	602	7,185	1,521
Office and other expenses		2,035	932	5,985	2,483
Amortization		225	100	641	243
Total general and administration		$ 8,142	$ 3,318	$ 24,741	$ 10,117

15. OTHER INCOME (EXPENSE)

Other income (expense) consists of the following components:

		Three months ended September 30,		Nine months ended September 30,	
	Note	2020	2019	2020	2019
Foreign exchange gain (loss)		$ 738	$ (58)	$ 14,130	$ 1,371
Realized and unrealized losses on gold contracts	8(a)	(23,558)	-	(47,102)	-
Change in fair value of warrants	8(c)	(8,596)	(7,408)	(47,334)	(11,387)
Realized and unrealized losses on foreign exchange contracts	8(b)	(3,009)	(2,137)	(25,817)	(2,137)
Expected credit (losses) recovery		412	261	(6,074)	224
Loss from equity investment		(857)	(330)	(2,282)	(330)
Other		(4,647)	1	(3,483)	(12,361)
Total other expense		$ (39,517)	$ (9,671)	$ (117,962)	$ (24,620)

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

16. BASIC AND DILUTED EARNINGS PER SHARE

Earnings (loss) per share, calculated on a basic and diluted basis, is as follows:

	Three months ended					
	September 30, 2020			September 30, 2019		
	Weighted average shares outstanding	Net income	Earnings per share	Weighted average shares outstanding	Net Income	Earnings per share
Basic EPS	241,249,679	$ 11,812	$ 0.05	113,288,119	$ 8,057	$ 0.07
Dilutive share options	1,996,020	-		1,071,023	-	
Dilutive RSUs	820,416	-		787,106	-	
Convertible notes	-	-		26,602,030	1,746	$
Diluted EPS	244,066,116	$ 11,812	$ 0.05	141,748,278	$ 9,803	$ 0.07

	Nine months ended					
	September 30, 2020			September 30, 2019		
	Weighted average shares outstanding	Net loss	Loss per share	Weighted average shares outstanding	Net loss	Loss per share
Basic and diluted EPS	202,538,753	$ (44,534)	$ (0.22)	111,523,430	$ (9,852)	$ (0.09)

For the three months ended September 30, 2020, 19.1 million warrants, 0.2 million options and 44.5 million shares issuable for convertible notes (three months ended September 30, 2019 – 24.2 million warrants and 0.5 million options) were anti-dilutive.

17. SUPPLEMENTAL CASH FLOW INFORMATION

During the three and nine months ended September 30, the Company conducted the following non-cash investing and financing transactions:

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
Shares, options, warrants, DSUs and PSUs issued in acquisition of Leagold	$ -	$ -	$ 764,083	$ -
Non-cash changes in accounts payable in relation to capital expenditures	(10,532)	(9,221)	(14,587)	(15,574)
Recoverable taxes reclassified from mineral property, plant and equipment to accounts receivable and other assets	-	(8,641)	-	(8,641)
Shares issued to settle debt	-	-	-	10,110
Non-cash proceeds from sale of Elk Gold	-	-	-	4,431
Right-of-use assets recognized	167	-	13,613	537

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

18. SEGMENT INFORMATION

The Company manages its operating segments by operating mines and development projects. Results from operations for these segments are summarized below:

Three months ended September 30, 2020	Revenue	Operating expenses	Depreciation and depletion	Exploration expenses	Other expenses	Income (loss) from operations
Mesquite	$ 59,639	$ (30,399)	$ (4,142)	$ -	$ -	$ 25,098
Aurizona	63,469	(22,460)	(10,620)	(1,631)	-	28,758
Los Filos	37,217	(19,559)	(5,368)	(55)	(11,230)	1,005
RDM	35,747	(15,834)	(7,084)	(9)	-	12,820
Other operating mines[(1)]	48,382	(22,133)	(9,165)	-	-	17,084
Development projects[(2)]	-	-	-	(1,173)	(845)	(2,018)
Corporate and other	-	-	-	-	(8,136)	(8,136)
	$ 244,454	$ (110,385)	$ (36,379)	$ (2,868)	$ (20,211)	$ 74,611

Three months ended September 30, 2019	Revenue	Operating expenses	Depreciation and depletion	Exploration expenses	Other expenses	Income (loss) from operations
Mesquite	$ 46,194	$ (25,662)	$ (3,865)	$ -	$ -	$ 16,667
Aurizona	45,702	(24,255)	(7,328)	(252)	-	13,867
Development projects[(2)]	-	-	-	(691)	-	(691)
Corporate and other	-	-	-	-	(3,318)	(3,318)
	$ 91,896	$ (49,917)	$ (11,193)	$ (943)	$ (3,318)	$ 26,525

(1) Includes Fazenda and Pilar, which were both acquired March 10, 2020.
(2) Includes Castle Mountain and Santa Luz, which was acquired on March 10, 2020.

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

18. SEGMENT INFORMATION (CONTINUED)

Nine months ended September 30, 2020	Revenue	Operating expenses	Depreciation and depletion	Exploration expenses	Other expenses	Income (loss) from operations
Mesquite	$ 184,458	$ (98,735)	$ (14,411)	$ -	$ -	$ 71,312
Aurizona	158,023	(69,076)	(29,933)	(3,609)	-	55,405
Los Filos	79,461	(39,008)	(9,112)	(159)	(26,500)	4,682
RDM	72,498	(30,580)	(15,653)	-	(937)	25,328
Other operating mines[1]	95,436	(46,987)	(18,993)	-	(1,945)	27,511
Development projects[2]	-	-	-	(5,693)	(1,794)	(7,487)
Corporate and other	-	-	-	-	(24,741)	(24,741)
	$ 589,876	$ (284,386)	$ (88,102)	$ (9,461)	$ (55,917)	$ 152,010

Nine months ended September 30, 2019	Revenue	Operating expenses	Depreciation and depletion	Exploration expenses	Other expenses	Income (loss) from operations
Mesquite	$ 116,975	$ (73,820)	$ (11,896)	$ -	$ -	$ 31,259
Aurizona	45,702	(24,255)	(7,328)	(757)	-	13,362
Development projects[2]	-	-	-	(4,270)	-	(4,270)
Corporate and other[3]	-	-	-	(2,003)	(10,117)	(12,120)
	$ 162,677	$ (98,075)	$ (19,224)	$ (7,030)	$ (10,117)	$ 28,231

(1) Includes Fazenda and Pilar, which were both acquired March 10, 2020.
(2) Includes Castle Mountain and Santa Luz, which was acquired on March 10, 2020.
(3) Includes results for Gold Mountain, which was disposed of in May 2019 and Solaris, which was deconsolidated effective June 30, 2019.

Information about the carrying amount of the Company's assets and liabilities by operating segment is detailed below:

	Total assets		Total liabilities	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019[1]
Los Filos	$ 1,019,252	$ -	$ (274,240)	$ -
Aurizona	322,663	380,641	(47,655)	(55,625)
Mesquite	248,740	247,797	(33,333)	(38,190)
RDM	181,127	-	(25,951)	-
Other operating mines	214,013	-	(66,038)	-
Development projects	429,028	158,127	(28,134)	(11,231)
Corporate and other	189,533	52,785	(751,258)	(331,245)
	$ 2,604,356	$ 839,350	$ (1,226,609)	$ (436,291)

(1) Total liabilities balances as at December 31, 2019 for Mesquite and Corporate and other have been reclassified to conform with the current period presentation.

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

18. SEGMENT INFORMATION (CONTINUED)

Information about the Company's non-current assets by jurisdiction is detailed below:

	September 30, 2020	December 31, 2019
Mexico	$ 869,612	$ -
Brazil	741,544	310,241
United States	378,113	347,784
Canada	17,702	32,669
	$ 2,006,971	$ 690,694

19. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks. Significant changes to the Company's financial risks and overall risk management program as at September 30, 2020 are as follows:

(a) Interest rate risk

Interest on the Company's Revolving Facility and Term Loan is variable based on LIBOR. Borrowings at variable rates of interest expose the Company to interest rate risk. At September 30, 2020, $200 million is outstanding under the Revolving Facility and $100 million is outstanding under the Term Loan. A 100-basis point change in interest rates at the reporting date would have a $2.6 million impact on net income on an annualized basis.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meets its financial obligations as they become due. In March 2020, the Company drew $180 million under its Revolving Facility as a cautionary measure given the uncertainty regarding the impact of the COVID-19 pandemic. The Company had no immediate need for the funds and in August 2020, the Company repaid $200 million principal on the Revolving Facility. However, management cannot accurately predict the impact COVID-19 will have on the Company's operations, the fair value of the Company's assets, its ability to obtain financing, third parties' ability to meet their obligations with the Company and the length of travel and quarantine restrictions imposed by governments of the countries in which the Company operates.

20. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels in which to classify the inputs of valuation techniques used to measure fair values.

Level 1 – quoted market prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly, such as prices, or indirectly (derived from prices).

Level 3 – inputs are unobservable (supported by little or no market activity) such as non-corroborative indicative prices for a particular instrument provided by a third party.

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

20. FAIR VALUE MEASUREMENTS (CONTINUED)

As at September 30, 2020, marketable securities and traded warrants are measured at fair value using Level 1 inputs and non-traded warrants, gold collars and forwards and foreign exchange contracts are measured at fair value using Level 2 inputs. The fair values of the long-term receivables, Convertible Notes, Debenture, Credit Facility, and Standby Loan, for disclosure purposes, are determined using Level 2 inputs. The carrying values of cash and cash equivalents, accounts receivable, reclamation bond, and accounts payable and accrued liabilities approximate fair value due to their short terms to maturity. The Company has no financial instruments classified as Level 3.

The fair value of marketable securities is measured based on the quoted market price of the related common shares at each reporting date, and changes in fair value are recognized in net income (loss).

The fair value of the traded warrants is measured based on the quoted market price of the warrants at each reporting date. The fair value of the non-traded warrants is determined using an option pricing formula (note 8(c)). The fair value of gold collars and forward swaps and foreign exchange contracts are measured based on forward gold prices and forward foreign exchange rates, respectively. There were no transfers between fair value levels during the year.

The following table provides the fair value of each classification of financial instrument:

	September 30, 2020	December 31, 2019
Financial assets not measured at FVTPL:		
Cash and cash equivalents	$ 310,719	$ 67,716
Restricted cash	4,903	15,285
Trade receivables	7,619	-
Receivable from Serabi	9,266	12,033
Long-term receivables	5,300	11,986
Reclamation bonds and other receivables	136	577
Financial assets at FVTPL:		
Marketable securities	2,479	988
Foreign exchange contracts	-	1,640
Total financial assets	$ 340,422	$ 110,225
Financial liabilities at FVTPL:		
Traded warrants	$ 49,322	$ 26,056
Non-traded warrants	19,311	30,090
Gold collars and forwards	102,609	-
Foreign exchange contracts	23,592	-
Other:		
Accounts payable and accrued liabilities	99,805	67,047
Convertible Notes	365,344	137,995
Credit Facility	300,907	120,225
Debenture	-	10,061
Standby Loan	-	13,252
Other liabilities	-	1,795
Total financial liabilities	$ 960,890	$ 406,521

(Unaudited, tables expressed in thousands of United States dollars, except share and per share amounts)

21. COMMITMENTS AND CONTINGENCIES

At September 30, 2020, the Company had the following contractual obligations outstanding which are expected to be settled in the time periods indicated:

	Total	Within 1 year	1-2 years	2-3 years	3-4 years	4–5 years	Thereafter
Loans and borrowings and accrued interest	$ 687,111	$ 31,931	$ 56,128	$ 56,077	$ 385,570	$ 157,405	$ -
Accounts payable and accrued liabilities	101,739	101,739	-	-	-	-	-
Reclamation obligations[(1)]	147,139	5,230	6,768	9,861	7,892	8,476	108,912
Purchase commitments	52,144	43,441	8,420	206	62	7	8
Gold contracts	102,609	50,991	51,618	-	-	-	-
Foreign exchange contracts	23,592	21,168	2,424	-	-	-	-
Lease commitments	17,018	5,675	4,284	4,264	2,793	2	-
Total	$ 1,131,352	$ 260,175	$ 129,642	$ 70,408	$ 396,317	$ 165,890	$ 108,920

(1) Amount represents undiscounted future cash flows.

Due to the nature of the Company's operations, various legal, tax, environmental and regulatory matters are outstanding from time to time. By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgement and estimates of the outcome of future events. While the outcomes of these matters are uncertain, based upon the information currently available, the Company does not believe that these matters in aggregate will have a material adverse effect on its consolidated financial statements. In the event that management's estimate of the future resolution of these matters changes, the Company will recognize the effects of these changes in its consolidated financial statements in the period in which such changes occur.

The Company is a defendant in various lawsuits and legal actions, including for alleged fines, taxes and labour related matters in the jurisdictions in which it operates. Management regularly reviews these lawsuits and legal actions with outside counsel to assess the likelihood that the Company will ultimately incur a material cash outflow to settle the claim. To the extent management believes it is probable that a cash outflow will be incurred to settle the claim, a provision for the estimated settlement amount is recorded. At September 30, 2020, the Company recorded a legal provision for these items totaling $12.3 million (December 31, 2019 – $4.0 million) which is included in other long-term liabilities.

The Company is contesting federal income and municipal VAT assessments in Brazil. Brazilian courts often require a taxpayer to post cash or a guarantee for the disputed amount before hearing a case. It can take up to five years to complete an appeals process and receive a final verdict. At September 30, 2020, the Company recorded restricted cash of $4.1 million (December 31, 2019 – $13.9 million) in relation to insurance bonds for tax assessments in the appeals process. The Company may in the future have to post security, by way of cash, insurance bonds or equipment pledges, with respect to certain federal income and municipal tax assessments being contested, the amounts and timing of which are uncertain. The Company and its advisor believe that the federal income and municipal tax assessments which are under appeal are wholly without merit and no provision has been recorded with respect to these matters.

The Company is reviewing tax contingencies in relation to compliance with certain pre-export finance and other loans in Brazil. The outcome of these matters is not readily determinable at this time but could have a material impact on the Company.

21. COMMITMENTS AND CONTINGENCIES (CONTINUED)

In certain jurisdictions where the Company operates, entities that are exporters are permitted to maintain offshore bank accounts and are required to register all transactions resulting in deposits into and payments out of those accounts. The Company has identified that in certain instances it has not registered all transactions prior to 2017. The Company has been advised by its tax and foreign trade legal advisors that material fines that could result from non-compliance are imposable under statute with a five-year statute of limitations.

If the Company is unable to resolve all these matters favorably, there may be an adverse impact on the Company's financial performance, cash flows and results of operations.

The Company will continue to closely monitor the COVID-19 situation. Should the duration, spread or intensity of the pandemic further develop in 2020 and 2021, the Company's supply chain, market pricing, operations and customer demand could be affected. These factors may further impact the Company's operating plan, its liquidity and cash flows, and the valuation of its long-lived assets. The COVID-19 situation continues to evolve. The magnitude of its effects on the economy, and on the Company's financial and operational performance, is uncertain at this time.