WE DISCOVER THE GEM

FURA GEMS INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2019 AND 2018

(Expressed in Canadian Dollars)

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NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

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

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

The Company’s independent auditor has not performed a review of these condensed interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada (CPA Canada) for a review of interim financial statements by an entity’s auditor.

FURA GEMS INC.
CONDESNED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(unaudited)
(Expressed in Canadian Dollars)

	Note	March 31, 2019 $	December 31, 2018 $
ASSETS			
Current			
Cash		1,455,584	77,168
Receivables		488,419	428,346
Prepaid expenses		504,689	385,835
Inventory		652,661	669,973
Total current assets		3,101,353	1,561,322
Property and equipment	4	1,511,447	1,116,353
Exploration and evaluation assets	5	30,178,915	30,178,915
TOTAL ASSETS		34,791,715	32,856,590
LIABILITIES			
Current			
Accounts payable and accrued liabilities	6	22,451,820	16,319,149
Loans payable	7	4,168,900	-
Lease liability	15	56,957	-
Non-current liabilities			
Long term liabilities	6	3,110,078	6,008,234
TOTAL LIABILITIES		29,787,755	22,327,383
EQUITY			
Share capital	8	39,644,517	39,601,837
Warrants	9	431,802	440,732
Contributed surplus	9	4,237,387	4,237,387
Accumulated deficit		(40,802,255)	(35,847,433)
TOTAL EQUITY ATTRIBUTED TO OWNER OF THE PARENT		3,511,451	8,432,523
Non-controlling interest		1,492,509	2,096,684
TOTAL EQUITY		5,003,960	10,529,207
TOTAL LIABILITIES AND EQUITY		34,791,715	32,856,590

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Approved and authorized by the Board on May 29, 2019.

On behalf of the Board:

"Scott Moore"
Director

"Dev Shetty"
Director

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

FURA GEMS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(unaudited)
(Expressed in Canadian Dollars)

	Note	Three months ended March 31, 2019	2018
		$	$
EXPENSES			
Management and consulting fees	11	921,604	653,278
Share-based compensation	9,11	-	2,178,098
Exploration and evaluation expenditures	5	3,784,165	2,229,363
Office and administration		285,086	786,808
Professional fees		362,164	137,727
Travel		255,138	145,095
Amortization expenses	4	57,719	8,011
LOSS BEFORE OTHER ITEMS		(5,665,876)	(6,138,380)
OTHER ITEMS			
Interest income		(9,632)	(4,148)
Interest expense	5,6,7,12	233,782	3,452
Foreign exchange (gain) loss		(335,252)	693,613
TOTAL OTHER ITEMS		111,102	(692,917)
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD		(5,554,774)	(6,831,297)
NET LOSS AND COMPREHENSIVE LOSS ATTRIBUTABLE TO:			
Shareholders of Fura		(4,950,599)	(6,363,533)
Non-controlling Interest		(604,175)	(467,764)
		(5,554,774)	(6,831,297)
BASIC AND DILUTED NET LOSS PER SHARE		(0.04)	(0.08)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING			
Basic and Diluted		134,459,322	85,978,306

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

FURA GEMS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(unaudited)
(Expressed in Canadian Dollars)

	Note		Three months ended March 31, 2019		2018
OPERATING ACTIVITIES					
Net loss for the period		$	(5,554,774)	$	(6,831,297)
Items not affecting cash:					
Share-based compensation	9		-		2,178,098
Accretion expenses	6		228,773		-
Amortization expenses	4		57,719		8,011
Unrealized loss on foreign exchange			27,305		708,025
		$	(5,240,977)	$	(3,937,163)
Change in non-cash working capital items					
Receivables and prepaids			(209,735)		(2,343,445)
Inventory			17,312		(115,645)
Accounts payable and accrued liabilities			4,042,887		(770,632)
Net cash used in operating activities		$	(1,390,513)	$	(7,166,885)
FINANCING ACTIVITIES					
Private placements	8	$	-	$	11,137,187
Shares issued from warrants exercised	9		33,750		78,165
Shares issued from options exercised	9		-		109,000
Share and warrant issue costs	8,9		-		(201,873)
Loan provided	7		4,168,900		-
Payment of principal portion of lease liability	15		(14,662)		-
Net cash provided by financing activities		$	4,187,988	$	11,122,479
INVESTING ACTIVITIES					
Acquisition of property and equipment	4,5	$	(385,417)	$	(39,448)
Coscuez acquisition payment	5		(1,007,740)		-
Acquisition of mining rights	4,5		-		(3,315,002)
Prepaid deposit	5		-		2,014,985
Cash received from acquisition of exploration and evaluation assets	5		-		62,397
Net cash used for investing activities		$	(1,393,157)	$	(1,277,068)
Effect of exchange rate changes on cash			(25,902)		26,673
CHANGE IN CASH DURING THE PERIOD			1,378,416		2,705,199
CASH - BEGINNING OF PERIOD			77,168		298,566
CASH - END OF PERIOD		$	1,455,584	$	3,003,765
SUPPLEMENTAL CASH FLOW INFORMATION					
Shares issued for acquisition of exploration and evaluation assets	5	$	-	$	312,930
Property and equipment received on acquisition of exploration and evaluation assets for non-cash consideration	4,5		-		81,781
Inventory received on acquisition of exploration and evaluation assets for non-cash consideration	4,5		-		128,026
Discounted future payments for acquisition of mining rights	4,5				7,749,788
Finder warrants issued	8		-		31,212
Subscription receivables	8		4,752,124		-
Right of use asset	4		67,396		-

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

FURA GEMS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(unaudited)
(Expressed in Canadian Dollars)

	Number of shares	Share capital	Warrants	Contributed surplus	Non-controlling interest	Accumulated deficiency	Total
	#	$	$	$	$	$	$
Balance, December 31, 2017	**74,819,225**	**17,214,085**	**487,980**	**1,592,940**	**1,787,345**	**(11,804,052)**	**9,278,298**
Private placement	18,561,978	11,137,187	-	-	-	-	11,137,187
Share issued for acquisition of exploration and evaluation assets	363,872	312,930	-	-	3,349,267	-	3,662,197
Share issue costs	-	(233,085)	-	-	-	-	(233,085)
Finder warrants issued	-	-	31,212	-	-	-	31,212
Warrants exercised	289,500	78,165	-	-	-	-	78,165
Value allocation on warrants exercised	-	20,681	(20,681)	-	-	-	-
Options exercise	500,000	109,000	-	-	-	-	109,000
Value allocation on options exercised	-	93,000	-	(93,000)	-	-	-
Share-based compensation	-	-	-	2,178,098	-	-	2,178,098
Loss for the period	-	-	-	-	(467,764)	(6,363,533)	(6,831,297)
Balance, March 31, 2018	**94,534,575**	**28,731,963**	**498,511**	**3,678,038**	**4,668,848**	**(18,167,585)**	**19,409,775**
Balance, December 31, 2018	**134,417,100**	**39,601,837**	**440,732**	**4,237,387**	**2,096,684**	**(35,847,433)**	**10,529,207**
Adjustment on initial application of IFRS 16	-	-	-	-	-	(4,223)	(4,223)
Adjsuted balance, January 1, 2019	**134,417,100**	**39,601,837**	**440,732**	**4,237,387**	**2,096,684**	**(35,851,656)**	**10,524,984**
Warrants exercised	125,000	33,750	-	-	-	-	33,750
Value allocation on warrants exercised	-	8,930	(8,930)	-	-	-	-
Loss for the period	-	-	-	-	(604,175)	(4,950,599)	(5,554,774)
Balance, March 31, 2019	**134,542,100**	**39,644,517**	**431,802**	**4,237,387**	**1,492,509**	**(40,802,255)**	**5,003,960**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Fura Gems Inc. (the "Company" or "Fura") was incorporated under the name Galena Capital Corp. pursuant to the provisions of the *Business Corporations Act* (British Columbia) on September 26, 2006. On September 26, 2012, the Company changed its name to Ferro Iron Ore Corp. At the Annual and Special Meeting of shareholders held on May 30, 2013, the shareholders of the Company approved the continuation of the Company from British Columbia to Ontario and a change in name to Wolf Resource Development Corp. The Company changed its name to Fura Emeralds Inc. on March 9, 2015 and to Fura Gems Inc. on April 11, 2017 to more accurately reflect the core business activities of the Company.

Fura is a natural resource company engaged in the acquisition, exploration and evaluation of properties in Colombia and Mozambique and is listed on the TSX Venture Exchange ("TSXV"). The Company presently has no proven or probable reserves and on the basis of information to date, it has not yet determined whether the properties it currently holds contain economically recoverable ore reserves. Consequently, the Company considers itself to be in the exploration and evaluation stage.

The business of exploring for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes, to acquire construction and operating permits and to construct mining and processing facilities. The recoverability of the amounts shown for exploration and evaluation assets and property and equipment is dependent upon the Company obtaining the necessary financing to complete the exploration and evaluation properties, the discovery of economically recoverable reserves and future profitable operations.

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

The condensed consolidated interim financial statements are prepared on a going concern basis which assumes the Company will be able to meet its obligations and continue its operations for the next fiscal year.

At March 31, 2019, the Company had a negative working capital of $23,576,324 and a cumulative loss since inception of $40,802,255. The Company has a need for equity capital and financing for working capital and exploration and development of its properties. Due to continuing operating losses, the Company's continuance as a going concern is dependent upon its ability to obtain adequate financing and to reach profitable levels of operation. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operations. Management believes it will be successful in raising the necessary funding to continue operations in the normal course of operations. However, there is no assurance that funds will continue to be available on terms acceptable to the Company or at all. These matters represent material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern.

These condensed consolidated interim financial statements do not reflect adjustments to the carrying value of the assets and liabilities that would be necessary should the Company be unable to continue operations. Such adjustments could be material.

The Company's registered office address is Suite 800 – 65 Queen Street West, Toronto Ontario, M5H 2M5.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These condensed consolidated interim financial statements of the Company and its subsidiary for the three months ended March 31, 2019 and 2018 have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting. These condensed interim financial statements have been prepared in accordance with the accounting policies the Company adopted in its December 31, 2018 annual consolidated financial statements. Those accounting policies were based on IFRS standards and International Financial Reporting Interpretations Committee ("IFRIC") interpretations applicable at that time. Those policies have been consistently applied to all the periods presented in these condensed interim financial statements unless otherwise noted below. These condensed interim financial statements should be read in conjunction with the audited financial statements of Company for the year ended December 31, 2018.

These condensed consolidated interim financial statements were reviewed, approved and authorized for issue by the Board of Directors on May 29, 2019.

Basis of consolidation

Subsidiaries consist of entities over which the Company is exposed to or has rights to, variable returns as well as the ability to affect these returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. These condensed consolidated interim financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

These condensed consolidated interim financial statements comprise the financial statements of the Company and its wholly-owned subsidiaries: Fura Emeralds (Barbados) Inc. incorporated on June 12, 2014, Fura de Colombia S.A.S. incorporated on January 20, 2015, Fura Services DMCC on June 22, 2017 in Dubai, Fura Coscuez Inc. incorporated on July 19, 2017 in British Virgin Island ("BVI"), Fura Gems and Mining Private Limited incorporated on August 18, 2017 in India, Moon Mining SA, CCFM Minerals SA, Macassar Resources and Fura Mozambique, all incorporated in Mozambique, Cobadale Limited, incorporated in Dubai and acquired by the Company on November 27, 2017 and Coscuez S.A. acquired on January 22, 2018. All material intercompany transactions and balances between its subsidiaries have been eliminated on consolidation.

Non-controlling interest

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to conform to the Company's accounting policies.

Functional and presentation currency and translation

The functional currency of the Company is the currency of the primary economic environment in which it operates. The Company's condensed consolidated interim financial statements are presented in Canadian dollars which is the functional currency of the Company and its subsidiaries.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ("Foreign Currencies") are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in Foreign Currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in Foreign Currencies are retranslated at the rates prevailing at the date when the fair value was determined. Foreign exchange gains and losses are recorded in operations in the statement of loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New accounting changes

Effective January 1, 2019, the Company adopted IFRS 16, Leases, which resulted in changes in accounting policies as described below. In accordance with the transitional provisions in both standards, the Company adopted these standards retrospectively without restating comparatives, with the cumulative impact adjusted in the opening balances as at January 1, 2019. IFRS 16 – Leases ("IFRS 16") was issued in January 2016 and replaces IAS 17 – Leases, as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment. Effective January 1, 2019, the Company adopted this standard using the modified retrospective approach, under which the cumulative effect of initial application was recognized in retained earnings at January 1, 2019.

For contracts entered into before January 1, 2019, the Company determined whether the arrangement contained a lease under IAS 17 Leases ("IAS 17") and its interpretive guidance. Prior to the adoption of IFRS 16, these leases were classified as operating or finance leases based on an assessment of whether the lease transferred significantly all the risks and rewards of ownership of the underlying asset.

Upon transition to the new standard, lease liabilities were measured at the present value of the remaining lease payments discounted by the Company's incremental borrowing rate as at January 1, 2019. Right-of-use assets and lease liabilities were recognized on the consolidated statement of financial position with the cumulative difference recognized in retained earnings.

At transition, lease liabilities of $71,619 and right-of-use assets of $67,396 were recognized in the consolidated statement of financial position. The difference of $4,223 was recognized as a reduction in retained earnings.

For contracts entered into subsequent to January 1, 2019, at inception of the contract, the Company assesses whether a contract is, or contains, a lease by evaluating if the contract conveys the right to control the use of an identified asset. For contracts that contain a lease, the Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted by any initial direct costs, and costs to dismantle and remove the underlying asset less any lease incentives. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the underlying asset or the end of the lease term. Under IFRS 16, right-of-use assets are tested for impairment in accordance with IAS 36 Impairment of Assets. This replaced the previous requirement to recognize a provision for onerous lease contacts.

The lease liability is initially measured at the present value of lease payments to be paid subsequent to the commencement date of the lease, discounted either at the interest rate implicit in the lease or the Company's incremental borrowing rate. The lease payments measured in the initial lease liability include payments for an optional renewal period, if any, if the Company is reasonably certain that it will exercise a renewal extension option. The liability is measured at amortized cost using the effective interest method and will be remeasured when there is a change in either the future lease payments or assessment of whether an extension or other option will be exercised. The lease liability is subsequently adjusted for lease payments and interest on the obligation. Interest expense on the lease obligation is included in the consolidated statement of earnings.

The Company has elected not to recognize right-of-use assets and lease liabilities for leases with a lease term of less than 12 months and low value assets and recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term, as permitted by IFRS 16.

The Company reports its right-of-use asset as part of property, plant and equipment on the condensed consolidated interim statement of financial position. The table below shows the continuity schedule of the lease liability. See note 4 for continuity schedule of the right-of-use asset.

(Expressed in Canadian Dollars)

4. PROPERTY AND EQUIPMENT

Below summarizes the property and equipment as at March 31, 2019 and December 31, 2018.

	Land	Building	Software	Furniture / Fixture	Equipment	Vehicle	Right of use asset	Total
Net book value, December 31, 2017	-	-	-	-	41,411	24,320	-	65,731
Acquisition	19,947	45,368	95,207	24,958	850,625	79,684	-	1,115,789
Accumulated amortization	-	-	(3,650)	(2,268)	(42,451)	(16,798)	-	(65,167)
Net book value, December 31, 2018	19,947	45,368	91,557	22,690	849,585	87,206	-	1,116,353
Acquisition	-	-	-	1,607	58,765	325,045	-	385,417
IFRS 16	-	-	-	-	-	-	67,396	67,396
Accumulated amortization	-	-	(916)	(836)	(25,004)	(16,521)	(14,442)	(57,719)
Net book value, March 31, 2019	19,947	45,368	90,641	23,461	883,346	395,730	52,954	1,511,447

5. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES

Below summarizes the exploration and evaluation assets as at March 31, 2019 and December 31, 2018:

Exploration and evaluation assets	Colombia Emeralds Properties	Mozambique Ruby Properties	Total
Balance - December 31, 2017	$ -	$ 9,181,658	$ 594,912
Acquisition - Coscuez	20,997,257	-	20,997,257
Balance - December 31, 2018 and March 31, 2019	$ 20,997,257	$ 9,181,658	$ 30,178,915

Colombia Coscuez Emerald Property

On January 22, 2018, the Company closed its acquisition of 76% of the issued and outstanding shares of Coscuez S.A. (“Coscuez”), which owns a 100% interest in mining licence no. 122 – 95M (the “Coscuez Licence”). The Coscuez Licence is valid until 2020, at which point the Company expects to apply for extensions, subject to governmental approval.

Transaction term

As part of the consideration, Fura paid Emporium HS S.A.S. (“Emporium”) US$2.50 million (approximately $3.3 million) on closing and issued 363,872 common shares valued at $312,930 based on the adjusted market value of the common shares. Fura owns a 76% interest in Coscuez and has assumed complete management control of the Coscuez mine effective January 22, 2018. Emporium will continue to hold a 20.10% free carried interest in Coscuez, subject to a shareholders’ agreement containing restrictions on transfer of shares, a right of first refusal, drag along rights and other terms standard for an agreement of this nature. The balance of 3.9% will continue to be held by third parties.

Under the terms of the share purchase agreement relating to the transaction, Fura has agreed to the following additional payments:

- US$2.00 million (approximately $2.6 million) on the 12-month anniversary of the closing (US$759,203 ($1,007,740) paid in Q1 2019 with remaining amount payable upon satisfaction of certain conditions);
- US$2.50 million (approximately $3.3 million) on the 24-month anniversary of the closing; and,
- US$3.00 million (approximately $3.9 million) on the 36-month anniversary of the closing.

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES (CONTINUED)

Colombia Coscuez Emerald Property (continued)

Transaction term (continued)

In addition, Fura will assume certain expenses of Coscuez not exceeding US$5 million (approximately $6.5 million). This amount has been included in accounts payable and accrued liabilities as at March 31, 2019. If Coscuez earns a net profit of US$17 million (approximately $22.0 million) or more in a fiscal year, then Fura will pay to Emporium an additional one-off bonus of US$3 million (approximately $3.9 million). No value has been recorded related to this contingent condition as no triggering event has taken place.

The Company advanced US$1,500,000 ($2,014,985) as deposit to Emporium against the purchase price during the year ended December 31, 2017 and paid an additional US$1,000,000 ($1,250,700) on closing.

Purchase price consideration

The acquisition is being treated as an asset acquisition for accounting purposes as Coscuez does not meet the definition of a business, as defined in IFRS 3, Business Combinations. No value has been ascribed to the contingent consideration.

Purchase price		
Cash consideration	$	3,265,685
Share consideration (363,872 common shares)		312,930
Future payments - US$7.5 million discounted at 15%		6,978,078
Legal costs		49,317
Total purchase price	$	10,606,010

Fair value of assets acquired and liabilities assumed		
Cash	$	62,397
Amount receivables and prepaids		11,180
Inventory		128,026
Equipment		81,781
Accounts payable and accrued liabilities		(7,325,364)
Exploration and evaluation assets		20,997,257
Less: portion allocated to non controlling interest		(3,349,267)
Total net assets acquired	$	10,606,010

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES (CONTINUED)

Below summarizes the exploration and evaluation expenditures for the three months ended March 31, 2019 and 2018:

	Three months ended March 31, 2019	2018
Colombia Coscuez Emerald Property (122 – 95M)		
Consulting and labour	$ 1,461,622	$ 676,578
Legal, professional and due diligence	67,640	177,363
Field office and administration	40,699	33,413
Field expense, supplies and maintenance	763,389	235,571
(Recovery of) license and land leases	-	(9,068)
Travel and accommodation	39,661	41,761
Equipment rental	92,212	40,060
Gem sales	-	(79,731)
Technical report	43,293	-
	$ 2,508,516	$ 1,115,947
Mozambique Ruby		
Consulting and labour	$ 705,339	$ 464,486
Drilling	-	167,349
Field office, supplies and repairs	182,598	160,203
Security	71,742	75,590
Travel and accommodation	56,838	58,799
Legal, professional and due diligence	159,475	-
Technical report	1,500	-
	$ 1,177,492	$ 926,427
Project Evaluations		
Colombia	$ 76,804	$ 140,094
Ethiopia	-	46,895
Mozambique	21,353	-
	$ 98,157	$ 186,989
Total exploration and evaluation expenses	$ 3,784,165	$ 2,229,363

(Expressed in Canadian Dollars)

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES AND LONG TERM LIABILITIES

Short Term		March 31, 2019		December 31, 2018
Corporate payable	$	4,743,242	$	3,055,394
Exploration and evaluation expenses payable		4,660,710		2,129,968
Agencia Nacional de Mineria liabilities (i)		8,408,158		8,428,274
Coscuez acquisition payment (ii)		4,639,710		2,705,513
	$	22,451,820	$	16,319,149

Long Term				
Coscuez acquisition payment (ii)	$	3,110,078	$	6,008,234

(i) The liabilities include full provision of the annual remittances for the 25-year mining license for Coscuez based on old mining code inclusive of interest and penalties owed to Agencia Nacional de Mineria (“ANM”). This amount is subject to negotiation and the final settlement amount may differ.

(ii) The outstanding amount of US$6.7 million (approximately $9.0 million) owing to Emporium (Note 5) was recognized at its estimated fair value of US$5.8 million (approximately $7.7 million) based on expected future payments, discounted at 15%. The interest rate was estimated based on interest rates available in the market on comparable debt issued to similar companies. The accretion of this liability is recorded as interest expense in the consolidated statement of loss.

7. LOANS PAYABLE

On January 9, 2019, the Company entered into a loan agreement with an arm’s length individual for a loan of US$2,000,000 ($2,672,600), bearing interest at 10% per annum. Interest accruing on principal is calculated and payable in monthly installments. Repayment of the loan was due on March 15, 2019. In the event of default, the lender, at their discretion, has an option to convert the outstanding loan plus accrued interest into equity shares. The Company has not repaid the loan and is negotiating an extension with the lender.

On March 25, 2019, the Company entered into a loan agreement with Sulliden Mining Capital Inc. for a loan of $160,000, bearing interest of 12% per annum. The principal and all accrued interest are due no later than June 23, 2019.

On March 29, 2019, the Company entered into a promissory note agreement with an arm’s length individual in the amount of US$1,000,000 ($1,336,300), bearing interest at 18% per annum. This note plus all accrued interest was due on May 13, 2019. The note was repaid in full subsequent to quarter end.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL

Authorized

The Company is authorized to issue an unlimited number of common shares with no par value. The holders of common shares are entitled to receive dividends and are entitled to one vote per share at shareholder meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

Issued and Outstanding

	Note	Number of Common shares	Amount
Balance, December 31, 2017		74,819,225	$ 17,214,085
Private placement		56,802,047	26,433,214
Shares issued for property acquisition	5	363,872	312,930
Share issue costs		-	(428,943)
Warrants exercised		1,481,956	400,128
Value allocation on warrants exercised		-	106,046
Options exercised		950,000	172,000
Value allocation on options exercised		-	144,501
Balance, December 31, 2018, before subscription receivable		134,417,100	$ 44,353,961
Subscription receivable		-	(4,752,124)
Balance, December 31, 2018		134,417,100	$ 39,601,837
Warrants exercised		125,000	33,750
Value allocation on warrants exercised		-	8,930
Balance, March 31, 2019		134,542,100	$ 39,644,517

On February 16, 2018, the Company closed the second tranche of its non-brokered private placement of common shares. The Company issued 13,156,444 common shares pursuant to the second tranche at a price of $0.60 per share for aggregate gross proceeds of $7,893,866. The Company paid an additional finder fee of $9,000.

On September 17, 2018, the Company closed a non-brokered private placement and issued 25,117,569 common shares at a price of $0.40 per share for aggregate gross proceeds of $10,047,028. All common shares issued were subject to a regulatory hold period of four months and one day, which expired on January 18, 2019. The Company paid cash commission of $159,270 and issued 145,192 Finder Warrants. Each Finder Warrant shall entitle the holder to acquire one common share of the Company at a price of $0.40 for a period of 24 months following the closing date of the financing. A related company participated and acquired 2,633,125 shares of this private placement for gross proceeds of $1,053,250. Certain of the proceeds related to the 2018 private placements remained uncollected at March 31, 2019. This amount, totaling $4,752,124, has been presented as a reduction of share capital as at March 31, 2019.

On December 10, 2018, the Company closed a non-brokered private placement and issued 13,122,500 common shares at a price of $0.40 per share for aggregate gross proceeds of $5,249,000. All common shares issued were subject to a regulatory hold period of four months and one day, which expired on April 11, 2019. No finder fees were paid in relation to the financing. A related company participated and acquired 3,300,500 shares of this private placement for gross proceeds of $1,320,200.

(Expressed in Canadian Dollars)

9. RESERVES

	Options			Warrants			
	Number of Options	Weighted Average Exercise Price	Value of Options	Number of Warrants	Weighted Average Exercise Price	Value of Warrants	Total Value
December 31, 2017	5,964,000	$ 0.30	$1,592,940	6,756,725	$ 0.27	$ 487,980	$2,080,920
Granted / vested	7,101,881	$ 0.46	$3,295,448	225,220	$ 0.47	$ 58,798	$3,354,246
Exercised	(950,000)	$ 0.15	$ (144,501)	(1,481,956)	$ 0.27	$(106,046)	$ (250,547)
Expired	(200,000)	$ 0.10	$ (14,000)	-	$ -	$ -	$ (14,000)
Forfeited	(1,170,000)	$ 0.42	$ (492,500)	-	$ -	$ -	$ (492,500)
December 31, 2018	10,745,881	$ 0.44	$4,237,387	5,499,989	$ 0.28	$ 440,732	$4,678,119
Granted / vested	-	$ -	$ -	-	$ 0.47	$ -	$ -
Exercised	-	$ -	$ -	(125,000)	$ 0.27	$ (8,930)	$ (8,930)
Expired	-	$ -	$ -	-	$ -	$ -	$ -
Forfeited	-	$ -	$ -	-	$ -	$ -	$ -
March 31, 2019	10,745,881	$ 0.44	$4,237,387	5,374,989	$ 0.28	$ 431,802	$4,669,189

Stock Options

The Company has an incentive stock option plan (the "Plan") under which non-transferable options to purchase common shares of the Company may be granted to directors, officers, employees or service providers of the Company. A maximum of 10% of the issued and outstanding common shares of the Company may be reserved for issuance pursuant to the exercise of stock options. The terms of the Plan provide that the directors have the right to grant options to acquire common shares of the Company at not less than the closing market price of the shares on the day preceding the grant, less any discount permitted by the TSXV at terms of up to five years.

The majority of stock options vest immediately on the date of grant unless otherwise required by the TSXV. A four month hold period applies to the underlying common shares.

On March 21, 2018, the Company granted 3,491,692 stock options to directors, officers and consultants of the Company. The options vested immediately, have an exercise price of $0.67 and expire on March 21, 2023. The fair value of the options was estimated to be $2,060,098 using the Black-Scholes option pricing model with estimated expected volatility at 137%; risk-free interest rate at 2.1%; expected life at 5 years; and expected dividend yield at 0%. In connection with the option grants, directors and officers of the Company were granted a total of 1,901,692 options.

On April 16, 2018, the Company granted 150,000 stock options to a consultant of the Company. The options vested immediately, have an exercise price of $0.55 and expire on April 16, 2023. The fair value of the options was estimated to be $69,000 using the Black-Scholes option pricing model with estimated expected volatility at 121%; risk-free interest rate at 2.12%; expected life at 5 years; and expected dividend yield at 0%.

On October 1, 2018, the Company granted 3,360,189 stock options to directors, officers and consultants of the Company. The options vested immediately, have an exercise price of $0.38 and expire on October 1, 2023. The fair value of the options was estimated to be $1,166,349 using the Black-Scholes option pricing model with estimated expected volatility of 151%, risk-free interest rate of 2.33%, expected life of 5 years, and expected dividend yield of 0%. In connection with the option grants, directors and officers of the Company were granted a total of 1,705,189 options.

The weighted average remaining contractual life of the options exercisable at March 31, 2019 was 3.8 years (December 31, 2018 – 4.0 years).

(Expressed in Canadian Dollars)

9. RESERVES (CONTINUED)

Stock Options (Continued)

Common shares reserved pursuant to options outstanding and exercisable as at March 31, 2019 are presented below:

Number outstanding	Number exercisable	Grant date	Expiry date	Exercise price	Fair value at grant date	Grant date share price	Expected volatility	Expected life (yrs)	Expected dividend yield	Risk-free interest rate
250,000	250,000	9-Apr-14	9-Apr-19	$ 0.10	$ 10,000	$0.065	100%	5	0%	1.71%
150,000	150,000	4-Mar-16	4-Mar-21	$ 0.175	$ 24,000	$0.175	143%	5	0%	0.69%
1,200,000	1,200,000	16-Feb-17	16-Feb-22	$ 0.23	$ 252,000	$ 0.23	150%	5	0%	1.18%
250,000	250,000	27-Mar-17	27-Mar-22	$ 0.20	$ 45,000	$ 0.20	147%	5	0%	1.09%
726,000	726,000	26-May-17	26-May-22	$ 0.43	$ 283,140	$ 0.43	153%	5	0%	0.96%
1,418,000	1,418,000	20-Sep-17	20-Sep-22	$ 0.395	$ 496,300	$0.395	140%	5	0%	1.80%
150,000	150,000	6-Nov-17	6-Nov-22	$ 0.510	$ 67,500	$ 0.51	136%	5	0%	1.63%
3,091,692	3,091,692	21-Mar-18	21-Mar-23	$ 0.67	$ 1,824,098	$ 0.67	137%	5	0%	2.10%
150,000	150,000	16-Apr-18	16-Apr-23	$ 0.55	$ 69,000	$ 0.55	121%	5	0%	2.12%
3,360,189	3,360,189	1-Oct-18	1-Oct-23	$ 0.38	$ 1,166,349	$ 0.38	151%	5	0%	2.33%
10,745,881	10,745,881				4,237,387					

Warrants

Common shares reserved pursuant to warrants and finder warrants outstanding and exercisable as at March 31, 2019 are presented below:

Number outstanding	Number exercisable	Grant date	Expiry date	Exercise price	Fair value at grant date	Grant date share price	Expected volatility	Expected life (yrs)	Expected dividend yield	Risk-free interest rate
4,858,321	4,858,321	5-May-17	5-May-19	$ 0.27	$ 347,059	$ 0.30	98%	2	0%	0.68%
291,448	291,448	5-May-17	5-May-19	$ 0.27	$ 47,412	$ 0.30	98%	2	0%	0.68%
80,028	80,028	16-Feb-18	16-Feb-20	$ 0.60	$ 31,211	$ 0.30	98%	2	0%	0.68%
145,192	145,192	17-Sep-18	17-Sep-20	$ 0.40	$ 27,586	$ 0.41	84%	2	0%	2.13%
5,374,989	5,374,989				$ 453,268					

The Company has incurred issuance costs of $21,465 related to the warrants granted.

(Expressed in Canadian Dollars)

10. OPERATING SEGMENTS

The Company operates in Canada, Barbados, BVI, Colombia, Dubai, India and Mozambique. Information about the Company's assets by geographical location at March 31, 2019 and December 31, 2018 are detailed below:

	Canada	Barbados	BVI	Colombia	Dubai	India	Mozambique	Total
	$	$	$	$	$	$	$	$
March 31, 2019								
Current assets	1,659,654	5,845	33,515	1,055,252	190,919	29,612	126,556	3,101,353
Property and equipment	52,954	-	-	857,684	19,717	-	581,092	1,511,447
Exploration and evaluation assets	-	-	-	20,997,257	-	-	9,181,658	30,178,915
Prepaid deposit								
Total Assets	**1,712,608**	**5,845**	**33,515**	**22,910,193**	**210,636**	**29,612**	**9,889,306**	**34,791,715**

	Canada	Barbados	BVI	Colombia	Dubai	India	Mozambique	Total
	$	$	$	$	$	$	$	$
December 31, 2018								
Current assets	102,590	456	109	1,011,660	223,898	36,609	186,000	1,561,322
Property and equipment	-	-	-	505,820	21,483	-	589,050	1,116,353
Exploration and evaluation assets	-	-	-	20,997,257	-	-	9,181,658	30,178,915
Total Assets	**102,590**	**456**	**109**	**22,514,737**	**245,381**	**36,609**	**9,956,708**	**32,856,590**

11. RELATED PARTY TRANSACTIONS

The condensed consolidated interim financial statements include the financial statements of the Company and its subsidiaries at its respective ownership listed in the following table.

	Country of Incorporation	% equity interest
Fura Emeralds (Barbados) Inc.	Barbados	100%
Fura de Colombia S.A.S.	Colombia	100%
Fura Services DMCC	Dubai	100%
Fura Gems and Mining Private Limited	India	100%
Fura Coscuez Inc.	BVI	100%
Coscuez S.A.	Colombia	76%
Cobadale Limited	Dubai	100%
Moon Mining SA	Mozambique	80%
CCFM Interals SA	Mozambique	80%
Macassar Resources	Mozambique	80%
Fura Mozambique	Mozambique	100%

During the three months ended March 31, 2019 and 2018, related party transactions which are not disclosed elsewhere in the condensed consolidated interim financial statements are as follows:

The Company shares office space with other companies who may have common officers and directors. The costs associated with the use of this space, including the provision of office equipment and supplies, are administered by 2227929 Ontario Inc. to whom the Company pays a fee. During the three months ended March 31, 2019, the Company incurred $60,000 (three months ended March 31, 2018 - $20,281) of expenses for its proportionate share of shared office costs. As at March 31, 2019, the Company had a balance in payables of $165,438 for travel expenses (December 31, 2018 – $165,438). Fred Leigh, a former director of Company, is also a director of 2227929 Ontario Inc.

(Expressed in Canadian Dollars)

11. RELATED PARTY TRANSACTIONS (CONTINUED)

Summary of key management personnel compensation:

	Three months ended March 31,	
	2019	2018
Consulting fees	$ 299,252	$ 361,771
Share-based compensation	-	1,121,998
	$ 299,252	$ 1,483,769

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including directors (executive and non-executive) of the Company.

The Company has a diversified base of investors. To the Company's knowledge, other than Aberdeen International Inc., no shareholder holds more than 10% of the Company's common shares as at March 31, 2019 and December 31, 2018. Ryan Ptolemy, an officer of the Company, is also an officer of Aberdeen International Inc.

As at March 31, 2019, the Company had $1,494,776 (December 31, 2018 - $1,500,752) consulting fees and travel expenses owing to its key management personnel. Such amounts are unsecured, non-interest bearing, with no fixed terms of payment and are due on demand.

See Notes 8, 9 and 14.

12. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash, other receivables, subscription receivables, accounts payable and accrued liabilities, and long-term liabilities. The fair value of the cash, other receivables, subscription receivables, and accounts payable and accrued liabilities financial instruments approximates their carrying values due to the short-term nature of these instruments and based on allowances recorded against the other receivables. The carrying amount and estimated fair value of the amounts owing to ANM are both $8,408,158 (Note 6). The carrying amount and estimated fair value of the amounts owing to Emporium are $7,749,788 and $9,007,727 respectively (Note 5 and 6). The fair value of the amount has been estimated based on discounted future payments using estimated interest rates.

The Company is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity and commodity price risk.

a) Currency risk

The Company is exposed to currency risk by incurring certain expenditures in currencies other than the Canadian dollar. The Company does not engage in any hedging activity to mitigate the risk. As at March 31, 2019 and December 31, 2018, the Company had the following financial assets and liabilities denominated in foreign currency presented below in Canadian dollars:

	US Dollars	**Great British Pound**	**Arabian Dirhams**	**Indian Rupee**	**Mozambique New Metical**	**Colombia Peso**
	$	$	$	$	$	$
March 31, 2019						
Cash	506,021	-	1,161	22,680	24,954	15,475
Receivables	85,758	-	-	6,933	-	351,306
Accounts payable	(8,696,591)	(78,800)	-	(1,913)	(516,852)	(11,365,938)
Long term liabilities	(3,110,078)	-	-	-	-	-
	(11,214,890)	(78,800)	1,161	27,700	(491,898)	(10,999,157)
December 31, 2018						
Cash	19,478	-	13,111	30,639	8,181	14,972
Receivables	87,549	-	-	5,970.00	-	268,113.00
Accounts payable	(5,319,335)	(49,244)	-	(6,332)	(226,186)	(9,785,146)
Long term liabilities	(6,008,234)	-	-	-	-	-
	(11,220,542)	(49,244)	13,111	30,277	(218,005)	(9,502,061)

A strengthening (weakening) of the Canadian dollar against the Arabian Dirhams, Colombian Peso, Indian Rupee, Mozambique New Metical and United States dollar of 1% would decrease (increase) net loss by approximately $227,559.

(Expressed in Canadian Dollars)

12. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

b) Credit risk
Credit risk is risk of financial loss to the Company if a counter party to a financial instrument fails to meet its contractual obligations. The Company's cash is held in large Canadian financial institutions. The Company's financial instruments are not exposed to significant credit risk.

c) Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to limited interest rate risk as its current loans are based on fixed interest rates. However, should the Company need to renegotiate these loans, an increase or decrease 1% in interest rates on these loans would result in a corresponding change in interest expense of $41,689 per annum.

The Company's cash are subject to interest rate cash flow risk as they carry variable rates of interest. Based on cash balances on hand at March 31, 2019, a 1% change in interest rates could result in a corresponding change in annual net loss of approximately $14,556.

d) Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

	Carrying Amount	Contractual Cash flow	1-Apr-19 to 31-Mar-20	1-Apr-20 to 31-Mar-21	1-Apr-21 to 31-Mar-22	Thereafter
Corporate payable	$ 4,743,242	$ 4,743,242	$ 4,743,242	$ -	$ -	$ -
Exploration and evaluation costs payable	4,660,710	4,660,710	4,660,710	-	-	-
Agencia Nacional de Mineria liabilities	8,408,158	8,408,158	8,408,158	-	-	-
Coscuez acquisition payment	7,749,788	9,007,727	4,998,827	4,008,900	-	-
	$25,561,898	$26,819,837	$ 22,810,937	$4,008,900	$ -	$ -

e) Commodity price risk
The ability of the Company to explore and evaluate its exploration and evaluation properties and the future profitability of the Company are directly related to the price of certain minerals. The Company monitors gem prices to determine the appropriate course of action to be taken.

13. CAPITAL MANAGEMENT

The Company considers its capital structure to include the components of shareholders' equity and loans. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. As the Company's properties are in the exploration and evaluation stage, the Company is currently unable to self-finance its operations. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financings will be favourable. The Company did not change its approach to capital management during the three months ended March 31, 2019.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSXV which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of March 31, 2019, the Company may not be compliant with the policies of the TSXV. The impact of this violation is not known and is ultimately dependent on the discretion of the TSXV.

(Expressed in Canadian Dollars)

14. COMMITMENTS AND CONTINGENCIES

Management Contracts

The Company is party to certain management contracts. These contracts require that additional payments of up to approximately $2,886,450 be made upon the occurrence of certain events such as a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in these condensed consolidated interim financial statements. Minimum commitments remaining under these contracts are approximately $1,608,388 all due within one year.

Environmental

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

Property payments

As part of the Company's purchase of Cobadale Limited, the Company has agreed to issue five million Fura shares if any of the assets becomes a mining concession pursuant to the laws of Mozambique on or before September 19, 2019. As at March 31, 2019, no shares had been issued in relation to this contingency.

See Note 5.

15. LEASE LIABILITY

On March 9, 2018, the Company entered into a lease agreement for office space in Bogota, Colombia. The monthly rent payable under the terms of the lease is COP12,000,000 ($5,028) plus applicable service charges. The rent payable is subject to an annual increase based on the percentage increase in the Colombian minimum salary over the prior year, assessed annually. The lease is for fixed term of two years commencing March 9, 2018. The Company used a discount rate of 8.25% in determining the present value of the lease payments.

Lease liability at January 1, 2019	$	71,619
Interest expense	$	1,327
Lease payments	$	(15,989)
Lease liability, March 31, 2019	$	56,957