

ROSCAN**GOLD**

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended April 30, 2023 and 2022

(Unaudited)

EXPRESSED IN CANADIAN DOLLARS

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of Roscan Gold Corporation (the "Company") have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor, RSM Canada LLP, has not performed a review of these unaudited condensed interim consolidated financial statements, in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim consolidated financial statements by an entity's auditor.

ROSCANGOLD

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(unaudited, expressed in Canadian dollars)

As at	April 30 2023	October 31 2022
ASSETS		
Current		
Cash	\$ 115,051	\$ 46,953
Sales tax receivable	-	37,584
Prepaid expenses and deposits	212,837	56,888
	\$ 327,888	\$ 141,425
LIABILITIES		
Current		
Accounts payable and accrued liabilities (note 7)	\$ 2,186,361	\$ 1,341,051
EQUITY (DEFICIENCY)		
Share capital (note 8)	70,965,992	70,898,744
Contributed surplus	8,188,915	7,399,780
Deficit	(81,013,380)	(79,498,150)
	(1,858,473)	(1,199,626)
	\$ 327,888	\$ 141,425

Nature of operations and going concern (note 1)
Commitments and contingencies (notes 11, 12, 14)
Subsequent events (note 17)

See accompanying notes.

ROSCANGOLD

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(unaudited, expressed in Canadian dollars)

	Three months ended		Six months ended	
	2023	April 30 2022	2023	April 30 2022
Expenses				
Corporate and administrative (notes 10,13)	\$ 429,240	\$ 391,289	\$ 764,005	\$ 774,835
Exploration and evaluation (notes 8,11)	2,898,881	4,662,742	4,821,713	8,397,820
Project evaluation	-	158,237	-	158,237
Share-based payments (notes 8,13)	721,100	1,741,803	789,134	2,011,079
Amortization of right-of-use asset	-	6,822	-	13,645
	(4,049,220)	(6,960,893)	(6,374,851)	(11,355,616)
Other Income (expense)				
Sale of NS royalty, net (note 12)	-		4,880,000	
Foreign exchange gain (loss)	(9,633)	(40,342)	(20,378)	(34,552)
Interest income	-	2,310	-	5,394
Interest on lease liabilities	-	(50)	-	(246)
Net income (loss) and comprehensive income (loss)	\$ (4,058,852)	\$ (6,998,975)	\$ (1,515,229)	\$(11,385,020)
Basic and diluted income (loss) per share (note 15)	\$ (0.011)	\$ (0.019)	\$ (0.004)	\$ (0.031)
Weighted average number of common shares outstanding:				
Basic	379,404,338	368,634,395	379,404,338	363,443,133
Diluted	384,404,338	368,634,395	384,404,338	363,443,133

See accompanying notes.

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CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(unaudited, expressed in Canadian dollars)

	Share capital		Contributed surplus	Warrants	Deficit	Total
	Number of shares	Amount				
Balance, October 31, 2021	353,900,554	\$ 63,512,320	\$ 4,562,624	\$ 717,054	\$ (62,715,779)	\$ 6,076,219
Exercise of unit warrants (notes 8, 9)	7,432,500	1,513,055	-	(323,855)	-	1,189,200
Share-based payments (note 8)	-	-	269,276	-	-	269,276
Net loss for the period	-	-	-	-	(4,386,045)	(4,386,045)
Balance, January 31, 2022	361,333,054	65,025,375	4,831,900	393,199	(67,101,824)	3,148,650
Shares issued by private placement (note 8)	12,500,000	5,000,000	-	-	-	5,000,000
Shares issued for services (note 8)	200,000	80,000	-	-	-	80,000
Shares issued for mineral property (notes 8, 11)	167,347	56,898	-	-	-	56,898
Share issuance costs (note 8)	-	(405,000)	-	-	-	(405,000)
Exercise of options (note 8)	4,850,000	1,141,471	(526,471)	-	-	615,000
Warrants expired (note 9)	-	-	393,199	(393,199)	-	-
Share-based payments (note 8)	-	-	2,701,152	-	-	2,701,152
Net loss for the period	-	-	-	-	(12,396,326)	(12,396,326)
Balance, October 31, 2022	379,050,401	70,898,744	7,399,780	-	(79,498,150)	(1,199,626)
Share-based payments (note 8)	-	-	789,134	-	-	789,134
Shares issued for mineral property (notes 8, 11)	353,937	67,248	-	-	-	67,248
Net loss for the period	-	-	-	-	(1,515,229)	(1,515,229)
Balance, April 30, 2023	379,404,338	\$ 70,965,992	\$ 8,188,915	\$ -	\$ (81,013,380)	\$ (1,858,473)

See accompanying notes.

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CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited, expressed in Canadian dollars)

	Three months ended		Six months ended	
	April 30		April 30	
	2023	2022	2023	2022
Operating activities				
Loss for the period	\$ (4,058,852)	\$ (6,998,975)	\$ (1,515,229)	\$(11,385,020)
Adjustments to reconcile loss to net cash used:				
Amortization of right-of-use asset	-	6,822	-	13,645
Share-based payments	721,100	1,741,803	789,134	2,011,079
Shares issued for mineral property (note 11)	67,248	56,898	67,248	56,898
Unrealized foreign exchange	(1,271)	10,060	200	5,747
	(3,271,775)	(5,183,392)	(658,647)	(9,297,651)
Changes in non-cash working capital items				
Sales tax receivable	64,813	(90,019)	37,584	(82,591)
Prepaid expenses and deposits	75,320	(84,396)	(159,193)	(31,380)
Accounts payable and accrued liabilities	1,564,805	1,204,970	845,312	606,696
	(1,566,837)	(4,152,837)	65,056	(8,804,926)
Financing activities				
Repayment of lease liabilities	-	(7,450)	-	(14,754)
Shares issued by prospectus offering	-	-	-	-
Shares issued by private placement	-	5,000,000	-	5,000,000
Proceeds from exercise of options	-	15,000	-	15,000
Proceeds from exercise of warrants	-	-	-	1,189,200
Share issuance costs	-	(325,000)	-	(325,000)
	-	4,682,550	-	5,864,446
Net change in cash	(1,566,837)	529,713	65,056	(2,940,480)
Cash, beginning of period	1,676,213	3,403,690	46,953	6,867,764
Effect of exchange rate changes on cash	5,675	(10,060)	3,042	(3,941)
Cash, end of period	\$ 115,051	\$ 3,923,343	\$ 115,051	\$ 3,923,343
Supplemental disclosure				
Shares issued for services	-	\$ 80,000	-	\$ 80,000
Shares issued for mineral property	\$ 67,248	-	\$ 67,248	-

See accompanying notes.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(unaudited, expressed in Canadian dollars)

For the six months ended April 30, 2023 and 2022

1. NATURE OF OPERATIONS AND GOING CONCERN

Roscan Gold Corporation (the “Company”) is an exploration stage company involved in the business of acquiring, exploring and developing gold properties in West Africa. The Company’s properties are located in Mali. The Company’s shares are listed on the TSX Venture Exchange under the trading symbol “ROS” and on the Frankfurt Stock Exchange under the trading symbol “2OJ”. On January 3, 2022, the Company’s common shares commenced trading on the United States OTCQB Venture Market under the symbol “RCGCF”. The address of the Company’s head office and registered office is 217 Queen Street West, Suite 401, Toronto, ON, M5V 0R2.

Mali Coup

In August 2020 and again in May 2021, a coup was staged by Mali’s military resulting in the dissolution of the Malian government. Mali is currently being governed by a transitional government. The Company’s exploration activities have not been disrupted. It should be noted that the Mali capital, Bamako, the centre of the political transition, is over 600 kilometres from its exploration site.

The Company’s Malian properties may potentially expose the Company to risks and different considerations not normally associated with companies or exploration activities in North America. The Company’s ability to retain its properties, raise and deploy capital may be adversely affected by changes in governing regimes, policies, laws and regulations, all of which are beyond the Company’s control.

Going Concern

The business of exploration, development and mining of minerals involves a high degree of risk and there can be no assurances that future exploration activities will result in the discovery of economically recoverable mineral deposits. The success and continuation of the Company as a going concern is dependent upon the Company’s ability to arrange financing, which in part, depends on prevailing market conditions, acquiring or discovering economically viable mineral properties, exploration success, and securing title and beneficial interest in its properties.

Further funds will be required for the Company to continue as a going concern, fulfil its obligations and fund its activities. The Company does not produce revenues from its exploration activities or have a regular source of cash flow. There can be no assurance that the Company will be able to obtain sufficient financing in the future or at favourable terms.

At April 30, 2023, the Company had working capital of \$1,858,473 deficiency (October 31, 2022 - \$1,199,626 deficiency), incurred losses for the current six month period of \$1,515,299 (2022 - \$11,385,020), and, had an accumulated deficit of \$81,013,380 (2022 - \$74,100,799). On December 2, 2022, the Company raised additional capital of \$5 million from the sale of a 1.0% net smelter return royalty (“NSR”) to Osisko Gold Royalties Ltd. (“Osisko”). Upon receipt of an exploitation licence issued by the Malian government the Company has the right to compel Osisko to acquire an additional 1% NSR by paying an additional \$5 million (Note 12). To further enhance the Company’s working capital, on March 31, 2023, the Company announced a non-brokered private placement for gross proceeds of up to \$2,000,000. The Company disclosed on May 10, 2023 that it had increased the size of its non-brokered private placement funding to a maximum of \$2,700,000 in gross revenue, as a result of high demand from investors. This announcement follows the Company’s March 31, 2023 press release. (Note 16).

These consolidated financial statements have been prepared using accounting principles applicable to a going concern, which assume that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. However, due to uncertainties surrounding a number of factors, such as, but not limited to, the ability to raise additional funds, ability to acquire mineral properties, exploration results, prices of underlying commodities, investor sentiment and financial market conditions, it is not possible to predict if this assumption will prove to be accurate. These factors indicate the existence of material uncertainties that may cast significant doubt about the Company’s ability to continue as a going concern.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(unaudited, expressed in Canadian dollars)

For the six months ended April 30, 2023 and 2022

These financial statements do not include the necessary adjustments to reflect the recoverability and classification of recorded assets and liabilities and related expenses that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PREPARATION

Statement of Compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and International Accounting Standard (“IAS”) 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”) and interpretations of the IFRS Interpretations Committee (“IFRIC”).

These consolidated financial statements for the six-month period ended April 30, 2023, were approved and authorized for issue by the Company’s board of directors on June 30, 2023.

Basis of Consolidation and Presentation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly owned Malian subsidiaries, Roscan Gold Mali SARL and Komet Mali SARL. All significant inter-company transactions and balances have been eliminated on consolidation.

These consolidated financial statements are prepared on the historical cost basis, except for financial instruments classified as fair value through profit and loss. These consolidated financial statements are presented in Canadian dollars, which is the Company’s and its two Malian subsidiaries’ functional currency.

These interim consolidated financial statements do not include all of the disclosure required in annual financial statements and should be read in conjunction with the Company’s 2022 audited annual consolidated financial statements. These consolidated financial statements are not necessarily indicative of the results that may be anticipated for the entire fiscal year.

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements, in conformity with IFRS, requires the Company’s management to make certain estimates and judgements that they consider reasonable and realistic. These estimates and judgements are based on historical experience, future expectations, economic conditions and other factors. Despite regular reviews, changes in circumstances and assumptions may result in changes in these estimates and judgements, which could materially impact the reported amount of the Company’s assets, liabilities, equity or earnings. By their nature, estimates and judgements are subject to measurement uncertainty and actual results could vary from estimates.

Significant estimates relate to:

- measurement of share-based payments and warrant valuations;
- measurement of shares issued to acquire mineral properties;
- establishment of provisions; and,
- recognition of deferred tax assets.

Significant judgements relate to:

- ability to continue as a going concern;
- functional currency of the Company and its subsidiaries;
- ability to retain exploration and evaluation permits; and,
- exploration and evaluation accounting policy.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS*(unaudited, expressed in Canadian dollars)***For the six months ended April 30, 2023 and 2022****4. SIGNIFICANT ACCOUNTING POLICIES**

The Company's significant accounting policies, as described in Note 4 of the Company's audited consolidated financial statements for the year ended October 31, 2022, have been applied consistently to all periods presented in these financial statements, unless otherwise noted.

5. NEW STANDARDS AND INTERPRETATIONS ISSUED, BUT NOT YET ADOPTED

The following standard has been issued, but is not yet effective:

IAS 1 – Presentation of Financial Statements

The IASB has issued an amendment to IAS 1, Presentation of Financial Statements providing a more general approach to the classification of liabilities. The amendment clarifies that the classification of liabilities as current or non-current depends on the rights existing at the end of the reporting period as opposed to management's intentions or expectations of exercising the right to defer settlement of the liability. Management would classify debt as non-current only when the Company complies with all the conditions at the reporting date.

The amendments further clarify that settlement of a liability refers to the transfer of cash, equity instruments, other assets or services to the counterparty. The amendments are effective for annual periods beginning on or after January 1, 2023, and are to be applied retrospectively, with early adoption permitted. The extent of the impact of adoption of this standard has not yet been determined.

6. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern; and, to have sufficient capital to fund the exploration and development of its mineral properties and the acquisition of other mineral properties for the benefit of its shareholders.

The Company considers its capital structure to consist of shareholder equity. In order to maintain its capital structure, the Company is dependent on equity funding and loans from related parties. Funding through equity instruments is comprised of common shares, warrants and incentive stock options. The Board of Directors does not establish quantitative targets on its capital criteria for management, however, it relies on management to review its capital management methods and requirements on an ongoing basis and make adjustments accordingly, to sustain future development of the business.

There were no changes in the Company's management of its capital during the current six-month period. The Company is not subject to any externally imposed capital requirements.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	April 30 2023	October 31 2022
Suppliers	\$2,170,273	\$ 1,113,558
Accrued liabilities	16,088	76,941
Related parties	-	150,552
	\$ 2,186,361	\$ 1,341,051

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(unaudited, expressed in Canadian dollars)

For the six months ended April 30, 2023 and 2022

8. SHARE CAPITAL

Authorized

Unlimited common shares

	Number	Amount
Balance, October 31, 2021	353,900,554	\$ 63,512,320
Shares issued by private placement (i)	12,500,000	5,000,000
Shares issued for services (i)	200,000	80,000
Shares issued for mineral property (ii)	167,347	56,898
Shares issued on exercise of unit warrants (iii)	7,432,500	1,513,055
Shares issued on exercise of broker warrants	-	-
Shares issued on exercise of options (iv)	4,850,000	1,141,471
Share issuance costs (i)	-	(405,000)
Balance, October 31, 2022	379,050,401	\$ 70,898,744
Shares issued for mineral property (v)	353,937	\$ 67,248
Balance, April 30, 2023	379,404,338	\$ 70,965,992

- (i) On March 11, 2022, pursuant to a private placement, the Company issued 12,500,000 common shares at \$0.40 per share for gross proceeds of \$5,000,000. The Company paid finder fees (cash) of \$300,000 and issued 200,000 common shares, valued at \$80,000, in lieu of cash.
- (ii) On April 27, 2022, the Company issued 167,347 common shares at \$0.34 per share in accordance with the option agreement made with Harmattan Consulting SARL for the Kandiole Project's Bantanko East permit (note 11).
- (iii) During the year ended October 31, 2022, the Company issued 7,432,500 shares in connection to the exercise of 7,432,500 unit warrants for proceeds of \$1,189,200. The fair value of these warrants at issue was \$323,855. The fair value of the unit warrants was transferred from the warrant reserve account.
- (iv) During the year ended October 31, 2022, the Company issued 4,850,000 shares in connection to the exercise of stock options for proceeds of \$615,000. The fair value of these stock options was \$526,471, which was transferred from the contributed surplus account.
- (v) On April 7, 2023, the Company issued 353,937 common shares at \$0.19 per share in accordance with the option agreement made with Harmattan Consulting SARL for the Kandiole Project's Bantanko East permit (note 11).

Share-based Payments

The Company has a stock option plan, a restricted share unit plan (RSU) and a deferred share unit plan (DSU) to provide additional incentives to directors, officers, employees and consultants.

Under the terms of the Company's stock option and RSU/DSU plans (the "Plans"), the Company is authorized to issue up to a maximum of 10% of the issued common shares with an exercise period that is not to exceed ten years. The term, exercise price and vesting conditions of the options, RSUs and DSUs are fixed by the Board of Directors at the time of grant. All issued stock options were granted in accordance with the terms of the Plan.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(unaudited, expressed in Canadian dollars)

For the six months ended April 30, 2023 and 2022

SHARE CAPITAL (continued)

The number of shares reserved for issuance under the Plans, in aggregate, are not to exceed 10% of the Company's issued and outstanding common shares at time of issuance. At April 30, 2023, the Company had 9,883,304 (October 31, 2022 – 14,588,023) common shares available for future grants under the Plans.

Stock options

Stock option transactions and the number of stock options outstanding are as follows:

	Number	Weighted average exercise price
Balance, October 31, 2021	19,650,000	\$0.28
Granted (i)	5,617,017	0.36
Exercised	(4,850,000)	0.13
Expired	(100,000)	0.15
Balance, October 31, 2022	20,317,017	\$0.34
Granted (ii)	4,515,113	0.20
Balance, April 30, 2023	24,832,130	\$0.31

(i) On February 24, 2022, the Company granted 2,340,980 stock options to a director of the Company. These options vested immediately and were issued with an exercise price of \$0.39 and a five-year term.

On June 28, 2022, the Company granted 3,276,037 stock options to a director of the Company. These options vested immediately and were issued with an exercise price of \$0.34 and a five-year term.

(ii) On April 26, 2023, the Company granted 2,465,113 stock options to the directors of the Company. These options vested immediately and were issued with an exercise price of \$0.20 and a five-year term. On April 26, 2023, the Company granted 1,100,000 and 950,000 stock options to the officers and consultants of the Company, respectively. These options vested immediately and were issued with an exercise price of \$0.20 and a five-year term.

Fair value of the options issued were estimated using the Black-Scholes option-pricing model with the following weighted average assumptions:

	2023	2022
Dividend yield	Nil	Nil
Expected volatility (based on historical prices)	139%	134%
Risk-free rate of return	2.98%	2.60%
Expected life	5 Years	5 Years
Share price	\$0.175	\$0.320

During the six-month period ended April 30, 2023, the total share-based payments expense related to stock options was \$785,354 (2022 - \$1,231,079).

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(unaudited, expressed in Canadian dollars)

For the six months ended April 30, 2023 and 2022

SHARE CAPITAL (continued)

The following summarizes information on the outstanding stock options:

Expiry Date	Number	Weighted Average Exercise Price	Exercisable	Weighted average remaining life (years)
June 18, 2023	600,000	0.41	300,000	0.13
June 29, 2023	300,000	0.50	300,000	1.09
January 12, 2025	3,500,000	0.12	3,500,000	1.70
February 19, 2025	1,500,000	0.17	1,500,000	1.81
September 23, 2025	3,000,000	0.37	1,500,000	2.40
February 8, 2026	3,500,000	0.39	2,500,000	2.78
April 13, 2026	1,800,000	0.59	1,600,000	2.96
June 18, 2026	500,000	0.41	500,000	3.14
February 24, 2027	2,340,980	0.39	2,340,980	3.82
June 28, 2027	3,276,037	0.34	3,276,037	4.16
April 26, 2028	4,515,113	0.20	4,515,113	4.99
	24,832,130	\$0.31	21,832,130	3.14

Restricted Share Units ("RSUs")

On March 21, 2022, the Company adopted the Omnibus Long-Term Incentive Plan (LTIP) pursuant to which the Company may grant RSUs to its directors, officers, employees and consultants based on the Company's share price at the date of grant. Unless otherwise stated, the RSUs vest equally (or graded) over a three-year period on the anniversary dates but in all cases shall end no later than December 31 of the calendar year which is (3) years after the calendar year in which the award is granted.

Restricted Stock option transactions and the number of RSUs outstanding are as follows:

	Number	Weighted average fair value
Balance, October 31, 2021	-	\$0.00
Granted (i)	3,000,000	0.39
Balance, October 31, 2022		
Expired (i)	(3,000,000)	0.39
Granted (ii)	3,225,000	0.175
Balance, April 30, 2023	3,225,000	\$0.175

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(unaudited, expressed in Canadian dollars)

For the six months ended April 30, 2023 and 2022

SHARE CAPITAL (continued)

- (i) On February 24, 2022, the Company granted 3,000,000 RSUs to an officer of the Company. Two million of the RSUs vested immediately and one million RSUs were to vest upon the trading price of the Company's common shares achieving \$0.65 between January 1, 2022, and December 31, 2022. These RSUs expired on February 24, 2023.
- (ii) On April 26, 2023, the Company granted 3,000,000 RSU to a director of the company. Pursuant to the referred to section of the Company's LTIP, these RSUs vest equally (or graded) over a three-year period on the anniversary dates.

On April 26, 2023, the company granted 225,000 RSU to a director of the company. Pursuant to the referred to section of the Company's LTIP, these RSUs vest equally (or graded) over a three-year period on the anniversary dates.

During the six-month period ended April 30, 2023, the total share-based payments expense related to RSUs was \$3,780 (2022 - \$780,000).

9. WARRANTS

Warrant transactions and number of warrants outstanding are as follows:

	Number	Weighted average exercise price	Relative fair value
Balance, October 31, 2021	9,575,370	\$0.25	\$ 717,054
Exercised	(7,432,500)	0.16	(323,855)
Expired	(2,142,870)	0.55	(393,199)
Balance, October 31, 2022 and April 30, 2023	-	\$0.00	\$ -

10. CORPORATE AND ADMINISTRATIVE

	Three months ended		Six months ended	
	2023	April 30 2022	2023	April 30 2022
Consulting (note 13)	\$ 91,321	\$ 64,647	\$ 168,071	\$ 148,428
Corporate development and promotion	91,215	86,250	138,696	190,241
Listing and share transfer (note 13)	36,479	49,136	40,761	61,775
Management fees (note 13)	157,637	152,500	300,137	295,000
Office and general	17,962	33,447	40,014	67,649
Premises (note 13)	8,145	545	16,290	3,810
Professional fees	26,480	4,764	60,035	7,932
Travel	-	-	-	-
	\$ 429,240	\$ 391,289	\$ 764,005	\$ 774,835

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(unaudited, expressed in Canadian dollars)

For the six months ended April 30, 2023 and 2022

11. EXPLORATION AND EVALUATION

	Three months ended		Six months ended	
	2023	April 30 2022	2023	April 30 2022
Acquisition costs	\$ 76,776	\$ 158,067	\$ 76,776	\$ 158,067
Property costs	73,811	469,591	250,545	587,043
Assaying	213,045	586,989	232,881	935,422
Community relations	3,673	4,951	15,499	5,392
Consulting/Contracting	364,832	174,199	574,392	387,181
Drilling and ancillary costs	1,187,421	1,923,023	1,854,902	3,818,147
Environmental	51,265	-	112,447	-
Field expenses and equipment	491,314	707,066	869,509	1,304,416
Field office	392,568	413,703	767,100	800,455
General and administrative	(0)	150	8,140	599
Geophysics/Surveys	-	8,281	-	22,247
Professional fees	8,663	39,461	13,074	44,949
Reports	-	154,066	-	297,150
Travel/Transportation	35,511	23,195	46,446	36,752
	\$ 2,898,881	\$ 4,662,742	\$ 4,821,713	\$ 8,397,820

Kandiole Project – Mali

The Kandiole Project is comprised of nine contiguous gold prospective permits, encompassing approximately 402 sq. kilometres, located within the Kéniéba “Cercle”, an administrative sub-area of the Kayes Region, approximately 400 kilometres west of Bamako, the capital of Mali in West Africa.

The following summarizes the permits held or under option by the Company:

Permit	Area (sq kms)		Renewal date
Dabia South	35	Company held	February 3, 2025
Kandiole North (i)	57	Company held	March 1, 2024
Kandiole West	25	Company held	June 13, 2024
Mankouke West	16	Option exercised	March 25, 2024
Moussala North (ii)	32	Company held	April 6, 2023
Niala	75	Company held	May 23, 2024
Segando South	65	Company held	January 21, 2025
Bantanko East	55	Under option	March 2, 2024
Segondo West (iii)	42	Option exercised	March 20, 2023

- (i) In November 2022, the Kandiole North and the Mankouke permits were merged with no change in the total area.
- (ii) The Moussala North permit came up for renewal on April 6, 2023 and the renewal is pending.
- (iii) The option to acquire Segondo West was exercised in February 2023 and the transfer of the permit is pending.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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EXPLORATION AND EVALUATION (continued)

The Company is responsible for keeping each permit in good standing and performing all obligations required by law.

Dabia South

On July 2, 2020, the Company purchased Komet Mali SARL, which holds the Dabia South permit.

Option Agreements - Exercised

During fiscal 2021, the Company completed its option agreement obligations to acquire the Kandiole North, Kandiole West, Mankouke, Mankouke West, Moussala, Niala and Segando South permits, of which six of these seven permits have been transferred to the Company with the transfer of the Mankouke West permit pending. By February 2023, the Company completed its option agreement obligations to acquire the Segando West permit and the transfer of the permit is currently pending.

A) Kandiole North – permit transferred

In November 2022, Kandiole North (40 sq. kms.) and Mankouke (17 sq. kms.) were merged into one permit with no change in the total area, resulting in Kandiole North becoming the surviving permit.

Kandiole North

The Company acquired Kandiole North pursuant to an option agreement (dated June 4, 2018, with an effective date of November 3, 2017) with Touba Mining Junior SARL (“Touba”). Touba retained a 5% net profit interest (“NPI”) and a 2% net smelter return royalty (“NSR”) on all ore mined from the property. The Company has the right to purchase one-half of the NSR (equivalent to a 1% NSR) for \$1,000,000. Touba assigned its option rights under its agreement with Ouani-Or SARL to the Company.

Mankouke

The Company acquired Mankouke pursuant to an option agreement (dated June 22, 2018) with Minex SARL (“Minex”). Minex retained a 3% NSR on all ore mined from the property. The Company has the right to purchase two-thirds of the NSR (equivalent to a 2% NSR) for US\$1,000,000.

B) Kandiole West – permit transferred

The Company acquired Kandiole West pursuant to an option agreement (dated June 4, 2018, with an effective date of November 3, 2017) with Touba. Touba retained a 5% NPI and a 2% NSR on all ore mined from the property. The Company has the right to purchase one-half of the NSR (equivalent to a 1% NSR) for \$1,000,000. Touba assigned its option rights under its agreement with Kara Mining SARL to the Company.

C) Mankouke West – transfer of permit is pending

The Company acquired Mankouke West pursuant to an option agreement (dated March 22, 2021) with Touba. Touba retained a 1% NSR on all ore mined from the property. The Company has the right to purchase the entire NSR for CDN \$1 million.

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EXPLORATION AND EVALUATION (continued)

D) Moussala North and Segando South – permits transferred

The Company acquired Moussala North and Segando South pursuant to option agreements (each dated March 31, 2018) with K.L. Mining and K.A Gold Mining (collectively, the “Optionor”). The Optionor retained a 2% NSR on all ore mined from the property. The Company has the right to purchase one-half of the NSR (equivalent to a 1% NSR) for US\$1,200,000.

E) Niala – permit transferred

The Company acquired Niala pursuant to an option agreement (dated April 27, 2018) with SOLF SARL (“SOLF”). SOLF retained a 2% NSR on all ore mined from the property. The Company has the right to purchase one-half of the NSR (equivalent to a 1% NSR) for \$500,000.

F) Segondo West Option Agreement – transfer of permit is pending

The Company has completed its option agreement obligations as follows:

- (a) Paid SO.FI.SI Mining SARL (“SO.FI.SI”) an aggregate of 65,000,000 CFA francs (approximately CDN \$144,000), as follows:
- 10,000,000 FCFA (CDN \$23,410) on signing (paid);
 - 20,000,000 FCFA (CDN \$43,985) by February 5, 2022 (paid); and,
 - 35,000,000 FCFA (CDN \$76,776) by February 5, 2023 (paid).
- (b) Incurred an aggregate of 160,000,000 CFA Francs (approximately CDN \$354,000) in exploration expenditures over the option period, as follows:
- 50,000,000 FCFA by February 5, 2022 (completed); and,
 - 110,000,000 FCFA by February 5, 2023 (completed).

SO.FI.SI retains a 2% NSR on all ore mined from the property. The Company has the right to purchase one-half of the NSR (equivalent to a 1% NSR) for 450,000,000 CFA francs (approximately CDN \$996,000).

Option Agreements – Exercise pending

Subject to the Company completing its option agreement obligations, the Company has the right to acquire a 100% interest in one privately held gold prospective permit, as further described below.

A) Bantanko East Option Agreement – effective April 7, 2021

To exercise the option the Company shall:

- (a) pay Harmattan Consulting SARL (“Harmattan”), an aggregate of 115,000,000 CFA francs (approximately CDN \$255,000), as follows:
- 20,000,000 FCFA (CDN \$45,622) on signing (paid);
 - 27,500,000 FCFA (CDN \$57,184) by April 7, 2022 (paid);
 - 30,000,000 FCFA (CDN \$66,315) by April 7, 2023 (paid on May 11, 2023 as agreed by Harmattan); and
 - 37,500,000 FCFA (approximately CDN \$86,000), upon the submission of the documentation to transfer the permit to the Company.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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For the six months ended April 30, 2023 and 2022

EXPLORATION AND EVALUATION (continued)

- (b) issue to Harmattan an aggregate of 115,000,000 CFA Francs (approximately CDN \$256,000) in common shares of the Company based on the closing market price preceding the share issuance date, as follows:
- 20,000,000 FCFA (CDN \$46,273) of shares on signing (90,731 shares issued);
 - 27,500,000 FCFA (CDN \$56,898) of shares by April 7, 2022 (167,347 shares issued);
 - 30,000,000 FCFA (CDN \$67,248) of shares by April 7, 2023 (353,937 shares issued);
 - 37,500,000 FCFA (approximately CDN \$86,000) of shares upon the submission of the documentation to transfer of the permit to the Company (approximately 478,000 shares).
- (c) incur an aggregate of 191,000,000 CFA francs (approximately CDN \$423,000) in exploration expenditures over the option period, as follows:
- 44,000,000 FCFA by April 7, 2023 (completed); and
 - 147,000,000 FCFA by April 7, 2024.

Note: Future commitments are based on April 28, 2023: exchange rates of 436 FCFA: \$1 for Canadian denominated amounts; and, a closing share price of CDN \$0.18.

In conjunction with the property being placed into production, the Company shall incorporate an operating company and issue to Harmattan, within 30 days of the date of commencement of production, US \$1,000,000 in common shares of the operating company.

If a bankable feasibility study is prepared by the Company and the study reveals proven gold reserves equivalent to more than 1,000,000 oz, the Company shall provide: (i) Harmattan with the results of the study; and, (ii) issue to Harmattan, within thirty (30) days of receipt of such study, US\$1,000,000 in common shares of the Company.

Harmattan retains a two percent (2%) NSR on all ore mined from the property. The Company has the right to purchase one-half of the NSR (equivalent to a 1% NSR) for US \$1,000,000.

12. SALE OF NET SMELTER RETURN ROYALTY

On December 2, 2022, the Company entered into a royalty financing agreement (the "Royalty Agreement") with Osisko Gold Royalties Ltd. ("Osisko"), whereby Osisko paid the Company \$5 million to acquire an initial 1.0% net smelter return royalty ("NSR") in the properties that comprise the Company's Kandiole Project. In addition, Osisko retains the option to acquire an additional 1% NSR (the "Additional Royalty") in the Kandiole Project properties, at any time, by paying another \$5 million. The Company has the right to compel Osisko to acquire the Additional Royalty upon receipt of an exploitation licence issued by the Malian government in accordance with its mining codes or laws.

Osisko retains a right of first offer ("ROFO") and a right of first refusal ("ROFR") pertaining to the sale of future royalties on current Kandiole Project properties and on properties that are subsequently acquired that are contiguous or complementary. As well, Osisko holds a ROFO and ROFR on the sale of streaming interests and on the Company's buyback rights on pre-existing royalties attached to the Kandiole Project properties. To secure its obligations under the Royalty Agreement, the Company pledged its shareholdings in its subsidiaries, Roscan Gold Mali SARL and Komet Mali SARL. The Company incurred advisory fees of \$120,000.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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13. RELATED PARTY TRANSACTIONS AND BALANCES

A summary of the compensation of key management (directors/officers) of the Company is included in the table below. Key management are those persons having authority and responsibility for planning, directing and controlling activities, directly or indirectly, of the Company.

	Three months ended		Six months ended	
	2023	April 30 2022	2023	April 30 2022
Lease liability payments/Premises (i)	\$ 7,845	\$ 7,845	15,690	15,795
Management fees (ii)	157,637	152,500	300,137	295,000
Share-based payments (iii)	574,776	1,701,924	642,810	1,924,639
	\$ 740,258	\$ 1,862,269	\$ 958,637	\$ 2,235,434

- (i) Rent was paid or became payable to a company controlled by a Company officer/director for the Company's office in Bedford, Nova Scotia. With the adoption of IFRS 16 on November 1, 2019, the rent payments were applied to the lease liability account (2023 - \$nil vs 2022- \$7,500) up to the lease expiry date of April 30, 2022. Beginning May 1, 2022, the Company began renting these office premises on a month-to-month basis and paid \$15,690 (2022 - \$450) for rent and parking privileges.
- (ii) Management fees were paid or became payable for the services of Company officers.
- (iii) Share-based payments represents the fair value assigned to stock options and restricted share units granted to Company directors/officers. Share-based payments related to stock options granted to consultants are not included.

14. COMMITMENTS AND CONTINGENCIES

The Company currently has management services agreements with two Company officers that contain the provision of termination and change of control benefits. The first agreement provides that in the event that the officer's services are terminated by the Company, other than for cause, or there is a change in control of the Company that the officer shall be entitled to a lump sum payment amount equal to (2) years of base remuneration, plus any unpaid bonus plus the average of the bonus paid to the officer over the previous (2) years, but prior to the third year of service. The second agreement provides that if the officer's services are terminated by the Company, other than for cause, or there is a change in control of the Company that the officer shall be entitled to a lump sum payment amount equal to one (1) year of base remuneration. The Company has an agreement with a consultant, which provides that if the consultants services are terminated by the Company, other than for cause, or there is a change in control of the Company that the consultant shall be entitled to a lump sum payment amount equal to two (2) years of base remuneration plus one (1) month of current compensation for each year of service, effective April 1, 2019. As a triggering event has not taken place, the contingent payments of \$1,091,940 (October 31, 2022 - \$1,049,857) have not been reflected in these consolidated financial statements.

In addition, the Company is to pay \$8,333 per month until June 30, 2023 to a Company director for advisory services.

The Company has an agreement with a Company director, effective January 12, 2020, whereby the director shall be granted further stock options immediately after the next Company annual shareholder meeting ("AGM") to maintain a balance equivalent to 3% of then common shares outstanding of the Company, provided the director is re-elected at the AGM. The director was re-elected at the Company's AGMs held in 2021 and in 2022 and was granted 2,340,980 stock

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options and 3,276,037 stock options, respectively. The director was re-elected at the Company's AGM in 2023 and was granted an additional 765,113 stock options.

15. LOSS PER SHARE

Loss per share is calculated using the weighted average number of shares outstanding for the period. For the purposes of calculating the basic and diluted loss per share the effect of the potentially dilutive options and warrants were not included in the calculation for the six-month period ended April 30, 2022, as the result would be anti-dilutive.

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair Value

The carrying value of cash, accounts payable and accrued liabilities approximates fair value due to the relative short-term maturity of these financial instruments. Fair value represents the amount that would be exchanged in an arms-length transaction between willing parties and is best evidenced by a quoted market price, if one exists.

IFRS 7 establishes a fair value hierarchy that prioritizes the valuation techniques for each financial instrument measured at fair value. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgement.

The methods and assumptions used to develop fair value measurements are: Level 1 - includes quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 - includes inputs, other than quoted prices included in Level 1, that are observable for an asset or liability, either directly (i.e. as process) or indirectly (i.e. derived from process); and, Level 3 - includes inputs that are not based on observable data.

Risk Management

The primary objectives of the Company's financial risk management procedures are to ensure that the outcome of activities involving elements of risk are consistent with the Company's objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Company's financial position, from events that have the potential to materially impair its financial strength. These activities include the preservation of its capital by minimizing risk related to its cash.

The Company does not trade financial instruments for speculative purposes and does not have a risk management committee or written risk management policies. The Company's financial instruments are exposed to the risks described below:

Credit Risk

Credit risk is the risk of financial loss to the Company, if one party to a financial instrument fails to discharge or meet their obligations. Financial instruments that potentially expose the Company to this risk relate to its cash, which is primarily held at a Canadian banking institution and sales tax receivables due from the Canadian government.

Currency Risk

The Company's operates in Canada and Mali and has potential future commitments in Mali that are denominated in the West African CFA franc (FCFA), the Euro (EUR) and the United States dollar (USD), giving rise to market risks from changes in foreign exchange rates. The Company monitors foreign exchange rates on an as needed basis. As at April 30, 2023, a 10% change in the USD or the EUR exchange rate would impact the Company's loss by approximately \$172,000 (October 31, 2022 - \$85,000) and \$65,000 (October 31, 2022 - \$59,000), respectively.

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FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

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 interest rates. The Company's excess cash is invested in financial instruments that provide safety and flexibility for early redemption. The Company's excess cash is subject to interest rate risk resulting from fluctuations in prime rates.

Liquidity Risk

Liquidity risk management requires maintaining sufficient cash, liquid investments or credit facilities to meet the Company's operating expenditures and commitments, as they come due. The Company manages liquidity risk through the management of its capital structure as described in Note 6. The Company does not have any income from operations or a regular source of income and is highly dependent on its working capital and equity funding to support its exploration and corporate activities. There can be no assurance that the Company will be successful in its fund-raising activities.

As at April 30, 2023, the Company had cash of \$115,051 (October 31, 2022 - \$46,953) to settle current liabilities of \$2,186,361 (October 31, 2022 - \$1,341,051). On December 2, 2022, the Company raised additional capital of \$5 million from the sale of a 1.0% NSR to Osisko. Upon receipt of an exploitation licence issued by the Malian government the Company has the right to compel Osisko to acquire an additional 1% NSR by paying an additional \$5 million (Note 12). To further enhance the Company's working capital, on March 31, 2023, the Company announced a non-brokered private placement for gross proceeds of up to \$2,000,000. The Company disclosed on May 10, 2023, that it had increased the size of its non-brokered private placement funding to a maximum of \$2,700,000 in gross revenue, as a result of high demand from investors. This announcement follows the Company's March 31, 2023 press release (note 17). The Company will require additional capital to fully fund its 2023 exploration activities.

17. SUBSEQUENT EVENTS

- (a) On March 31, 2023, the Company announced its intention to complete a non-brokered private placement financing for gross proceeds of up to \$2,000,000 through the issuance of up to 10,000,000 common shares of the Company at a price of \$0.20 per share. On May 1, 2023, pursuant to the first tranche of the non-brokered private placement, the Company issued an aggregate of 7,113,700 common shares at \$0.20 per share for gross proceeds of \$1,422,740.

On May 10, 2023, the Company disclosed that following its press release of March 31, 2023 and due to investor demand, the Company had increased the size of its non-brokered private placement financing to gross proceeds of up to \$2,700,000 through the issuance of up to 13,500,000 common Shares of the Company at a price of \$0.20 per Common Share. On May 15, 2023, the Company closed the final tranche of its non-brokered private placement through the issuance of 6,625,000 common shares at \$0.20 per share for gross proceeds of \$1,325,000.