

ROSCANGOLD

CONSOLIDATED FINANCIAL STATEMENTS

For the years ended October 31, 2024 and 2023

EXPRESSED IN CANADIAN DOLLARS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Roscan Gold Corporation

Opinion

We have audited the consolidated financial statements of Roscan Gold Corporation (the "Company"), which comprise the consolidated statement of financial position as at October 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at October 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company has a working capital deficiency of \$1,545,342 as at October 31, 2024 and incurred a net loss of \$2,954,522 during the year ended October 31, 2024 and that further funds will be required to fund activities for the upcoming year. As stated in Note 1, these events or conditions, along with other conditions described in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended October 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matter described below to be the key audit matter to be communicated in our auditor's report.

Assessment of initial measurement and presentation of convertible debentures

Refer to financial statements Note 4 – Material accounting policies; Note 8 – Convertible debentures and debt settlement



During the year ended October 31, 2024, the Company issued convertible debentures for cash. Management made certain significant judgements regarding the presentation of the components of the convertible debentures. Management also made certain significant estimates, including market discount rates, to determine the fair values of the liability component and the equity component contained in the convertible debentures issued.

We identified this as a key audit matter due to the magnitude of the balances and the significant auditor judgement and attention required in applying and evaluating our audit procedures regarding the estimates and judgements used by management in determining the presentation and fair values of the components of the convertible debentures in the financial statements.

How our audit addressed the Key Audit Matter

Our approach to address the matter included the following procedures, among others:

- Agreed the terms of the convertible debentures to the subscription agreements to understand the necessary accounting considerations;
- Assessed the appropriateness of the accounting treatment of the convertible debentures;
- Assessed the appropriateness of the discount rate by comparing to publicly available market data;
- Assessed the mathematical accuracy of management's calculation of the fair values of the components contained in convertible debentures; and
- Assessed the adequacy of the Company's disclosures within the notes to the financial statements in relation to this matter.

Other Information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mark Jakovcic.

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants
February 28, 2025
Toronto, Ontario

ROSCANGOLD

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(expressed in Canadian dollars)

As at	October 31 2024	October 31 2023
ASSETS		
Current		
Cash	\$ 1,281,773	\$ 18,780
Sales tax receivable	28,030	31,911
Prepaid expenses and deposits	17,044	101,998
	\$ 1,326,847	\$ 152,689
LIABILITIES		
Current		
Accounts payable and accrued liabilities (note 7, 13)	\$ 1,600,912	\$ 2,559,525
Convertible debentures (note 8)	1,271,277	-
	2,872,189	2,559,525
EQUITY (DEFICIENCY)		
Share capital (note 9)	76,921,423	73,697,973
Contributed surplus	8,858,010	8,265,444
Deficit	(87,324,775)	(84,370,253)
	(1,545,342)	(2,406,836)
	\$ 1,326,847	\$ 152,689

Nature of operations and going concern (note 1)

Commitments and contingencies (notes 14)

See accompanying notes.

Approved by the Board

"Michael Gentile"

"Nana Sangmuah"

Director (Signed)

Director (Signed)

ROSCANGOLD

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(expressed in Canadian dollars)

Years ended October 31,	2024	2023
Expenses		
Corporate and administrative (notes 10,13)	\$ 1,193,110	\$ 1,394,826
Exploration and evaluation (notes 9,11)	1,086,432	7,399,952
Share-based payments (notes 9,13)	579,479	865,664
Loss from operations	(2,859,021)	(9,660,442)
Sale of NSR royalty, net (note 12)	-	4,880,000
Interest and accretion (note 8)	(146,914)	-
Foreign exchange gain (loss)	(28,019)	(91,661)
Gain on debt modification (note 8)	29,432	-
Gain on debt settlement (note 8)	50,000	-
Net loss and comprehensive loss	\$ (2,954,522)	\$ (4,872,103)
Basic and diluted loss per share (note 15)	\$ (0.007)	\$ (0.013)
Weighted average number of common shares outstanding:		
Basic and diluted	396,726,527	385,882,278

See accompanying notes.

ROSCAN GOLD

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(expressed in Canadian dollars)

	Share capital		Contributed surplus	Deficit	Total
	Number of shares	Amount			
Balance, October 31, 2022	379,050,401	70,898,744	7,399,780	(79,498,150)	(1,199,626)
Shares issued by private placement (note 9)	13,738,700	2,747,740	-	-	2,747,740
Shares issued for mineral property (notes 9, 11)	353,937	67,248	-	-	67,248
Share issuance costs (note 9)	-	(15,759)	-	-	(15,759)
Share-based payments (note 9)	-	-	865,664	-	865,664
Net loss for the year	-	-	-	(4,872,103)	(4,872,103)
Balance, October 31, 2023	393,143,038	\$ 73,697,973	\$ 8,265,444	\$ (84,370,253)	\$ (2,406,836)
Shares issued by private placement (note 9)	20,000,000	2,000,000	-	-	2,000,000
Share issued on debt settlement (note 8, 9)	15,371,667	1,283,450	-	-	1,283,450
Share issuance costs (note 9)	-	(60,000)	-	-	(60,000)
Share-based payments (note 9)	-	-	579,479	-	579,479
Equity component of convertible debenture (note 8)	-	-	13,087	-	13,087
Net loss for the year	-	-	-	(2,954,522)	(2,954,522)
Balance, October 31, 2024	428,514,705	\$ 76,921,423	\$ 8,858,010	\$ (87,324,775)	\$ (1,545,342)

See accompanying notes.

ROSCANGOLD

CONSOLIDATED STATEMENTS OF CASH FLOWS

(expressed in Canadian dollars)

Years ended October 31,	2024	2023
Operating activities		
Loss for the year	\$ (2,954,522)	\$ (4,872,103)
Adjustments to reconcile loss to net cash used:		
Share-based payments	579,479	865,664
Accretion of convertible debenture (note 8)	13,796	-
Gain on convertible debenture modification (note 8)	(29,432)	-
Gain on debt settlement (note 8)	(50,000)	-
Shares issued for mineral property (note 9)	-	67,248
Unrealized foreign exchange	20,410	2,324
	(2,420,269)	(3,936,867)
Changes in non-cash working capital items		
Sales tax receivable	3,881	5,674
Prepaid expenses and deposits	84,793	(46,780)
Accounts payable and current liabilities (note 7, 8)	374,835	1,218,473
	(1,956,760)	(2,759,500)
Financing activities		
Proceeds from convertible debentures (note 8)	1,300,000	-
Shares issued by private placement (note 9)	2,000,000	2,747,740
Share issuance costs (note 9)	(60,000)	(15,759)
	3,240,000	2,731,981
Net change in cash	1,283,240	(27,519)
Cash, beginning of year	18,780	46,953
Effect of exchange rate changes on cash	(20,247)	(654)
Cash, end of year	\$ 1,281,773	\$ 18,780
Supplemental disclosure		
Shares issued on debt settlement	\$ 1,283,450	\$ -

See accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (expressed in Canadian dollars)

For the years ended October 31, 2024 and 2023

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.

New Mining Code

In August 2023, Mali’s interim government adopted a new mining code and as part of their review of the mining sector, suspended the issuance and renewals of permits and exploration licenses.

Following approval of the Implementation Decree by the Council of Ministers and the President, the new mining code is now functional. Subsequently a number of agreements have been publicly announced by the government and operating mining companies. The Company has resumed discussions aimed at reaching an agreement with the authorities and the receipt of the mining permit.

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.

As of October 31, 2024, the Company had working capital deficiency of \$1,545,342 (October 31, 2023 - \$ 2,406,836 deficiency), incurred loss for the current year of \$2,954,522 (2023 - \$ 4,872,103), and, had an accumulated deficit of \$87,324,775 (October 31, 2023 - \$ 84,370,253 deficiency). On December 2, 2022, the Company raised additional net proceeds of \$4,880,000 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).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (expressed in Canadian dollars)

For the years ended October 31, 2024 and 2023

1. NATURE OF OPERATIONS AND GOING CONCERN (continued)

Going Concern (continued)

To further enhance the Company's working capital, by October 4, 2024, the Company has closed a non-brokered private placement through the issuance of an aggregate of CAD\$1,300,000 principal amount secured subordinate promissory notes for gross proceeds of CAD\$1,300,000. The placement constituted a related party transaction within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 as insiders of the Company subscribed an aggregate of \$700,000 principal amount of promissory notes pursuant to the placement (note 8). In addition, on October 15, 2024, the Company has completed another non-brokered private placement through the issuance 20,000,000 common shares in the capital of the Company at a price of \$0.10 per Common Share, for gross proceeds of \$2,000,000 (note 9). Gross proceeds raised from above private placements will be used for exploration and development of the Kandiolé Project and for working capital and general corporate purposes.

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.

These consolidated 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 consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

These consolidated financial statements for the year ended October 31, 2024, were approved and authorized for issue by the Company's board of directors on February 28, 2025.

Basis of Consolidation and Presentation

These 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 functional currency. The functional currency of the Company's two Malian subsidiaries is the Canadian dollar.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (expressed in Canadian dollars)

For the years ended October 31, 2024 and 2023

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;
- recognition and measurement of convertible debentures;
- establishment of provisions; and,
- recognition of deferred tax assets.

Significant judgements relate to:

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

4. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements.

Exploration and Evaluation Expenditures

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition cost of mineral properties, property payments and evaluation activities. Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

Financial Instruments

The classification of a financial asset is made at the time it is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument. Financial liabilities are measured at amortized cost, unless they are required to be measured at fair value through profit and loss ("FVTPL") or if the Company has elected to measure them at FVTPL.

A debt instrument, that is a financial asset, that meets both the business model test and cash flow characteristics test must be measured at amortized cost (net of any write down for impairment) unless the asset is designated at FVTPL, under the fair value option.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (expressed in Canadian dollars)

For the years ended October 31, 2024 and 2023

4. MATERIAL ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at fair value through other comprehensive income ("FVTOCI").

If certain conditions are met, the classification of a financial asset, debt instrument or equity instrument may subsequently need to be reclassified.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value. Transaction costs and any realized or unrealized gains or losses arising from changes in the fair value of the financial asset or liability held at FVTPL are included in the consolidated statements of comprehensive income (loss) in the period in which they arise.

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss;
- Its contractual terms give rise to cash flows that are solely payments of principal and interest.

Derecognition of financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, expired or when there is a substantial modification of the terms of debt. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statements of comprehensive loss.

Foreign Currency Translation

Foreign currency transactions are initially recorded in the entity's functional currency at the transaction date exchange rate. At each reporting date, monetary assets and liabilities that are denominated in a foreign currency are translated into the functional currency using the end of the reporting period exchange rate. All foreign currency adjustments are recognized in the statement of operations and comprehensive income.

Income Taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the period using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax assets and liabilities are recognized for the deferred tax consequences attributable to difference between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply when the asset is realized or the liability settled. Deferred income tax assets are recorded to recognize tax benefits only to the extent that, based on available evidence, it is probable that they will be realized.

Interest

The Company classifies interest received and interest paid as an operating cash flow within the statement of cash flows.

4. MATERIAL ACCOUNTING POLICIES (continued)

Loss per Share

The computation of loss per share and diluted loss per share amounts are based upon the weighted average number of common shares outstanding during the year. Diluted loss per share is calculated based on the assumed conversion, exercise or contingent issuance of "in the money" securities only when such conversion, exercise or issuance would have a dilutive effect on loss per share, at the weighted average market price during the period.

Provisions

A provision is recognized in the consolidated statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to discharge the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Share-based Payments

The Company accounts for share-based payments using the fair value-based method. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche of options issued to employees and others providing similar services is determined by using the Black-Scholes option pricing model. The fair value of each tranche of options issued to non-employees is determined by the fair value of the goods or services received. If the fair value of goods or services received cannot be reliably measured, then the Black Scholes option pricing model is used.

The fair value of stock options, adjusted for expected forfeitures, is recognized as share-based payments expense over each tranche's vesting period with an offsetting credit charged to contributed surplus. The applicable contributed surplus is transferred to share capital if and when, the stock options are exercised. Any consideration paid on the exercise of stock options is credited to share capital.

Under the Company's restricted share unit, performance share unit and deferred share unit ("RSU/PSU/DSU") plan, RSU/PSU/DSU's may be granted to directors, officers, employees and consultants. Compensation expense for each grant is recorded in the statement of operations and comprehensive income (loss) with a corresponding increase in contributed surplus on the statement of financial position. The expense is based on the fair values at the time of the grant and is recognized over the vesting period of the respective RSU/PSU/DSU. The Company settles RSU/PSY/DSU's by issuing shares, though upon a change of control the Company, at its discretion, may issue cash or a combination of cash and shares.

Share Issue Costs

Share issue costs are recorded as a reduction of share capital.

Warrants

The Company follows the relative fair value method with respect to the measurement of common shares and warrants issued as private placement units. The proceeds from the issuance of units are allocated between share capital and warrants. Unit proceeds are allocated to shares and warrants using the Black Scholes option pricing model and the share price at the time of financing.

If and when the warrants are exercised, the applicable relative fair value recognized in warrants is transferred to share capital. Any consideration paid on the exercise of the warrants is credited to share capital. For those warrants that expire unexercised on maturity, the recorded value is transferred to contributed surplus.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (expressed in Canadian dollars)

For the years ended October 31, 2024 and 2023

4. MATERIAL ACCOUNTING POLICIES (continued)

Warrants (continued)

In situations where warrants are issued as consideration for goods and services received and some or all of the goods or services received cannot be specifically identified or reliably measured, then these warrants are measured at the fair

value of the share-based payment. The fair value of the share-based payment is determined using the Black-Scholes option pricing model.

Convertible Debentures

The Company classifies convertible debentures into liability and equity components based on the residual method. The liability component is calculated at the present value of the principal and interest, discounted at the estimated interest rate applicable to the non-convertible debenture at the time the debenture was issued. This discount on the convertible debenture is accreted over its term to the full principal value using the effective interest rate method.

The equity element of the convertible debenture comprises the value of the conversion option, being the difference between the face value of the convertible debt and the liability component. Upon recognition, the equity component is recorded to reserves.

Debt Modification

From time to time, the Company pursues amendments to its credit agreements based on prevailing market conditions. Such amendments, when completed, are considered by the Company to be debt modifications or extinguishments. The accounting treatment of a debt modification depends on whether the modified terms are substantially different than the previous terms. Terms of an amended debt agreement are substantially different based on qualitative factors, or when the discounted present value of the cash flows under the new terms discounted using the original effective interest rate, is at least ten percent different from the discounted present value of the remaining cash flows of the original debt.

If the modification is not substantially different, it will be considered as a modification with any costs or fees incurred adjusting the carrying amount of the liability and amortized over the remaining term of the liability. If the modification is substantially different, then the transaction is accounted for as an extinguishment of the old debt instrument with a gain/loss to the carrying amount of the liability being recorded in the consolidated statements of operations immediately. In addition, the transaction costs related to the debt extinguishment are recorded in the profit and loss accounts.

5. NEW STANDARDS AND INTERPRETATIONS ISSUED

For the year ended October 31, 2024, the Company has adopted following accounting standards.

Amendments to IAS 1 – Presentation of Financial Statement: 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. 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, 2024, and are to be applied retrospectively, with early adoption permitted. As the Company does not have any non-current liabilities, this change had no impact on the financial statements

Amendments to IAS 7 and IFRS 7: Effective on January 1, 2024, the amendment address the disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. This change had no impact on the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (expressed in Canadian dollars)

For the years ended October 31, 2024 and 2023

5. NEW STANDARDS AND INTERPRETATIONS ISSUED (continued)

Future standards not yet adopted: In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standards replace IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required, and early adoption is permitted. The Company is currently evaluating the impacts of adopting this amendment on its financial statements.

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 convertible debentures and shareholder equity (deficiency), comprising of issued common shares, promissory notes, convertible debentures, contributed surplus and deficit. In order to maintain its capital structure, the Company is dependent on equity funding and loans from related parties and investors. Funding through equity instruments is comprised of common shares, warrants and incentive stock options. Funding through debt instruments is comprised of fixed-term loans and convertible debentures. 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 changes in the Company's management of its capital as a result of funding through convertible debentures during the year. The Company is not subject to any externally imposed capital requirements.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	October 31 2024	October 31 2023
Trade payables	\$ 1,401,818	\$ 2,504,525
Accrued liabilities	199,094	55,000
	\$ 1,600,912	\$ 2,559,525

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (expressed in Canadian dollars)

For the years ended October 31, 2024 and 2023

8. CONVERTIBLE DEBENTURES AND DEBT SETTLEMENT

1) On March 11, 2024, the Company has closed the initial tranche of a non-brokered private placement through the issuance of an aggregate of CAD\$1,000,000 principal amount secured subordinate promissory notes for gross proceeds of CAD\$1,000,000. The promissory notes bear interest at 12% per annum from the date of issuance and shall mature on September 11, 2024. The notes are convertible, in whole or in part, into common shares in the capital of the Company

at a conversion price equal to CAD\$0.11 per Common Share. The notes holders shall receive accrued and unpaid interest on the note, up to, but excluding, the earlier date of conversion and the maturity date. As at October 31, 2024, the loan has not been converted and is still outstanding.

This placement constituted a related party transaction within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions as insiders of the Company subscribed an aggregate of \$400,000 principal amount of notes pursuant to the placement. This \$400,000 principal amount of notes consisted of cash loans due to related parties provided by a director and a company controlled by a Company director/officer in the year ended October 31, 2024.

In accordance with IFRS9, the Company has classified the convertible promissory notes into its liability and equity components in the Company's consolidated financial statement by the fair value method using an effective interest rate of 14.5% when valuing the liability first. This resulted in an initial amount of \$990,520 being allocated to the liability portion and \$9,480 being allocated to the equity portion representing the conversion feature. The carrying value of the convertible debenture would have been accreted up to its face value over the term to maturity if had not been extended.

	<u>September 11, 2024</u>	<u>March 11, 2024</u>
Original face value of convertible debenture	\$ 990,520	\$ 1,000,000
Less: Equity portion of convertible debenture		(9,480)
Add: Accretion	9,480	
Carrying value of convertible debenture	<u>1,000,000</u>	<u>\$ 990,520</u>
Interest expense at 14.5% effective rate	\$ 60,493	

2) On September 11, 2024, the Company announced that it has received approval from the TSX Venture Exchange (the "TSXV") to extend the maturity date of its outstanding secured subordinate promissory notes in the aggregate of \$1,000,000. The maturity date of the notes has been extended to September 11, 2025. All other terms and conditions of the notes shall remain unchanged.

Under IFRS 9, extending the maturity of a convertible debenture is considered a modification if the terms of the original agreement are changed. A debt modification is considered substantial if the present value of the cash flows under the new terms is at least 10% different from the present value of the remaining cash flows under the original terms. Since the difference of \$29,432 is less than the 10% threshold, the modification of the maturity date is not considered substantial. The Company continues to account for the debt as a liability at its modified carrying amount of \$970,568 as of the modification date under the new term. The Company recognized a gain of \$29,432 on debt modification, reflecting the difference between the carrying amount of the original debt and the fair value of the new modified debt.

	<u>October 31, 2024</u>	<u>September 11, 2024</u>
Original face value of convertible debenture	\$ 970,568	\$ 1,000,000
Less: gain on debt modification		(29,432)
Add: Accretion	4,032	
Carrying value of convertible debenture	<u>974,600</u>	<u>\$ 970,568</u>
Interest expense at 14.5% effective rate	\$ 90,443	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (expressed in Canadian dollars)

For the years ended October 31, 2024 and 2023

8. CONVERTIBLE DEBENTURES AND DEBT SETTLEMENT (continued)

3) On October 4, 2024, the Company announced that it has closed its non-brokered private placement with a Company director for a CAD\$300,000 principal amount secured subordinate promissory note for gross proceeds of CAD\$300,000. The notes bear interest at 12% per annum from the date of issuance and matures on September 11, 2025. This placement constitutes a related party transaction within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101") as the director subscribed for a \$300,000 principal amount note pursuant to the placement.

The notes are convertible, in whole or in part, into common shares in the capital of the Company at a conversion price equal to CAD\$0.11 per Common Share. The notes holders shall receive accrued and unpaid interest on the note, up to, but excluding, the earlier date of conversion and the maturity date. As at October 31, 2024, the loan has not been converted and is still outstanding.

In accordance with IFRS9, the Company has classified the convertible promissory notes into its liability and equity components in the Company's consolidated financial statement by the fair value method using an effective interest rate of 13.5% when valuing the liability first. This resulted in an initial amount of \$296,392 being allocated to the liability portion and \$3,608 being allocated to the equity portion representing the conversion feature. The carrying value of the convertible debenture will be accreted up to its face value over the term to maturity.

	<u>October 31, 2024</u>	<u>October 4, 2024</u>
Original face value of convertible debenture	\$ 296,392	\$ 300,000
Less: Equity portion of convertible debenture		(3,608)
Add: Accretion	285	
Carrying value of convertible debenture	<u>296,677</u>	<u>\$ 296,392</u>
Interest Expense at 13.5% effective rate	\$ 2,948	

4) On May 3, 2024, the Company announced that it has agreed to settle an aggregate of US\$1,050,000 owing to a certain creditor and related to drilling and other services provided to the Company to be settled as follows: 1) initial cash payment of CAD\$50,000; 2) issuance of 5,000,000 common shares of the Company (the "Shares for Debt") at a deemed price of CAD\$0.08 per common share; and 3) the issuance of a US\$677,000 principal amount interest bearing secured promissory note. The promissory note bears interest at 12% per annum from the date of issuance and shall mature on October 11, 2024.

On October 23, 2024, the Company announced that it has settled the above outstanding promissory note in the amount of US\$677,000 (C\$933,450 using a US\$ to C\$ exchange rate of C\$1.3788) through the issuance of 10,371,667 common shares in the capital of the Company at a fair value price of \$0.09 per common share.

The Company has accounted for the debt settlement in accordance with IFRS 9 and has recognized the following: 1) Cash Payment: The Company made a cash payment of \$50,000 to settle part of the debt. This amount is recorded as a reduction of debt on the balance sheet; 2) Equity Transfer: The issuance of 15,371,677 common shares is recognized as a non-cash settlement of debt. This transaction is accounted for by reducing the debt balance by CAD\$1,283,450 and increasing the carrying value of common shares in the Company by the same amount. 3) Gain on Settlement: The Company recognized a gain on settlement of debt of \$50,000 in the income statement for the year ended October 31, 2024, calculated as the difference between the deemed price of \$0.08 and the fair value of \$0.07 for 5,000,000 common shares issued on May 3, 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (expressed in Canadian dollars)

For the years ended October 31, 2024 and 2023

9. SHARE CAPITAL

Authorized Unlimited common shares

	Number	Amount
Balance, October 31, 2022	379,050,401	\$ 70,898,744
Shares issued by private placement (i)	13,738,700	2,747,740
Shares issued for mineral property (ii)	353,937	\$ 67,248
Share issuance costs (i)		(15,759)
Balance, October 31, 2023	393,143,038	\$ 73,697,973
Shares issued by private placement (iii)	20,000,000	2,000,000
Share issued on settlement of debt (iv)	15,371,667	1,283,450
Share issuance costs (iii)		(60,000)
Balance, October 31, 2024	428,514,705	\$ 76,921,423

- (i) On May 1, 2023, pursuant to the first tranche of a private placement, the Company issued 7,113,700 common shares at \$0.20 per share for gross proceeds of \$1,422,740. 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. The Company paid share issuance costs of \$15,759.
- (ii) 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).
- (iii) On October 15, 2024, pursuant to a non-brokered private placement, the Company issued 20,000,000 common shares at a price of \$0.10 per share for gross proceeds of \$2,000,000. The Company paid finder fees of \$60,000.
- (iv) On May 3, 2024, the Company has agreed to settle an aggregate of US\$1,050,000 owing to a certain creditor and related to drilling and other services provided to the Company to be settled as follows: 1) initial cash payment of CAD\$50,000; 2) issuance of 5,000,000 common shares of the Company (the "Shares for Debt") at a fair value share price of \$0.08 per Common Share; and 3) the issuance of a US\$677,000 principal amount interest bearing secured promissory note. On October 23, 2024, the Company has settled the outstanding promissory note in the amount of US\$677,000 (C\$933,450 using a US\$ to C\$ exchange rate of C\$1.3788) through the issuance of 10,371,667 common shares in the capital of the Company at a price of \$0.09 per Common Share. The Company recognized a gain on settlement of debt of \$50,000 in the income statement for the year ended October 31, 2024, calculated as the difference between the deemed share price of \$0.08 and the fair value of \$0.07 for 5,000,000 common shares issued on May 3, 2024 (note 8).

Share-Based Payments

The Company has a stock option plan, a restricted share unit plan (RSU), a performance share unit (PSU) and a deferred share unit plan (DSU) to provide additional incentives to directors, officers, employees and consultants. On March 21, 2022, the Company adopted the Omnibus Long-Term Incentive Plan (LTIP) pursuant to which the Company may grant RSUs and PSUs to its directors, officers, employees and consultants based on the Company's share price at the date of grant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (expressed in Canadian dollars)

For the years ended October 31, 2024 and 2023

9. SHARE CAPITAL (continued)

Share-Based Payments (continued)

Under the terms of the Company's stock option and RSU/PSU/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, PSUs 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.

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. On October 31, 2024, the Company had 7,622,341 (October 31, 2023 – 13,657,174) 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, 2022	20,317,017	\$0.34
Granted (i)	4,515,113	0.20
Expired/Forfeited	(2,400,000)	0.50
Balance, October 31, 2023	22,432,130	\$0.29
Granted (ii)	5,112,000	0.10
Balance, October 31, 2024	27,544,130	\$0.26

- (i) 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.

- (ii) On June 28, 2024, the Company granted 2,362,000 stock options to the directors of the Company. These options vested immediately and were issued with an exercise price of \$0.10 and a five-year term.

On June 28, 2024, the Company granted 1,050,000 and 1,200,000 stock options to the officers and consultants of the Company, respectively. These options vested immediately and were issued with an exercise price of \$0.10 and a five-year term.

On September 16, 2024, the Company granted 500,000 stock options to one director of the Company. These options vested immediately and were issued with an exercise price of \$0.08 and a five-year term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (expressed in Canadian dollars)

For the years ended October 31, 2024 and 2023

9. SHARE CAPITAL (continued)

Share-Based Payments (continued)

Stock options (continued)

The following summarizes information on the outstanding stock options:

Expiry Date	Number	Weighted average exercise price	Exercisable	Weighted average remaining life (years)
January 12, 2025	3,500,000	0.12	3,500,000	0.20
February 19, 2025	1,500,000	0.17	1,500,000	0.30
September 23, 2025	3,000,000	0.37	1,500,000	0.90
February 8, 2026	3,500,000	0.39	3,500,000	1.27
April 13, 2026	800,000	0.59	800,000	1.45
February 24, 2027	2,340,980	0.39	2,340,980	2.32
June 28, 2027	3,276,037	0.34	3,276,037	2.66
April 26, 2028	4,515,113	0.20	4,515,113	3.48
June 28, 2029	4,612,000	0.10	4,612,000	4.66
September 16, 2029	500,000	0.08	500,000	4.88
	27,544,130	\$0.26	26,044,130	2.30

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

	2024	2023
Dividend yield	Nil	Nil
Expected volatility (based on historical prices)	88%	109%
Risk-free rate of return	3.43%	2.98%
Expected life	5 Years	5 Years
Share price	\$0.08	\$0.175

During the year ended October 31, 2024, the total share-based payments expense related to stock options was \$283,490 (2023 - \$ 689,909).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (expressed in Canadian dollars)

For the years ended October 31, 2024 and 2023

9. SHARE CAPITAL (continued)

Share-Based Payments (continued)

Restricted Share Units (“RSUs”)

Restricted share units transactions and the number of RSUs outstanding are as follows:

	Number	Weighted average exercise price
Balance, October 31, 2022	3,000,000	0.39
Expired (i)	(3,000,000)	0.39
Granted (ii)	3,225,000	0.175
Balance, October 31, 2023	3,225,000	0.175
Granted (iii)	2,460,000	0.075
Balance, October 31, 2024	5,685,000	\$0.132

- (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 3,225,000 RSUs to two directors 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.
- (iii) On June 28, 2024, the Company granted 2,460,000 RSUs to three directors of the company. Pursuant to the referred to section of the Company’s LTIP, these RSUs vest equally (or graded) over a two-year period on the anniversary dates.

During the year ended October 31, 2024, the total share-based payments expense related to RSUs was \$ 295,989 (2023 - \$ 175,755).

Performance Share Units (“PSUs”)

Performance share units transactions and the number of PSUs outstanding are as follows:

	Number	Weighted average exercise price
Balance, October 31, 2023	-	-
Granted (i)	2,000,000	0.075
Balance, October 31, 2024	2,000,000	\$0.075

- (i) On June 28, 2024, the Company granted 2,000,000 PSUs to a director of the Company. Pursuant to the Company’s LTIP and as determined by the Board, the restriction period in respect of these PSUs terminate on December 31, 2028.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (expressed in Canadian dollars)

For the years ended October 31, 2024 and 2023

9. SHARE CAPITAL (continued)

Share-Based Payments (continued)

Performance Share Units ("PSUs") (continued)

These PSUs will become fully vested contingent upon following performance conditions: 1) 500,000 PSUs will vest upon the granting of a mining license in connection with the Company's Kandiole Project; 2) 500,000 PSUs will vest upon the delivery a preliminary economic assessment; 3) 500,000 PSUs will be fully vested upon the successful completion of a Merger and Acquisition transaction, subject to approval and evaluation by the Board of Directors; and 4) 500,000 PSUs will vest upon the securing of strategic financing or the identification and commitment of a key investor.

During the year ended October 31, 2024, the total share-based payments expense related to PSUs was \$nil assuming no vesting. The vesting assumptions are revisited each reporting period.

10. CORPORATE AND ADMINISTRATIVE

	2024	2023
Consulting	\$ 171,825	\$ 252,317
Corporate development and promotion	147,345	277,735
Listing and share transfer	83,171	62,778
Management fees (note 13)	510,000	572,783
Office and general	90,889	75,013
Premises (note 13)	1,200	22,120
Professional fees	188,680	132,080
	\$ 1,193,110	\$ 1,394,826

11. EXPLORATION AND EVALUATION

	2024	2023
Acquisition costs	\$ -	\$ 143,996
Property costs	-	250,545
Assaying	-	394,765
Community relations	6,519	16,598
Consulting/Contracting	234,104	961,378
Drilling and ancillary costs	-	2,655,442
Environmental	-	112,447
Field expenses and equipment	496,092	1,375,982
Field office	315,547	1,346,395
General and administrative	-	8,140
Geophysics/Surveys	-	6,198
Professional fees	30,397	62,346
Travel/Transportation	3,773	65,720
	\$ 1,086,432	\$ 7,399,952

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (expressed in Canadian dollars)

For the years ended October 31, 2024 and 2023

11. EXPLORATION AND EVALUATION (continued)

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 (i)	35	Company held	February 3, 2025
Kandiole North (ii)	57	Company held	March 1, 2024
Kandiole West (iii)	25	Company held	June 13, 2024
Mankouke West (iv)	16	Option exercised	March 25, 2024
Moussala North (v)	32	Company held	April 6, 2023
Niala (vi)	75	Company held	May 23, 2024
Segando South (vii)	65	Company held	January 21, 2025
Bantanko East (viii)	55	Under option	March 2, 2024
Segondo West (ix)	42	Option exercised	March 20, 2023

- (i) The Dabia South permit was expired on February 3, 2025, and the renewal of the permit is pending.
- (ii) In November 2022, the Kandiole North and the Mankouke permits were merged with no change in the total area. The renewal of the permit is pending.
- (iii) The Kandiole West permit was expired on June 13, 2024, and the renewal of the permit is pending.
- (iv) The Mankouke West permit was expired on March 25, 2024, and the renewal of the permit is pending.
- (v) The Moussala North permit was expired on April 6, 2023, and the renewal of permit is pending.
- (vi) The Niala permit was expired on May 23, 2024, and the renewal of permit is pending.
- (vii) The Segando South permit was expired on January 21, 2025, and the renewal of the permit is pending.
- (viii) The Bantanko East permit was expired on March 2, 2024, and the renewal of the permit is pending.
- (ix) The option to acquire Segondo West was exercised in February 2023 but the permit was expired on March 20, 2023. The transfer and renewal of permit is pending.

Dabia South

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

11. EXPLORATION AND EVALUATION (continued)

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (expressed in Canadian dollars)

For the years ended October 31, 2024 and 2023

11. EXPLORATION AND EVALUATION (continued)

Option Agreements – Exercised (continued)

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 (CDN \$144,171), 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 \$1,030,000).

Option Agreements – Exercise pending

Subject to the Company completing its option agreement obligations, the Company has the right to acquire a 100% interest in the two privately held gold prospective permits, 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 \$255,500), 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.
- (b) issue to Harmattan an aggregate of 115,000,000 CFA Francs (approximately CDN \$255,500) 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 960,000 shares).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (expressed in Canadian dollars)

For the years ended October 31, 2024 and 2023

11. EXPLORATION AND EVALUATION (continued)

Option Agreements – Exercise pending (continued)

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

- (c) incur an aggregate of 191,000,000 CFA francs (approximately CDN \$427,900) in exploration expenditures over the option period, as follows:
- 44,000,000 FCFA by April 7, 2022 (completed); and
 - 147,000,000 FCFA by April 7, 2023 (completed).

Note: Future commitments are based on October 31, 2024: exchange rates of 434 FCFA: \$1 for Canadian denominated amounts; and a closing share price of CDN \$0.09.

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 CONSOLIDATED FINANCIAL STATEMENTS
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For the years ended October 31, 2024 and 2023

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.

	2024	2023
Lease liability payments/Premises (i)	-	20,920
Management fees (ii)	510,000	572,783
Share-based payments (iii)	465,806	657,002
	\$975,806	\$1,250,705

- (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. Beginning May 1, 2022, the Company began renting these office premises on a month-to-month basis and paid \$nil for the current year period (2023 – \$20,920) as the Company ceased to rent the office in Bedford on July 1, 2023.
- (ii) Management fees were paid or became payable for the services of Company officers.
- (iii) Share-based payments represent the fair value assigned to stock options, restricted share units and performance share units granted to Company directors/officers. Share-based payments related to stock options granted to consultants are not included.

Loans due to related parties balance of \$20 (October 31, 2023 - \$nil) consisted of cash loans provided by a director and a company controlled by a Company director/officer. These loans are non-interest bearing, unsecured and due on demand. For the year ended October 31, 2024, the Company received cash loans of \$700,020 (2023 - \$nil), in which \$400,000 was subscribed on March 11, 2024 and \$300,000 was subscribed on October 4, 2024, respectively, for an aggregate of \$700,000 principal amount of promissory notes pursuant to the non-broker placements (note 8) and repaid \$nil (October 31, 2023 - \$nil) of the cash loans during the year ended October 31, 2024.

Accounts payable and accrued liabilities include \$33,436 (October 31, 2023 - \$119,547) payable to Company directors/officers or companies controlled by or associated with Company directors/officers.

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 service 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 \$1,115,267 (October 31, 2023 - \$1,098,190) have not been reflected in these consolidated financial statements.

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For the years ended October 31, 2024 and 2023

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, warrants, RSUs, PSUs and convertible debentures were not included in the calculation for the year ended October 31, 2024 and 2023, 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, convertible debentures and loans due to related parties 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.

		October 31 2024	October 31 2023
Financial assets			
Cash	Amortized cost	\$ 1,281,773	\$ 18,780
Financial liabilities			
Accounts payable and accrued liabilities	Amortized cost	\$ 1,600,912	\$ 2,559,525
Convertible debentures	Amortized cost	1,271,277	-

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (expressed in Canadian dollars)

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16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

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 October 31, 2024, a 10% change in the USD or the EUR exchange rate would impact the Company's loss by approximately \$51,800 (October 31, 2023 - \$227,000) and \$143,300 (October 31, 2023 - \$96,500), respectively.

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. The Company is exposed to interest rate price risk as all convertible debentures bear interest at a fixed rate.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

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 and debt 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 October 31, 2024, the Company had cash of \$1,281,773 (October 31, 2023 - \$18,780) to settle current liabilities of \$2,872,187 (October 31, 2023 - \$2,559,525). The Company will require additional capital to fully fund its 2025 and beyond exploration activities.

17. INCOME TAXES

Income Tax Expense

The following table reconciles income taxes calculated at combined Canadian federal and provincial tax rates with the income tax expense in the financial statements:

	2024	2023
Loss before income taxes	\$ (2,954,522)	\$ (4,872,103)
Statutory rate	26.50%	26.50%
Expected income tax recovery	(782,949)	(1,291,107)
Share-based payments	153,562	229,401
Non-deductible expenses and other	5,909,770	5,414,041
Effect of foreign tax rates	(37,383)	(247,335)
Change in deferred tax assets not recognized	(5,243,000)	(4,105,000)
Income tax expense	\$ -	\$ -

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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For the years ended October 31, 2024 and 2023

17. INCOME TAXES (continued)

Deferred Income Taxes

The temporary differences that give rise to future income tax assets and deferred income tax liabilities are presented below:

	2024	2023
Exploration and evaluation costs	\$ 2,481,000	\$ 2,471,000
Non-capital loss carry forwards	8,517,000	13,637,000
Share issue costs	127,000	260,000
Capital loss carry forwards	194,000	194,000
Deferred tax asset	11,319,000	16,562,000
Less: Deferred tax assets not recognized	(11,319,000)	(16,562,000)
Net deferred income tax asset	\$ -	\$ -

Loss Carry-forwards

At October 31, 2023, the Company has available non-capital losses to reduce future years' taxable income for Canadian tax purposes of approximately \$10,159,000. These losses expire as follows:

2039	609,000
2040	2,414,000
2041	2,800,000
2042	2,488,000
2044	1,848,000
	\$ 10,159,000

The Company has \$299,679 of Canadian exploration and development costs and \$9,061,859 of foreign exploration and development costs that can be carried forward indefinitely and used to offset future taxable income. Additionally, the Company has available \$1,466,232 of capital losses that can be carried forward indefinitely to use against future taxable capital gains. The Company has non-capital losses in Mali in the amount of \$19,415,329 that are carried forward for three years; they start to expire in 2022. The potential tax benefit relating to these tax losses has not been reflected in these financial statements.