ROSCANGOLD

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended January 31, 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.

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CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(unaudited, expressed in Canadian dollars)

As at		January 31 2023		October 31 2022
ASSETS				
Current				
Cash	**$**	**1,676,213**	$	46,953
Sales tax receivable		**64,813**		37,584
Prepaid expenses and deposits		**292,563**		56,888
	$	**2,033,589**	$	141,425
LIABILITIES				
Current				
Accounts payable and accrued liabilities (note 7)	**$**	**621,558**	$	1,341,051
EQUITY (DEFICIENCY)				
Share capital (note 8)		**70,898,744**		70,898,744
Contributed surplus		**7,467,814**		7,399,780
Deficit		**(76,954,527)**		(79,498,150)
		1,412,031		(1,199,626)
	$	**2,033,589**	$	141,425

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

See accompanying notes.

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CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(unaudited, expressed in Canadian dollars)

Three months ended January 31,	**2023**	2022
Expenses		
Corporate and administrative (notes 10,13)	**$ 334,765**	$ 383,546
Exploration and evaluation (notes 8,11)	**1,922,832**	3,735,078
Share-based payments (notes 8,13)	**68,034**	269,276
Amortization of right-of-use asset	**-**	6,823
	(2,325,631)	(4,394,723)
Other income (expenses)		
Sale of NSR royalty, net (note 12)	**4,880,000**	-
Foreign exchange gain (loss)	**(10,746)**	5,790
Interest income	**-**	3,084
Interest on lease liabilities	**-**	(196)
Net income (loss) and comprehensive income (loss)	**$ 2,543,623**	$ (4,386,045)
Basic and diluted income (loss) per share (note 15)	**$ 0.007**	$ (0.012)
Weighted average number of common shares outstanding:		
Basic	**379,050,623**	358,421,153
Diluted	**384,050,401**	358,421,153

See accompanying notes.

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CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(unaudited, expressed in Canadian dollars)

	Share capital					
	Number of shares	**Amount**	**Contributed surplus**	**Warrants**	**Deficit**	**Total**
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)	-	-	68,034	-	-	68,034
Net income for the period	-	-	-	-	2,543,623	2,543,623
Balance, January 31, 2023	**379,050,401**	**$ 70,898,744**	**$ 7,467,814**	**$ -**	**$ (76,954,527)**	**$ 1,412,031**

See accompanying notes.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, expressed in Canadian dollars)

Three months ended January 31,	**2023**	2022
Operating activities		
Income (Loss) for the period	**$ 2,543,623**	$ (4,386,045)
Adjustments to reconcile loss to net cash used:		
Amortization of right-of-use asset	**-**	6,823
Share-based payments	**68,034**	269,276
Unrealized foreign exchange	**1,471**	(4,313)
	2,613,128	(4,114,259)
Changes in non-cash working capital items		
Sales tax receivable	**(27,229)**	7,428
Prepaid expenses and deposits	**(234,513)**	53,016
Accounts payable and accrued liabilities	**(719,493)**	(598,274)
	1,631,893	(4,652,089)
Financing activities		
Repayment of lease liabilities	**-**	(7,304)
Proceeds from exercise of warrants	**-**	1,189,200
	-	1,181,896
Net change in cash	**1,631,893**	(3,470,193)
Cash, beginning of period	**46,953**	6,867,764
Effect of exchange rate changes on cash	**(2,633)**	6,119
Cash, end of period	**$ 1,676,213**	$ 3,403,690

See accompanying notes.

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 January 31, 2023, the Company had working capital of $1,412,031 (October 31, 2022 - $1,199,626 deficiency), realized income for the current three month period of $2,543,623 (2022 - $4,386,045 loss), and, had an accumulated deficit of $76,954,527 (2022 - $79,498,150). To enhance the Company's working capital, on March 31, 2023, the Company announced its intention to complete a non-brokered private placement for gross proceeds of up to $2,000,000 (note 17).

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 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 three-month period ended January 31, 2023, were approved and authorized for issue by the Company's board of directors on March 31, 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.

(unaudited, expressed in Canadian dollars)

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 three-month period. The Company is not subject to any externally imposed capital requirements.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	January 31 2023	October 31 2022
Suppliers	**$ 589,757**	$ 1,113,558
Accrued liabilities	**31,388**	76,941
Related parties (note 13)	**413**	150,552
	$ 621,558	$ 1,341,051

(unaudited, expressed in Canadian dollars)

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 options (iv)	4,850,000	1,141,471
Share issuance costs (i)	-	(405,000)
Balance, October 31, 2022 and January 31, 2023	**379,050,401**	**$ 70,898,744**

(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.

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 DSU's 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. At January 31, 2023, the Company had 14,588,023 (October 31, 2022 – 14,588,023) common shares available for future grants under the Plans.

(unaudited, expressed in Canadian dollars)

SHARE CAPITAL (continued)

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 and January 31, 2023	**20,317,017**	**$0.34**

(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.

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

	2022
Dividend yield	Nil
Expected volatility (based on historical prices)	134%
Risk-free rate of return	2.60%
Expected life	5 Years
Share price	$0.32

During the three-month period ended January 31, 2023, the total share-based payments expense related to stock options was $68,034 (2022 - $269,276).

(unaudited, expressed in Canadian dollars)

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	0.38
June 3, 2024	300,000	0.50	300,000	1.33
January 12, 2025	3,500,000	0.12	3,500,000	1.95
February 19, 2025	1,500,000	0.17	1,500,000	2.04
September 23, 2025	3,000,000	0.37	1,500,000	2.64
February 8, 2026	3,500,000	0.39	2,500,000	3.02
April 13, 2026	1,800,000	0.59	1,600,000	3.20
June 18, 2026	500,000	0.41	500,000	3.38
February 24, 2027	2,340,980	0.39	2,340,980	4.07
June 28, 2027	3,276,037	0.34	3,276,037	4.41
	20,317,017	$0.34	17,317,017	2.97

<u>Restricted Share Units ("RSUs")</u>

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 and January 31, 2023	**3,000,000**	**$0.39**

(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. The RSUs expired on February 24, 2023.

During the three-month period ended January 31, 2023, the total share-based payments expense related to RSUs was $nil (2022 - $nil).

On March 21, 2022, the Company adopted a 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.

(unaudited, expressed in Canadian dollars)

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 January 31, 2023	**-**	**$0.00**	**$ -**

10. CORPORATE AND ADMINISTRATIVE

	Three months ended January 31 **2023**	2022
Consulting (note 13)	**$ 76,750**	$ 83,781
Corporate development and promotion	**47,481**	103,991
Listing and share transfer	**4,282**	12,639
Management fees (note 13)	**142,500**	142,500
Office and general	**22,052**	34,202
Premises (note 13)	**8,145**	3,265
Professional fees	**33,555**	3,168
	$ 334,765	$ 383,546

11. EXPLORATION AND EVALUATION

	Three months ended January 31 **2023**	2022
Property costs	**$ 176,734**	$ 117,452
Assaying	**19,836**	348,433
Community relations	**11,826**	441
Consulting/Contracting	**209,560**	212,982
Drilling and ancillary costs	**667,481**	1,895,124
Environmental	**61,182**	-
Field expenses and equipment	**378,195**	597,350
Field office	**374,532**	386,752
General and administrative	**8,140**	449
Geophysics/Surveys	**-**	13,966
Professional fees	**4,411**	5,488
Reports	**-**	143,084
Travel/Transportation	**10,935**	13,557
	$ 1,922,832	$ 3,735,078

(unaudited, expressed in Canadian dollars)

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	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	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 (ii)	42	Under option	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 option to acquire Segondo West was exercised in February 2023 and the transfer of the permit is pending.

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.

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.

EXPLORATION AND EVALUATION (continued)

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.

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.

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 $252,000), 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 (approximately CDN $66,000) by April 7, 2023; and
- 37,500,000 FCFA (approximately CDN $83,000), upon the submission of the documentation to transfer the permit to the Company.

EXPLORATION AND EVALUATION (continued)

(b) issue to Harmattan an aggregate of 115,000,000 CFA Francs (approximately CDN $252,000) 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 (approximately CDN $66,000) of shares by April 7, 2023 (approximately 330,000 shares);
- 37,500,000 FCFA (approximately CDN $83,000) of shares upon the submission of the documentation to transfer of the permit to the Company (approximately 415,000 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; and,
- 147,000,000 FCFA by April 7, 2024.

Note: Future commitments are based on January 31, 2023: exchange rates of 452 FCFA: $1 for Canadian denominated amounts; and, a closing share price of CDN $0.20.

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.

B) <u>Segondo West Option Agreement – effective February 5, 2021</u>

To exercise the option the Company shall:

(a) Pay SO.FI.SI Mining SARL ("SO.FI.SI") an aggregate of 65,000,000 CFA francs (approximately CDN $134,000), as follows:
- 10,000,000 FCFA (approximately CDN $23,410) on signing (paid);
- 20,000,000 FCFA (approximately CDN $43,985) by February 5, 2022 (paid); and,
- 35,000,000 FCFA (approximately CDN $77,000) by February 5, 2023 (paid).

(b) Incur 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).

(unaudited, expressed in Canadian dollars)

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.

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 January 31	
	2023	2022
Lease liability payments/Premises (i)	**$ 7,845**	$ 7,950
Management fees (ii)	**142,500**	142,500
Share-based payments (iii)	**68,034**	222,715
	$ 218,379	$ 373,165

(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 $7,845 (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.

Accounts payable and accrued liabilities include $413 (October 31, 2022 - $150,552) 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 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 $1,051,940 (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 stock options to maintain a balance equivalent to 3% of the Company's common shares outstanding at the end of each fiscal year, provided the director is re-elected at the next Company annual shareholder meeting ("AGM"). The director was re-elected at the Company's AGMs held in 2021 and in 2022 and was granted 2,340,980 stock options and 3,276,037 stock options, respectively. Assuming the director is re-elected at the Company's 2023 AGM, the director would be entitled to an additional 754,495 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 three-month period ended January 31, 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.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

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 January 31, 2023, a 10% change in the USD or the EUR exchange rate would impact the Company's loss by approximately $27,000 (October 31, 2022 - $85,000) and $22,000 (October 31, 2022 - $59,000), 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.

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 January 31, 2023, the Company had cash of $1,676,213 (October 31, 2022 - $46,953) to settle current liabilities of $621,558 (October 31, 2022 - $1,341,051). To enhance the Company's working capital, on March 31, 2023, the Company announced its intention to complete a non-brokered private placement for gross proceeds of up to $2,000,000 (note 17). The Company will require additional capital to fully fund its 2023 exploration activities.

17. SUBSEQUENT EVENTS

(a) Subsequent to January 31, 2023, due to a change of Company officers, the contingent payments increased by $40,000 (note 14).

(b) In February 2023, the Company completed its option agreement obligations and exercised its option to acquire the Segondo West permit. The transfer of the permit is pending.

(c) On March 31, 2022, 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 of 10,000,000 common shares of the Company at a price of $0.20 per share. Closing of the private placement is subject to receipt of all necessary corporate and regulatory approvals, including the approval of the TSX Venture Exchange.