ASANTE GOLD CORPORATION

Condensed Interim Consolidated Financial Statements

For the three months ended April 30, 2023 and 2022

(Unaudited - Expressed in thousands of Canadian dollars)

Notice of Disclosure of Non-auditor Review of the Condensed Interim Consolidated Financial Statements for the Three Months Ended April 30, 2023 and 2022

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of Asante Gold Corporation for the interim periods ended April 30, 2023 and 2022, have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting,* as issued by the International Accounting Standards Board, and are the responsibility of management.

The independent auditors, Ernst & Young LLP, have not performed a review of these unaudited condensed interim consolidated financial statements.

June 14, 2023

Asante Gold Corporation
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in thousands of Canadian dollars)

	Note	**April 30, 2023**	January 31, 2023
		$	$
ASSETS			
Current			
Cash		**10,850**	2,811
Restricted cash	16	**31,952**	31,845
Accounts receivable	7	**20,585**	14,022
Prepaid expenses	8	**13,902**	12,017
Marketable securities	9	**5,326**	6,213
Inventories	10	**89,519**	83,532
		172,134	150,440
Prepaid expenses - non-current	8	**6,157**	5,529
Reclamation bonds	11	**11,173**	10,986
Property, plant and equipment	12	**406,047**	400,924
Mineral properties	13	**392,378**	397,335
Loans receivable		**368**	362
Exploration and evaluation assets	14	**12,511**	12,056
Total assets		**1,000,768**	977,632
LIABILITIES			
Current			
Trade and other payables	15	**366,014**	324,069
Due to related parties	23	**3,479**	3,203
Loans payable	16	**51,293**	46,991
Current portion of deferred payments	17	**126,774**	129,136
Current portion of rehabilitation provision	18	**346**	340
Deferred revenue	19	**60,921**	66,750
Current portion of other liabilities	5, 6, 20	**143,772**	141,438
		752,599	711,927
Deferred payments	17	**49,139**	47,847
Rehabilitation provision	18	**87,679**	85,247
Total liabilities		**889,417**	845,021
SHAREHOLDER'S EQUITY			
Share capital	21(b)	**282,387**	245,120
Reserve for share-based payments	21(c)	**28,495**	27,948
Reserve for warrants	21(d)	**7,237**	359
Accumulated other comprehensive income		**24,836**	17,624
Accumulated deficit		**(261,887)**	(193,727)
Equity attributable to shareholders of the Company		**81,068**	97,324
Non-controlling interest	22	**30,283**	35,287
Total shareholders' equity		**111,351**	132,611
Total liabilities and shareholders' equity		**1,000,768**	977,632

Nature of operations and going concern (Note 1)
Subsequent events (Note 28)

Approved and authorized for issue on behalf of the Board of Directors:

/s/ "Alex Heath"	*/s/ "David Anthony"*
Director	Director

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

Asante Gold Corporation
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in thousands of Canadian dollars, except per share amount and number of shares)

		Three months ended April 30,	
	Note	**2023**	2022
		$	$
Revenue	24	**131,870**	-
Cost of sales		**182,699**	-
Gross loss		**(50,829)**	-
Operating expenses			
Accretion	17, 18	**5,655**	-
Advertising, trade shows and promotions		**336**	142
Depreciation and depletion	12, 13	**-**	3,063
Finance charges	16, 17	**4,601**	38
Foreign exchange loss (gain)		**(1,826)**	407
General and administrative expenses		**3,525**	104
Management and consulting fees	23	**2,012**	2,750
Professional fees	23	**1,143**	215
Share-based payments	23	**594**	14,393
Shareholder communications		**84**	165
Transfer agent and regulatory fees		**17**	161
Travel expenses		**710**	103
Operating loss		**(67,680)**	(21,541)
Other gains (losses)			
Gain on modification of loan	17	**3,371**	-
Loss on amendment of purchase agreement	6	**(7,012)**	-
Unrealized loss on marketable securities	9	**(887)**	(302)
Net loss before income tax		**(72,208)**	(21,843)
Income tax expense		**(1,547)**	-
Net loss		**(73,755)**	(21,843)
Other comprehensive income			
Gain (loss) on translation of foreign subsidiaries to presentation currency		**7,803**	(279)
Total comprehensive loss		**(65,952)**	(22,122)
Net loss attributed to:			
Shareholders of the Company		**(68,160)**	(21,537)
Non-controlling interest		**(5,595)**	(306)
		(73,755)	(21,843)
Total comprehensive loss attributed to:			
Shareholders of the Company		**(60,948)**	(21,816)
Non-controlling interest		**(5,004)**	(306)
		(65,952)	(22,122)
Net loss per share:			
Basic and diluted		**(0.17)**	(0.07)
Weighted average number of common shares:			
Basic and diluted		**391,223,731**	294,663,486

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

Asante Gold Corporation
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in thousands of Canadian dollars)

	Three months ended April 30,	
	2023	2022
	$	$
Operating activities:		
Net loss	**(73,755)**	(21,843)
Items not affecting cash		
Accretion	**5,655**	-
Depreciation and depletion	**36,616**	3,063
Finance charges	**3,892**	38
Share-based payments	**594**	14,393
Gain on modification of loan	**(3,371)**	-
Loss on amendment of purchase agreement	**7,012**	-
Unrealized loss on marketable securities	**887**	302
Changes in non-cash working capital items		
Accounts receivable	**(6,563)**	(134)
Prepaid expenses	**(2,513)**	(14,314)
Inventories	**1,141**	(4,555)
Loans receivable	**(6)**	(236)
Trade and other payables	**38,903**	229
Due to related parties	**276**	(158)
Deferred revenue	**(6,959)**	-
Other liabilities	**2,334**	574
Cash provided by (used in) operating activities	**4,143**	(22,641)
Investing activities:		
Purchases of property, plant and equipment	**(13,707)**	(19,392)
Expenditures on mineral properties	**(13,552)**	-
Investment in marketable securities	**-**	(3,000)
Expenditures on exploration and evaluation assets	**(241)**	(1,135)
Repayment of deferred payments	**(6,805)**	(38,229)
Cash used in investing activities	**(34,305)**	(61,756)
Cash flows from financing activities		
Proceeds from private placement financing	**27,348**	102,256
Issuance costs	**-**	(3,224)
Proceeds from options exercised	**60**	83
Proceeds from warrants exercised	**9,678**	269
Proceeds from loans payable	**11,511**	-
Repayment of loans payable	**(10,527)**	-
Cash provided by financing activities	**38,070**	99,384
Effect of foreign exchange on cash	**131**	(125)
Change in cash	**8,039**	14,862
Cash, beginning of period	**2,811**	5,849
Cash, end of period	**10,850**	20,711
Cash paid during the period for:		
Income taxes	**-**	-
Interest expense	**1,140**	-

Supplemental disclosures with respect to cash flows (Note 25)

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

Asante Gold Corporation
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Unaudited - Expressed in thousands of Canadian dollars, except number of shares)

	Number of shares issued	Share capital	Reserve for share-based payments	Reserve for warrants	Accumulated other comprehensive income	Accumulated deficit	Non-controlling interest	Total shareholders' equity
	#	$	$	$	$	$	$	$
Balance, January 31, 2022	253,691,381	91,924	5,324	417	716	(16,593)	12,048	93,836
Common shares issued for cash	58,431,914	102,256	-	-	-	-	-	102,256
Issuance costs	-	(3,224)	-	-	-	-	-	(3,224)
Options exercised	550,000	155	(73)	-	-	-	-	82
Warrants exercised	2,334,167	296	-	(27)	-	-	-	269
Share-based payments	-	-	14,393	-	-	-	-	14,393
Net loss for the period	-	-	-	-	-	(21,537)	(306)	(21,843)
Loss on translation of foreign subsidiaries to presentation currency	-	-	-	-	(279)	-	-	(279)
Balance, April 30, 2022	315,007,462	191,407	19,644	390	437	(38,130)	11,742	185,490
Common shares issued for acquisition	34,962,584	47,185	-	-	-	-	-	47,185
Common shares issued for exploration and evaluation assets	250,000	325	-	-	-	-	-	325
Options exercised	580,000	507	(219)	-	-	-	-	288
Warrants exercised	27,345,797	5,696	-	(31)	-	-	-	5,665
Share-based payments	-	-	8,523	-	-	-	-	8,523
Non-controlling interest on acquisition	-	-	-	-	-	-	32,502	32,502
Net loss for the period	-	-	-	-	-	(155,597)	(11,074)	(166,671)
Gain on translation of foreign subsidiaries to presentation currency	-	-	-	-	17,187	-	2,117	19,304
Balance, January 31, 2023	378,145,843	245,120	27,948	359	17,624	(193,727)	35,287	132,611
Common shares issued for cash	18,232,000	27,348	-	-	-	-	-	27,348
Options exercised	80,000	107	(47)	-	-	-	-	60
Warrants exercised	38,710,601	9,812	-	(134)	-	-	-	9,678
Warrants issued on amendment of purchase agreement	-	-	-	7,012	-	-	-	7,012
Share-based payments	-	-	594	-	-	-	-	594
Net loss for the period	-	-	-	-	-	(68,160)	(5,595)	(73,755)
Gain on translation of foreign subsidiaries to presentation currency	-	-	-	-	7,212	-	591	7,803
Balance, April 30, 2023	**435,168,444**	**282,387**	**28,495**	**7,237**	**24,836**	**(261,887)**	**30,283**	**111,351**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Asante Gold Corporation (the "Company" or "Asante") was incorporated under the Canada Business Corporations Act on May 4, 2011 and has continued as a company under the Business Corporations Act of British Columbia. The address of the Company's corporate office and principal place of business is Suite 615, 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6. The Company is currently listed on the Canadian Securities Exchange ("CSE") under the symbol "ASE" and the Ghana Stock Exchange ("GSE") under the symbol "ASG".

The Company's business activity is the exploration, evaluation and development of mineral properties, and production of various minerals in the Republic of Ghana ("Ghana") with a primary focus on gold.

In August 2021, the Company completed the acquisition of all issued and outstanding common shares of Mensin Bibiani Pty. Ltd., resulting in a holding of a 90% interest in its subsidiary Mensin Gold Bibiani Ltd., which had a mining operation in care and maintenance status (the "Bibiani Gold Mine"). Upon completion of refurbishment activities, first gold pour was achieved in July 2022.

In August 2022, the Company completed the acquisition of all issued and outstanding shares in the capital of Red Back Mining Pty. Ltd., resulting in a holding of a 90% interest in Chirano Gold Mines Limited, which operates a mine in the commercial production stage (the "Chirano Gold Mine").

The Company has acquired, or has options to acquire, the mining concessions rights to additional properties in Ghana where it is actively engaged in exploration and evaluation activities.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration, development, and production programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interests in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. The Company's resource properties, which are located outside of North America, are subject to the risk of foreign investment, foreign political influence, including increases in taxes and royalties, renegotiation of contracts, expropriation and currency exchange fluctuations and restrictions.

These unaudited condensed interim consolidated financial statements for the three months ended April 30, 2023 and 2022 (the "financial statements") have been prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. As at April 30, 2023, the Company had a working capital deficiency of $580,465 (January 31, 2023 - $561,487) and had an accumulated deficit of $261,887 (January 31, 2023 - $193,727). During the three months ended April 30, 2023, the Company incurred total comprehensive loss of $65,952 (2022 - $22,122). These conditions together indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The year ended January 31, 2023 was the first year that the Company has generated revenue from operations and the Company intends to generate cash through the continued sale of gold and through further financing in the form of the issuance of debt and/or equity. The recoverability of the costs incurred to date on exploration and mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration, development, and production of these properties and upon future profitable production or proceeds from the disposition of the properties. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

2. BASIS OF PREPARATION

a) Statement of compliance

These financial statements were approved by the Board of Directors and authorized for issue on June 14, 2023.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee applicable to the preparation of interim financial statements including International Accounting Standard 34 *Interim Financial Reporting*. These financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited financial statements for the years ended January 31, 2023 and 2022 (the "Annual Financial Statements").

b) Basis of presentation

These financial statements have been prepared using the historical cost basis, except for certain financial assets and liabilities which are measured at fair value, as specified by IFRS. These financial statements have been prepared on an accrual basis, except for information presented in the condensed interim consolidated statements of cash flows.

c) Functional and presentation currency

The financial statements are presented in thousands of Canadian dollars ("CAD") which is functional currency of the Company. An entity's functional currency is the currency of the primary economic environment in which an entity operates and is listed in Note 2(d) for each of the Company's subsidiaries. References to "$" are to Canadian dollars, references to "US$" or "USD" are to US dollars, references to "GHS" are to Ghanaian cedi, references to "AUD" are to Australian dollars.

d) Basis of consolidation

These financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances are eliminated on consolidation. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are included in the financial statements from the date control commences until the date control ceases.

A summary of the Company's subsidiaries included in these financial statements as at April 30, 2023 is as follows:

			Percentage ownership	
Name of subsidiaries	**Country of incorporation**	**Functional currency**	**April 30, 2023**	**January 31, 2023**
Asante Gold Corporation (GH) Limited	Barbados	USD	100%	100%
ASG Mining Limited	Ghana	USD	100%	100%
Asante Gold (Ghana) Ltd.	Ghana	USD	100%	100%
Mensin Bibiani Pty. Ltd. ("MB PTY")	Australia	AUD	100%	100%
Mensin Gold Bibiani Ltd. ("MGBL") (1)	Ghana	USD	90%	90%
Noble Mining Ghana Limited	Ghana	USD	100%	100%
Drilling and Mining Services Limited	Ghana	USD	100%	100%
Asante Chirano Australia Pty. Ltd. (2)	Australia	USD	100%	100%
Chirano Mines Limited (3)	British Virgin Islands	USD	100%	100%
Chirano Gold Mines Limited ("CGML") (1)	Ghana	USD	90%	90%
Chirano Explorer Limited (4)	British Virgin Islands	USD	100%	100%
Chirano Exploration Limited (5)	Ghana	USD	100%	100%

(1) The Government of Ghana retains a free carried 10% interest.
(2) Formerly Red Back Mining Pty. Ltd. and was renamed following the acquisition.
(3) Formerly Red Back Mining (Ghana) Limited and was renamed following the acquisition.
(4) Formerly Red Back Mining No 2 (Ghana) Limited and was renamed following the acquisition.
(5) Formerly Red Back Mining Ghana Limited and was renamed following the acquisition.

(Unaudited - Expressed in thousands of Canadian dollars, except where noted)

3. SIGNIFICANT ACCOUNTING POLICIES

In the preparation of these financial statements, the Company used the same accounting policies as in the Annual Financial Statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the preparation of these financial statements, the Company used the same critical accounting estimates and judgements as in the Annual Financial Statements.

5. ACQUISITION OF MENSIN BIBIANI PTY. LTD. AND MENSIN GOLD BIBIANI

On August 24, 2021, the Company completed the acquisition of all issued and outstanding common shares of Mensin Bibiani Pty. Ltd. and its subsidiary Mensin Gold Bibiani Ltd. (collectively "Mensin") for cash consideration of $113,670 (US$90.00 million) from Resolute Mining Limited ("Resolute"). Pursuant to the agreement, the Company was required to make an upfront payment of $37,890 (US$30.00 million) on the closing date and $75,780 (US$60.00 million) in deferred payments, which was repaid during the year ended January 31, 2023. On August 24, 2022, the Company entered into an agreement with Resolute, in which the Company agreed to pay Resolute an additional amount of $3,410 (US$2.70 million) to reimburse Resolute for a reclamation bond held in MGBL (Note 17). As at April 30, 2023, this amount, with accrued interest, was still outstanding.

Mensin is an exploration, development and production company, which holds the Bibiani Gold Mine property located in Ghana. The acquisition resulted in Mensin becoming a wholly-owned subsidiary of the Company, and the Ghanaian government retaining a 10% free carried interest in the Bibiani Gold Mine. As a result, the Company recorded non-controlling interest of $12,177. In addition, the Company incurred $185 in transaction costs relating to the acquisition and these costs were capitalized as part of the acquisition of the development properties. The acquisition of Mensin has been treated as an acquisition of assets.

A summary of the purchase consideration as well as fair values of assets acquired and liabilities assumed on the August 24, 2021 acquisition date is as follows:

Consideration:	$
Cash paid	37,890
Present value of deferred payments, discounted at 7.9% (Note 17)	71,516
Transaction costs	185
	109,591

Fair value of net assets acquired:	
Cash	599
Prepaid expenses	243
Inventories	2,083
Property, plant and equipment	68,071
Development properties	92,069
Reclamation bonds	3,466
Trade and other payables	(918)
Other current liabilities	(9,851)
Current tax liabilities	(22,355)
Rehabilitation provision	(11,280)
Other liabilities	(359)
Non-controlling interest	(12,177)
	109,591

Current tax liabilities of $22,355 (US$17.70 million) assumed from this acquisition are included in other current liabilities on the condensed interim consolidated statements of financial position (Note 20).

(Unaudited - Expressed in thousands of Canadian dollars, except where noted)

6. ACQUISITION OF RED BACK MINING PTY. LTD. AND CHIRANO GOLD MINES LIMITED

On August 10, 2022, the Company acquired all issued and outstanding common shares of Red Back Mining Pty. Ltd. ("Red Back") and its subsidiaries, Red Back Mining (Ghana) Limited, Chirano Gold Mines Limited, Red Back Mining No 2 (Ghana) Limited, and Red Back Mining Ghana Limited. The purchase consideration was comprised of the issuance of 34,962,584 common shares of the Company (the "Asante Shares") at a value of $1.35 per share, which was the share price of the Company on closing date of this acquisition, a cash payment of $77,280 (US$60.00 million) and deferred cash consideration of $172,958 (US$134.28 million) payable to Kinross Gold Corporation ("Kinross"), as well as $4,830 (US$3.75 million) contingent consideration representing indemnifiable tax liability.

Deferred cash consideration of $77,904 (US$60.48 million) was payable on February 10, 2023 ("second cash payment"), $47,527 (US$36.90 million) was payable on August 10, 2023 and $47,527 (US$36.90 million) was payable on August 10, 2024. On February 13, 2023, the payment terms of the second cash payment were amended. Pursuant to the amendment, the payment schedule of the second cash payment, with total amount of US$60.48 million, was modified as follows: US$10.00 million payable on February 17, 2023, US$10.00 million payable on March 31, 2023, US$10.00 million payable on April 30, 2023, and US$30.48 million payable on May 31, 2023 (Note 17). As part of the amendment, the Company agreed to issue 5,000,000 common share purchase warrants to Kinross, each of which entitles the holder to acquire one common share at exercise price of $2.25 within 36 months after issuance. These warrants were issued to Kinross on February 17, 2023 and were valued at $1.40 per warrant (Note 21(d)). As a result of the warrant issuance, the Company recorded a loss on amendment of purchase agreement of $7,012 during the three months ended April 30, 2023.

Kinross has agreed that it will hold its Asante Shares for at least 12 months following August 10, 2022.

The transaction has been accounted for by the Company as a business combination. The primary business of Red Back is the Chirano Gold Mine, an operating gold mine, in Ghana. While the acquisition resulted in Red Back becoming a wholly-owned subsidiary of the Company, the Ghanaian government retained a 10% free carried interest in the Chirano Gold Mine.

Total revenue earned from mining operations at the Chirano Gold Mine will be subject to a 5% mineral royalty imposed by the Ghana Revenue Agency and a 0.6% forestry royalty imposed by the Forestry Commission of Ghana.

A summary of the purchase consideration as well as fair values of assets acquired and liabilities assumed on the August 10, 2022 acquisition date is as follows:

	$
Consideration paid:	
Cash paid	77,280
Fair value of common shares issued	47,185
Present value of deferred payments, discounted at 5.68% (Note 17)	163,216
Fair value of contingent consideration	4,830
	292,511
Fair value of net assets acquired:	
Cash	17,326
Accounts receivable	15,961
Prepaid expenses and deposits	3,684
Inventories	64,571
Property, plant and equipment	217,436
Mineral properties	194,507
Reclamation bonds	7,064
Trade and other payables	(36,747)
Other current liabilities	(4,901)
Current tax liabilities	(108,339)
Rehabilitation provision	(45,549)
Non-controlling interest	(32,502)
	292,511

Current tax liabilities of $108,339 (US$84.11 million) assumed from this acquisition are included in other current liabilities on the condensed interim consolidated statements of financial position (Note 20).

(Unaudited - Expressed in thousands of Canadian dollars, except where noted)

7. ACCOUNTS RECEIVABLE

A summary of the Company's accounts receivable is as follows:

	April 30, 2023	January 31, 2023
	$	$
Trade receivables	**376**	1,933
Sales tax receivables	**17,685**	9,052
Advances to employees	**2,524**	3,037
	20,585	14,022

As at April 30, 2023 and January 31, 2023, management's estimate of lifetime expected credit losses on trade receivables was $nil and $nil, respectively. Advances to employees represents payroll advances made to non-management employees in the normal course of business. These amounts are typically deducted from future payroll remittances.

8. PREPAID EXPENSES

A summary of the Company's prepaid expenses is as follows:

	April 30, 2023	January 31, 2023
	$	$
Advances on capital projects	**6,157**	4,779
Inventory	**901**	887
Prepayments to vendors	**9,845**	8,015
Insurance expense	**1,674**	2,303
Prepaid management and consulting fees	**1,482**	1,562
	20,059	17,546
Current portion	**13,902**	12,017
Non-current portion	**6,157**	5,529

As at April 30, 2023, non-current portion of prepaid expenses represents advances on capital projects that will be realized by the Company after the next twelve months.

9. MARKETABLE SECURITIES

A summary of the Company's marketable securities is as follows:

	$
Balance, January 31, 2022	7,509
Investment in Roscan Gold Corporation ("Roscan")	3,000
Unrealized loss on investment	(4,296)
Balance, January 31, 2023	6,213
Unrealized loss on investment	(887)
Balance, April 30, 2023	**5,326**

In October 2021, the Company subscribed for 22,086,121 common shares of Roscan at a price of $0.29 per share as a strategic investment. In March 2022, the Company subscribed for an additional 7,500,000 common shares of Roscan at a price of $0.40 per share. During the three months ended April 30, 2023, the Company recorded an unrealized loss on investment of $887 (2022 - $302).

(Unaudited - Expressed in thousands of Canadian dollars, except where noted)

10. INVENTORIES

A summary of the Company's inventories is as follows:

	April 31, 2023	January 31, 2023
	$	$
Gold doré	**30,022**	30,012
Gold-in-circuit	**14,212**	7,463
Ore stockpiles	**8,983**	11,035
Materials and supplies	**36,302**	35,022
	89,519	83,532

11. RECLAMATION BONDS

A summary of the Company's reclamation bonds is as follows:

	Bibiani Gold Mine	**Chirano Gold Mine**	**Total**
	$	$	$
Balance at January 31, 2022	3,466	-	3,466
Addition from Chirano acquisition	-	7,064	7,064
Currency translation adjustment	198	258	456
Balance at January 31, 2023	3,664	7,322	10,986
Currency translation adjustment	62	125	187
Balance at April 30, 2023	**3,726**	**7,447**	**11,173**

Reclamation bonds consist of bonds held as security by the Government of Ghana with regard to mineral properties (Note 13).

The Company has irrevocable bank guarantees from Cal Bank Ltd. and Standard Chartered Bank Ghana Limited of US$7.07 million and US$21.90 million, for MGBL and CGML, respectively which are payable to the Environmental Protection Agency (EPA) of Ghana under the following conditions: (i) failure by either of MGBL or CGML to perform their obligations pursuant to Article 23 of LI 1652 - Environmental Assessment Regulations, 1999, which failure causes an aggravation of the environmental conditions of the related site not remedied, (ii) failure by either of MGBL or CGML to comply with site rehabilitation measures imposed/required by EPA or (iii) failure by either MGBL or CGML to pay any penalty/sanction imposed by EPA as a result of the occurrence of (i) or (ii) above.

(Unaudited - Expressed in thousands of Canadian dollars, except where noted)

12. PROPERTY, PLANT AND EQUIPMENT

A summary of the Company's property, plant and equipment is as follows:

	Field tools and equipment	Office furniture and equipment	Vehicles	Mining plant and equipment	Construction in progress	Total
		$	$	$	$	$
Cost						
Balance, January 31, 2022	60	5	928	97,721	-	98,714
Acquired in acquisition of Red Back	-	236	980	211,750	4,470	217,436
Additions	-	1,728	5,042	106,023	1,754	114,547
Currency translation adjustment	3	217	401	12,116	221	12,958
Balance, January 31, 2023	63	2,186	7,351	427,610	6,445	443,655
Additions	-	-	-	8,089	8,656	16,745
Currency translation adjustment	1	80	1,173	7,774	123	9,151
Balance, April 30, 2023	**64**	**2,266**	**8,524**	**443,473**	**15,224**	**469,551**
Accumulated depreciation						
Balance, January 31, 2022	5	2	43	1,164	-	1,214
Depreciation	9	354	531	39,606	-	40,500
Currency translation adjustment	3	133	(5)	886	-	1,017
Balance, January 31, 2023	17	489	569	41,656	-	42,731
Depreciation	3	83	395	17,985	-	18,466
Currency translation adjustment	1	51	1,058	1,197	-	2,307
Balance, April 30, 2023	**21**	**623**	**2,022**	**60,838**	**-**	**63,504**
Carrying amount						
Balance, January 31, 2023	46	1,697	6,782	385,954	6,445	400,924
Balance, April 30, 2023	**43**	**1,643**	**6,502**	**382,635**	**15,224**	**406,047**

During the three months ended April 30, 2023 and 2022, depreciation of $870 and $15, respectively, was included in inventory and cost of sales included depreciation of $17,596 and $nil, respectively.

(Unaudited - Expressed in thousands of Canadian dollars, except where noted)

13. MINERAL PROPERTIES

A summary of the Company's mineral properties is as follows:

	Bibiani	Chirano	Total
	$	$	$
Cost			
Balance, January 31, 2022	-	-	-
Transfer from development properties	93,301	-	93,301
Acquired in acquisition of Red Back	-	194,507	194,507
Additions	116,852	27,217	144,069
Currency translation adjustment	7,730	6,956	14,686
Balance, January 31, 2023	217,883	228,680	446,563
Additions	3,909	9,643	13,552
Currency translation adjustment	3,727	3,920	7,647
Balance, April 30, 2023	**225,519**	**242,243**	**467,762**
Accumulated depletion			
Balance, January 31, 2022	-	-	-
Depletion	25,711	23,104	48,815
Currency translation adjustment	533	(120)	413
Balance, January 31, 2023	26,244	22,984	49,228
Depletion	13,788	11,490	25,278
Currency translation adjustment	469	409	878
Balance, April 30, 2023	**40,501**	**34,883**	**75,384**
Net amount			
Balance, January 31, 2023	191,639	205,696	397,335
Balance, April 30, 2023	**185,018**	**207,360**	**392,378**

During the three months ended April 30, 2023 and 2022, depletion of $6,258 and $nil, respectively, was included in inventory. During the three months ended April 30, 2023 and 2022, cost of sales included depletion of $19,020 and $nil, respectively.

a) Bibiani

In August 2021, following the acquisition of Mensin (Note 5), the Company holds a 90% interest to the Bibiani Gold Mine situated in the western region of Ghana. The Ghanaian Government retains the remaining 10% free carried interest in the mining operations. First gold pour was achieved in July 2022 and the Company transferred the Bibiani Gold Mine into mineral properties during the nine months ended October 31, 2022.

b) Chirano

In August 2022, following the acquisition of Red Back (Note 6), the Company holds a 90% interest to the Chirano Gold Mine situated in the western region of Ghana. The Ghanaian Government retains the remaining 10% free carried interest in the mining operations. Chirano Gold Mine was in commercial production prior to the acquisition.

(Unaudited - Expressed in thousands of Canadian dollars, except where noted)

14. EXPLORATION AND EVALUATION ASSETS

A summary of the Company's exploration and evaluation assets is as follows:

	Fahiakoba	Betenase	Sraha	Ayiem	Kubi	Total
	$	$	$	$	$	$
Balance, January 31, 2022	4,107	501	1,028	225	2,656	8,517
Acquisition and sustaining fees	719	-	162	162	-	1,043
Field expenditures	17	17	17	17	143	211
Other expenditures	136	76	76	76	343	707
Geology and geophysics	35	44	4	7	173	263
Currency translation adjustment	223	28	60	21	983	1,315
Balance, January 31, 2023	5,237	666	1,347	508	4,298	12,056
Field expenditures	6	6	6	6	9	33
Other expenditures	15	15	15	15	94	154
Geology and geophysics	5	5	-	-	48	58
Currency translation adjustment	89	11	27	9	74	210
Balance, April 30, 2023	**5,352**	**703**	**1,395**	**538**	**4,523**	**12,511**

a) Fahiakoba

In June 2011, the Company entered into a Purchase Agreement with Goknet Mining Company Limited ("Goknet") to acquire the "Fahiakoba Concession", in the Ashanti and Central Regions in the Republic of Ghana, whereby the Company acquired a 100% interest in the Fahiakoba Concession (subject to a royalty interest) by paying Goknet the sum of US$51,976 and by agreeing to expend US$1.00 million over a five-year period. This commitment has been met in full. In addition, the Company granted Goknet a 3% net smelter return royalty on production from the Fahiakoba Concession. The prospecting license for this property is in the process of being renewed by Goknet and further exploration will be planned and conducted once the title of the license is renewed and transferred to the Company. Due to the prohibitive transfer costs, final transfer of the title will be effected on discovery of significant resources. The Ghanaian Government will retain a 10% free carried interest in the mining lease if it has been applied for and granted.

b) Betenase

In August 2015 and as amended in May 2018, the Company entered into an Option and Sale Agreement with Perseus Mining (Ghana) Limited ("Perseus") to acquire up to a 100% interest in their Betenase prospecting license (pending) in Ghana. The Company may exercise the option to earn a 100% interest in Betenase (subject to 10% being reserved for the Government of Ghana, and a 1% underlying NSR royalty) by completing US$1.00 million in exploration within four years of December 31, 2019 and by paying US$1.00 million to Perseus. Perseus is in the process of renewing a portion of the Dunkwa prospecting license, to be called on issuance the Betenase prospecting license. The license adjoins to the east of the Kubi Mining Lease.

c) Sraha and Ayiem

In September 2016, the Company announced that it had entered into an agreement with Sikasante Mining Company Limited, a private Ghana corporation, to earn up to a 100% interest in their Keyhole Gold Project which consists of the Sraha license and the Ayiem license application. Asante is to issue 250,000 shares in its capital stock to Sikasante on final issuance of the Ayiem license to Sikasante and receipt by Sikasante of all necessary permits required to commence a drilling program (completed) and is required to complete $500,000 in work over four years (completed) in order to earn a 50% interest. Asante may earn an additional 50% interest by granting Sikasante a 2% net smelter returns royalty (the "Sika NSR Royalty"), and on the assignment of the Sikasante licenses to Asante (subject to the consent of the Minister of Lands and Natural Resources), a final payment of one million common shares of Asante. Sikasante and the Company are related by one common director. All negotiations and final terms of agreement have been approved by a special committee of the Directors of Asante. The Ghanaian Government will retain a 10% free carried interest in the mining lease if it has been applied for and granted.

In July 2022, the Company issued 250,000 common shares to Sikasante to acquire 50% interest in the Keyhole Gold Project.

(Unaudited - Expressed in thousands of Canadian dollars, except where noted)

14. EXPLORATION AND EVALUATION ASSETS (continued)

d) Kubi

The Company has executed an Option Agreement between the Company, Goknet, Kubi Gold (Barbados) Limited ("Kubi") and Asante Gold Corporation (GH) Limited to formalize the letter agreement of September 29, 2014 as amended December 29, 2014, and January 29, 2015, to earn a 50% interest in Kubi with the right to increase such interest to 75% and ultimately 100% upon completion of certain conditions.

In December 2016, the Company finalized the agreement with Goknet to close the acquisition of the Kubi Mining Leases, subject to receipt of Government approvals by issuing seven million shares and reserving for future delivery to Goknet a total of 8,000 ounces of gold, and thereafter granting Goknet a 2% Net Smelter Return Royalty (the "Kubi NSR"). Royal Gold Inc. holds a 3% Net Proceeds of Production royalty. The Minister of Lands and Natural Resources approved the transfer of the Kubi Mining Lease to Asante Gold (Ghana) Limited in April 2022. The Ghanaian Government retains a 10% free carried interest in the mining lease. On June 5, 2023, pursuant to receiving Government approvals, the Company issued 7,000,000 common shares with fair value of $13,790 to Goknet.

The agreement grants the Company the option to acquire Goknet's interests in eight prospecting licenses: two adjoining to the west of the Kubi mining leases, and six contiguous licenses located on the Asankrangwa Gold Belt (the "Ashanti II" concessions) to the southwest and along the strike of the Galiano-Goldfields mine. To purchase the licenses, the Company will issue up to a maximum of three million shares, pro rata on a license-by-license basis if, as and when title is registered in the name of the Company. Goknet will retain a 2% Net Smelter Return royalty on each license so registered. The Company is continuing to source funding to develop Kubi.

15. TRADE AND OTHER PAYABLES

A summary of the Company's trade and other payables is as follows:

	April 30, 2023	January 31, 2023
	$	$
Trade payables	**174,313**	148,598
Accrued liabilities	**171,630**	154,609
Tax liabilities	**20,071**	20,862
	366,014	324,069

As at April 30, 2023, tax liabilities are comprised of $3,528 attributed to purchase withholding tax obligations, $3,027 payroll tax liabilities and $13,516 of accrued income tax payable.

16. LOANS PAYABLE

A summary of the Company's loans payable is as follows:

	$
Balance, January 31, 2022	-
Additions	51,400
Interest expense	912
Repayment	(4,939)
Currency translated adjustment	(382)
Balance, January 31, 2023	46,991
Additions	11,511
Interest expense	2,510
Repayment	(10,527)
Currency translated adjustment	808
Balance, April 30, 2023	**51,293**

16. LOANS PAYABLE (continued)

In July 2022, the Company, through its subsidiary MGBL, entered into a foreign exchange swap agreement with a local bank which allowed the Company to convert, at a pre-determined exchange rate, GHS 346.21 million to USD over a twelve-month period through a series of foreign exchange trades. As part of the agreement, the Company was obligated to provide GHS 346.21 million as collateral, which was held as restricted cash in a designated account. In November 2022, pursuant to the swap agreement, the Company received $37,929 (US$28.13 million) and recorded a liability to repay USD at a fixed exchange rate. The Company sought to repay the USD before the swap agreement end date and terminate the swap agreement. Termination of the agreement was subject to a termination fee of $5,479 (GHS 30.00 million) which was applied to the Company’s cash held as collateral and is included in foreign exchange loss for the year ended January 31, 2023. In order to facilitate repayment and termination of the swap agreement, the Company entered into a separate loan agreement with a second local bank. On November 25, 2022, the Company, through its subsidiary MGBL, entered into a short-term bank loan with principal amount of $38,589 (US$28.62 million) at an interest rate of 9.5% per annum, maturing after twelve months and requiring monthly payments of principal and interest. The borrowing was secured by cash collateral of $39,107 (GHS 316.21 million) which was transferred from the first bank upon termination of the swap agreement and is held in an account with the bank that issued the loan. The cash collateral is incrementally released as the Company makes repayments on the loan to the extent that the remaining cash collateral covers at minimum 125% of the loan balance at any time. In addition to the cash pledged as collateral, the loan is secured by the assignment of export proceeds from offtake gold sales of MGBL, debentures over MGBL's property, plant and equipment covering 120% of the loan amount, and a personal guarantee from a director of the Company. During the three months ended April 30, 2023, the Company made principal payments of $8,754 (US$6.46 million) related to this loan. There was no additional release of cash collateral in order for the Company to satisfy the 125% coverage requirement. As at April 30, 2023, cash held as collateral was $31,952 (GHS 257.49 million) and is presented as restricted cash on the statement of financial position.

On December 30, 2022, the Company, through its subsidiary MGBL, borrowed an additional amount of $2,832 (US$2.10 million) with an interest rate of 11% per annum, maturing on November 29, 2023 and requiring monthly repayment of principal and interest. During the three months ended April 30, 2023, the Company repaid a principal amount of $633 (US$0.47 million).

During the three months ended April 30, 2023, the Company, through its subsidiary MGBL, entered into a revolving credit facility agreement with the same bank that provided the short-term bank loan. Under the terms of the revolving credit facility, the Company may borrow up to $11,541 (US$8.50 million). The facility has an interest rate of 11% per annum and matures on January 20, 2024. As at April 30, 2023, the Company had $11,511 (US$8.49 million) drawn against the facility.

During the three months ended April 30, 2023, the Company incurred interest expense of $2,265 (2022 - $nil) from the loans and credit facility in MGBL and paid a facilitation fee of $709 (2022 - $nil) to the bank that issued the revolving credit facility. The interest expense and facilitation fee are included in finance charges on consolidated statements of loss and comprehensive loss. The Company also paid interest of $1,140 (US$841) related to MGBL loans.

On December 28, 2022, the Company, through its subsidiary CGML, entered into a revolving credit facility agreement in which the Company may borrow up to $10,680 (US$8.00 million). The facility’s maximum borrowing amount is subject to the bank’s single obligor limit, which is determined in GHS and is adjusted monthly. At the date the Company entered into the agreement and at January 31, 2023, the single obligor limit was GHS 99.00 million. The facility has an interest rate equal to the lower of 10% or 3-month secured overnight financing rate plus a margin of 7% and matures on December 31, 2023. The facility requires repayment of each drawdown plus interest to be made 30 days from the date of drawdown. On January 26, 2023, the Company borrowed $9,979 (US$7.40 million) on the facility. During the three months ended April 30, 2023, the Company repaid $10,031 (US$7.40 million) and re-borrowed the same amount from this facility. During the three months ended April 30, 2023, interest expense related to this facility was $245 (2022 - $nil) and included in finance charges on consolidated statements of loss and comprehensive loss.

(Unaudited - Expressed in thousands of Canadian dollars, except where noted)

17. DEFERRED PAYMENTS

A summary of the Company's deferred payments is as follows:

	Resolute	**Kinross**	**Total**
	$	$	$
Balance, January 31, 2022	74,589	-	74,589
Recognition of deferred payments	-	163,216	163,216
Amendment to purchase agreement	3,410	-	3,410
Gain on modification of loan	(513)	-	(513)
Interest expense	897	-	897
Accretion expense	2,255	3,329	5,584
Repayment of deferred payments	(78,474)	-	(78,474)
Currency translation adjustment	2,329	5,945	8,274
Balance, January 31, 2023	4,493	172,490	176,983
Gain on modification of loan	-	(3,371)	(3,371)
Interest expense	98	1,284	1,382
Accretion expense	-	4,681	4,681
Repayment of deferred payment	-	(6,805)	(6,805)
Foreign exchange adjustment	77	2,966	3,043
Balance, April 30, 2023	**4,668**	**171,245**	**175,913**
Current portion	4,668	122,106	126,774
Non-current portion	-	49,139	49,139

Pursuant to the acquisition of Mensin in August 2021, the Company recognized $71,516 (US$56.62 million) being the present value of deferred consideration payable to Resolute (Note 5). On August 24, 2022, pursuant to an arbitration decision, the Company agreed to amend the amount of the final deferred payment to Resolute to increase the amount by an additional $3,410 (US$2.70 million) due on or before November 18, 2022 (which was not paid as of April 30, 2023) in order to reimburse Resolute for a reclamation bond held in MGBL. The additional deferred payment of $3,410 was recorded as a loss on amendment of purchase agreement and an increase in the deferred payments for the year ended January 31, 2023. The amendment also included an extension of the due date for the deferred payments and an interest rate of 11% per annum on outstanding amounts from August 22, 2022. As a result of modification of the timing of cash flows, the Company recorded a gain on modification of loan of $513 during the year ended January 31, 2023. During the year ended January 31, 2023, the Company repaid $78,474 (US$60.00 million) which was the original principal amount of the Resolute deferred payments. As at April 30, 2023, the remaining balance of deferred payments to Resolute was the additional amount of $3,666 (US$2.70 million) and accrued interest of $1,002 (US$0.74 million).

Pursuant to the acquisition of Red Back in August 2022, the Company recognized $163,216 (US$126.72 million) being the present value of deferred consideration payable to Kinross (Note 6). On February 13, 2023, the Company entered into an amended purchase agreement with Kinross regarding the acquisition of Red Back. Pursuant to the amendment, the payment schedule of the second cash payment, with total amount of US$60.48 million, has been modified as follows: US$10.00 million payable on February 17, 2023, US$10.00 million payable on March 31, 2023, US$10.00 million payable on April 30, 2023, and US$30.48 million payable on May 31, 2023. As a result of this change in timing of cash flow, the Company recorded a gain on modification of loan of $3,371. As part of the amendment, the deferred consideration will accrue Interest (calculated daily and compounded semi-annually) from February 10, 2023 to the date of payment in full of such amount plus all accrued interest. The interest is determined to be interest rate quoted by Bank of Nova Scotia for USD loans plus the following: 3% for period from February 10, 2023 to March 31, 2023; 4% for period from April 1, 2023 to April 30, 2023; and 5% for period from May 1, 2023. During the three months ended April 30, 2023, the Company repaid principal amount of $6,805 (US$5.00 million) from the second cash payment.

Interest expense from deferred payments was included in finance charges on the consolidated statements of loss and comprehensive loss.

(Unaudited - Expressed in thousands of Canadian dollars, except where noted)

18. REHABILITATION PROVISION

A summary of the Company's rehabilitation provision is as follows:

	Bibiani Gold Mine	Chirano Gold Mine	Total
	$	$	$
Balance, January 31, 2022	11,805	-	11,805
Initial recognition of rehabilitation provision	-	45,549	45,549
Change in estimates	8,097	16,149	24,246
Accretion expense	532	1,144	1,676
Currency translation adjustment	675	1,636	2,311
Balance, January 31, 2023	21,109	64,478	85,587
Accretion expense	238	736	974
Currency translation adjustment	361	1,103	1,464
Balance, April 30, 2023	**21,708**	**66,317**	**88,025**
Current portion	-	346	346
Non-current portion	21,708	65,971	87,679

The rehabilitation provision for Bibiani Gold Mine is estimated using annual inflation rate of 7.48% and discount rate of 3.51%. The rehabilitation provision for Chirano Gold Mine is estimated using annual inflation rate of 7.50% and discount rate of 3.51%.

19. DEFERRED REVENUE

A summary of the Company's deferred revenue is as follows:

	$
Balance, January 31, 2022	-
Proceeds from deferred revenue	130,150
Revenue recognized upon delivery of gold	(67,428)
Currency translation adjustment	4,028
Balance, January 31, 2023	66,750
Revenue recognized upon delivery of gold	(6,959)
Currency translation adjustment	1,130
Balance, April 30, 2023	**60,921**

In July 2022, the Company, through its subsidiary MGBL, entered into a metal streaming arrangement with the Bank of Ghana, wherein the Company received an upfront cash payment of $130,150 (US$100.00 million) and will settle this amount through the delivery of refined gold produced at the Company's own gold mines. The agreement requires the Company to deliver a weight of refined gold at three, six, nine, and twelve months following the closing date, with each delivery having a market value of US$26.88 million based on the spot rate of gold. Over the life of the contract, the Company will deliver gold with a total market value US$107.53 million. The upfront cash received in exchange for future delivery of gold has been accounted for as deferred revenue, as the agreement will be satisfied through the delivery of a non-financial asset (gold from the Company's own production), rather than through cash or other financial assets. Deferred revenue is recognized as revenue in the corresponding periods in which the gold deliveries occur. In connection with this arrangement, the Company paid $5,982 (US$4.44 million) as a facilitation fee, which was recorded in cost of sales for the year ended January 31, 2023. The Company applies the optional practical expedient to immediately expense costs to obtain a contract, if the amortization period of the asset that would have been recognized, is one year or less.

The Company's performance under this agreement has been secured by its investment in the Bibiani Gold Mine. In the event that the Company cannot deliver under the agreement, the Bank of Ghana has a right to the shares of MGBL held by Mensin Bibiani Pty. Ltd.

During the three months ended April 30, 2023, the Company recognized revenue of $6,959 by delivering 3,500 ounces of gold and partially satisfied the third settlement of this arrangement. Subsequent to April 30, 2023, the Company delivered additional 9,913 ounces of gold to fulfill the third settlement.

(Unaudited - Expressed in thousands of Canadian dollars, except where noted)

20. OTHER CURRENT LIABILITIES

A summary of the Company's current portion of other liabilities is as follows:

	April 30, 2023	January 31, 2023
	$	$
Tax liabilities arising from the Mensin acquisition	**24,033**	23,630
Tax liabilities arising from the Chirano acquisition	**114,210**	112,292
Contingent consideration from Chirano acquisition	**4,830**	4,830
Other accrued liabilities	**699**	686
	143,772	141,438

The tax liabilities arising from the Mensin and Chirano acquisitions are provisions for tax liabilities and are measured Ghanaian cedis. There have not been any changes in the estimated and accrued amounts since the respective acquisitions. Changes in the tax liabilities arising from the Mensin acquisition are attributed to foreign exchange when translating to Canadian dollars for presentation purposes.

21. SHARE CAPITAL AND RESERVES

a) Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued share capital

During the three months ended April 30, 2023, the Company had the following transactions:

- On April 6, 2023, the Company closed a non-brokered private placement in which the Company issued 18,232,000 units for gross proceeds of $27,348. Each unit consisted of one common share and one share purchase warrant. All the proceeds were allocated to share capital and $nil to reserve for warrants.
- The Company issued 80,000 common shares upon the exercise of 80,000 options for proceeds of $60. As a result, $47 attributed to amounts recorded in the reserve for share-based payments was reclassified to share capital.
- The Company issued 38,710,601 common shares upon the exercise of 38,710,601 warrants for proceeds of $9,678. As a result, $134 attributed to amounts recorded in the reserve for warrants was reclassified to share capital.

During the year ended January 31, 2023, the Company had the following transactions:

- In March 2022, the Company closed a private placement financing by issuing 58,431,914 common shares at $1.75 per share for gross proceeds of $102,256. In connection with the financing, the Company incurred issuance costs of $3,224.
- In July 2022, the Company issued 250,000 common shares with a fair value of $325 in accordance with the option agreement for Sraha and Ayiem (Note 14).
- In August 2022, the Company issued 34,962,584 common shares with a fair value of $47,185 in accordance with the acquisition of Red Back (Note 6).
- The Company issued 1,130,000 common shares from the exercise of options for proceeds of $370. As a result, $292 attributed to amounts recorded in the reserve for share-based payments was reclassified to share capital.
- The Company issued 29,679,964 common shares from the exercise of warrants for proceeds of $5,934. As a result, $58 attributed to amounts recorded in the reserve for warrants was reclassified to share capital.

(Unaudited - Expressed in thousands of Canadian dollars, except where noted)

21. SHARE CAPITAL AND RESERVES (continued)

c) Stock options

The Company has an omnibus equity incentive plan ("the Plan") under which non-transferable options, deferred share units ("DSUs"), and restricted share units ("RSUs") may be granted to directors, officers, employees or service providers of the Company. Under the plan, the maximum number of shares which may be reserved for issuance is 10% of the number of issued and outstanding common shares.

A summary the Company's stock options activity is as follows:

	Number of options	Weighted average exercise price
	#	$
Balance, January 31, 2022	11,995,000	0.48
Granted	10,079,340	1.71
Exercised	(1,130,000)	0.33
Forfeited	(100,000)	1.75
Expired	(300,000)	0.15
Balance, January 31, 2023	20,544,340	1.09
Exercised	(80,000)	0.75
Balance, April 30, 2023	**20,464,340**	**1.09**
Exercisable, April 30, 2023	**19,848,340**	**1.09**

The weighted average share price on the date of exercise for options exercised during the three months ended April 31, 2023 was $1.64 (2022 - $1.83). During the three months ended April 30, 2023, the Company recognized $410 (2022 - $6,455) as share-based payments from vested stock options.

A summary of the Company's stock options outstanding as at April 30, 2023 is as follows:

Grant date	Expiry date	Number of options	Exercise price	Remaining life
		#	$	Years
June 5, 2018	June 4, 2023	775,000	0.10	0.10
March 21, 2019	March 20, 2024	370,000	0.10	0.89
August 28, 2019	August 27, 2024	450,000	0.10	1.33
July 6, 2020	July 5, 2025	370,000	0.10	2.18
July 21, 2020	July 20, 2025	500,000	0.10	2.22
August 18, 2020	August 17, 2025	350,000	0.10	2.30
September 21, 2020	September 20, 2025	150,000	0.15	2.39
December 21, 2020	December 20, 2025	350,000	0.12	2.64
March 4, 2021	March 3, 2026	700,000	0.15	2.84
August 9, 2021	August 8, 2026	6,470,000	0.75	3.28
February 17, 2022	February 17, 2027	5,739,340	1.75	3.81
February 17, 2022	February 17, 2024	1,200,000	1.75	0.80
March 7, 2022	March 7, 2027	500,000	1.75	3.85
March 21, 2022	March 21, 2027	1,000,000	1.75	3.89
August 31, 2022	August 31, 2027	1,540,000	1.50	4.34
		20,464,340	**1.09**	**3.10**

(Unaudited - Expressed in thousands of Canadian dollars, except where noted)

21. SHARE CAPITAL AND RESERVES (continued)

d) Share purchase warrants

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

	Number of warrants	Weighted average exercise price
	#	$
Balance, January 31, 2022	68,390,565	0.23
Exercised	(29,679,964)	0.20
Balance, January 31, 2023	38,710,601	0.25
Issued	23,232,000	1.86
Exercised	(38,710,601)	0.25
Balance, April 30, 2023	**23,232,000**	**1.86**

On April 6, 2023, as part of a non-brokered private placement, the Company issued 18,232,000 share purchase warrants. Each share purchase warrant entitles the holder to acquire one common share of the Company at an exercise price of $1.75 until April 6, 2024.

On February 17, 2023, the Company issued 5,000,000 share purchase warrants to Kinross pursuant to the amended purchase agreement regarding the acquisition of Red Back. Each common share purchase warrant is exercisable to one common share of the Company at exercise price of $2.25 until February 17, 2026.

During the three months ended April 30, 2023, 38,710,601 share purchase warrants were exercised into common shares of the Company. The weighted average share price on the date of exercise date for share purchase warrants exercised during the three months ended April 30, 2023 was $1.57 (2022 - $1.71).

A summary of the Company's outstanding share purchase warrants as at April 30, 2023, is as follows:

Date of expiry	Number of warrants	Weighted average exercise price	Weighted average remaining life
	#	$	Years
April 5, 2024	18,232,000	1.75	0.93
February 17, 2026	5,000,000	2.25	2.81

e) Restricted share units

On February 17, 2022, the Company granted 1,515,760 RSUs to certain officers and consultants of the Company. The granted RSUs have a settlement date of February 17, 2025 at which date each RSU is exchangeable to one common share of the Company or lumpsum cash payment or a combination of both, subject to the discretion of the Company. These RSUs have been accounted for as equity-settled share-based payments. The fair value of each RSU was determined to be the Company's share price on grant date, resulting in total fair value of $2,577. Of the RSUs granted, 228,600 RSUs vested immediately. The remaining 1,287,160 RSUs vest as follows: one third on the first anniversary, one third on the second anniversary, and one third on the third anniversary. During the three months ended April 30, 2023, the Company recognized a total of $184 (2022 - $652) in expense related to the fair value of RSUs granted. The expense was recognized over the vesting period of the RSUs.

	Number of RSUs
	#
Balance, January 31, 2022	-
Granted	1,515,760
Balance, April 30, 2023 and January 31, 2023	**1,515,760**

(Unaudited - Expressed in thousands of Canadian dollars, except where noted)

21. SHARE CAPITAL AND RESERVES (continued)

f) Deferred share units

In February 2022, the Company granted 4,285,900 DSUs to certain directors of the Company. These DSUs vested immediately upon granting. The fair value of each DSU was determined to be the Company's share price on grant date, resulting in total fair value of $7,286. During the three months ended April 30, 2023, the Company expensed a total of $nil (2022 - $7,286) as share-based payments for the value of DSUs vested.

	Number of DSUs
	#
Balance, January 31, 2022	-
Granted	4,285,900
Balance, April 30, 2023 and January 31, 2023	**4,285,900**

22. NON-CONTROLLING INTEREST

In August 2021, following the acquisition of Mensin (Note 5), the Company holds a 90% interest in MGBL with the Ghanaian Government retaining the remaining 10%. In August 2022, following the acquisition of Red Back (Note 6), the Company holds a 90% interest to the CGML with the Ghanaian Government retaining the remaining 10%.

A summary of the Company's non-controlling interest is as follows:

	$
Balance, January 31, 2022	12,048
Initial recognition of non-controlling interest of Chirano (Note 6)	32,502
Net loss attributed to non-controlling interest	(11,380)
Currency translation adjustment	2,117
Balance, January 31, 2023	35,287
Net loss attributed to non-controlling interest	(5,595)
Currency translation adjustment	591
Balance, April 30, 2023	**30,283**

23. RELATED PARTY TRANSACTIONS

Key management personnel include those having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members in the Board of Directors, corporate officers and related companies.

A summary of the Company's related party transactions for the three months ended April 30, 2023 and 2022 is as follows:

	2023	2022
	$	$
Management and consulting fees	**806**	2,234
Professional fees	**143**	106
Share-based payments	**304**	10,641
	1,253	12,981

These transactions have been entered into in the normal course of operations and are recorded at their exchange amounts, which is the consideration agreed upon by the related parties.

As at April 30, 2023, due to related parties was $3,479 (January 31, 2023 - $3,203) and was comprised of expense reimbursements, director's fees, and professional fees. These amounts are unsecured, non-interest bearing and due on demand. As at April 30, 2023, there were 13,657,600 options, 470,200 RSUs, and 4,285,900 DSUs outstanding that had been granted to related parties as share-based payments.

(Unaudited - Expressed in thousands of Canadian dollars, except where noted)

24. REVENUE FROM CONTRACTS WITH CUSTOMERS

a) Disaggregated revenue information

A summary of revenue for the three months ended April 30, 2023 and 2022 is as follows:

	2023	2022
	$	$
Gold doré	**131,494**	-
Silver	**376**	-
	131,870	-

b) Contract balances

The Company did not have any contract assets for each of the three months ended April 30, 2023 and 2022. The Company's contract liabilities as at April 31, 2023 were $60,921 (2022 - $nil) and relate to the deferred revenue (Note 19).

25. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

A summary of the Company's non-cash transactions that are excluded from the consolidated statements of cash flows for the three months ended April 30, 2023 and 2022, is as follows:

	2023	2022
	$	$
Reclassification of stock options exercised	**-**	73
Reclassification of warrants exercised	**-**	27
Exploration and evaluation costs included in trade and other payables	**-**	122
Property, plant and equipment included in trade and other payables	**18,845**	48,881
Depreciation and depletion included in inventories	**7,128**	15

26. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Fair value measurement of financial assets and liabilities

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

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

The Company's financial assets and liabilities consist of cash, restricted cash, accounts receivable, marketable securities, reclamation bonds, loans receivable, trade and other payables, due to related parties, loans payable and deferred payments.

Cash, restricted cash, accounts receivable, reclamation bonds, loans receivable, trade and other payables, due to related parties, loans payable, and deferred payments are measured at amortized cost. These instruments have carrying values that approximate their fair values due to their short-term nature.

Marketable securities are measured at fair value through profit or loss and categorized as Level 1 in the fair value hierarchy. During the three months ended April 30, 2023 and 2022, there were no transfers between categories in the fair value hierarchy.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to fulfill its contractual obligations. The Company's credit risk relates primarily to cash, accounts receivable, and loans receivable. The Company mitigates credit risk related to cash by placing cash with sound financial institutions. For trade receivables, the Company trades with recognized creditworthy third parties and regularly reviews the collectability of its accounts receivable. The Company considers credit risk to be minimal.

(Unaudited - Expressed in thousands of Canadian dollars, except where noted)

26. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

As at April 30, 2023, the Company had one customer that owed the Company $316, which accounts for approximately 84% of total outstanding trade receivables.

c) Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As at April 30, 2023, the Company had a bank facility with carrying amount of $10,304 and deferred payments with carrying amount of $171,245 that have floating interest rate and therefore, the Company is exposed to interest rate risk. The bank facility has an interest rate cap and the current floating interest rate is higher than the cap. A change of 100 basis points in interest rate would have minimal impact on consolidated statements of loss and comprehensive loss. A change of 100 basis points in the interest rate on deferred payments would result in a change of $381 in finance charges on condensed interim consolidated statements of loss and comprehensive loss.

d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. To mitigate this risk, the Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures. The Company endeavors to ensure that sufficient funds are raised from equity offerings or debt financing to meet its operating requirements, after considering existing cash and expected exercise of stock options and share purchase warrants.

As at April 30, 2023, the Company had cash of $10,850 and restricted cash of $31,952 (January 31, 2023 - $2,811 and $31,845, respectively) as well as working capital deficit of $580,465 (January 31, 2023 - $561,487).

A summary of the Company's contractual undiscounted cash flow requirements as at April 30, 2023 is as follows:

	< 1 year	1 - 3 years	Total
	$	$	**$**
Trade and other payables	366,014	-	**366,014**
Due to related party	3,479	-	**3,479**
Loans payable	51,293	-	**51,293**
Deferred payments	131,394	50,103	**181,497**
	552,180	**50,103**	**602,283**

e) Price risk

Gold and silver prices have historically fluctuated significantly and are affected by numerous factors outside of the Company's control, including, but not limited to, industrial and retail demand, central bank lending, forward sales by producers and speculators, level of worldwide production, short-term changes in supply and demand due to speculative hedging activities and certain other factors. The ability of the Company to develop its mineral properties and exploration and evaluation assets is highly correlated to the market price of gold and silver. If metal prices decline for a prolonged period below the anticipated cost of production of the Company's mine, it may not be economically feasible to commence or continue production.

The effect on net loss and comprehensive loss for the three months ended April 30, 2023 of a 10% change in metal prices is estimated to have an increase or decrease in revenue of $13,187 (2022 - $nil).

(Unaudited - Expressed in thousands of Canadian dollars, except where noted)

26. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

f) Foreign exchange risk

The Company's functional currency is CAD and therefore the Company's loss and comprehensive loss are impacted by fluctuations in the value of foreign currencies in relation to CAD. The Company is exposed to foreign exchange risk from fluctuation in CAD to US dollars and Ghanaian Cedi.

A summary of the Company's net assets (liabilities) that are denominated in US dollars and Ghanaian Cedi as at April 30, 2023, is as follows:

	US$	GHS
Net assets (liabilities)	(410,710)	268,969
Foreign exchange rate	1.3350	0.1236
Net assets (liabilities) in CAD	**(548,298)**	**33,233**

The sensitivity of the Company's net loss and comprehensive loss for the three months ended April 30, 2023 to changes in the exchange rates of CAD to the US dollar and the Ghanaian Cedi would be as follows: a 10% change in CAD relative to the US dollar would change the Company's net loss and comprehensive loss by approximately $54,830 (January 31, 2023 - $51,940), and a 10% change in CAD relative to the Ghanaian Cedi would change the Company's net loss and comprehensive loss by approximately $3,323 (January 31, 2023 - $3,203).

g) Other risks

As substantially all the Company's exploration activities are conducted in Ghana, the Company is subject to different considerations and other risks not typically associated with companies operating in North America. These risks relate primarily to those typically associated with developing nations and include political risk, changes in government's ownership interest, sovereign risk, and greater currency and inflation volatility. In the event of increased levels of volatility in geopolitical and economic conditions, the Company's profitability, results of operations and financial condition could be affected.

27. CAPITAL MANAGEMENT

The Company's definition of capital includes equity, comprising share capital, reserve for share-based payments, reserve for warrants, accumulated other comprehensive income, accumulated deficit and non-controlling interest. The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. As at April 30, 2023, the Company had shareholders' equity of $111,351 (January 31, 2023 - $132,611).

The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management and consultants to sustain future development of the business. The Company has two mines in commercial production and has several properties in the exploration and development stage. As a result, the Company is dependent upon external financing to fund its activities. In order to carry out planned exploration and development and pay for administrative costs, the Company intends to raise additional funds as required. Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company. There were no changes to the Company's approach to capital management during the three months ended April 30, 2023.

As at April 30, 2023, the Company was not subject to any externally imposed capital requirements other than restricted cash of $31,952 (Note 16).

28. SUBSEQUENT EVENTS

The Company issued 1,075,000 common shares upon the exercise of 1,075,000 stock options for gross proceeds of $125.

A total of 200,000 stock options expired unexercised.

On June 5, 2023, following receipt of government approval, the Company issued 7,000,000 common shares with fair value of $13,790 to Goknet pursuant to an agreement to close the acquisition of the Kubi Mining Leases (Note 14).