THOR EXPLORATIONS LTD

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine months ended September 30, 2022

Amounts in United States Dollars

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This Management Discussion and Analysis ("MD&A") of the financial condition and results of operations of Thor Explorations Ltd. ("Thor" or the "Company") should be read in conjunction with the audited consolidated financial statements and notes thereto for the quarter ended September 30, 2022. These unaudited consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

This MD&A contains "forward looking statements" that are subject to risk factors set out in the cautionary note contained herein. The reader is cautioned not to place undue reliance on forward looking statements. All figures are in United States dollars unless otherwise indicated. Additional information relating to the Company is available on the Company's website www.thorexpl.com and under the Company's profile on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

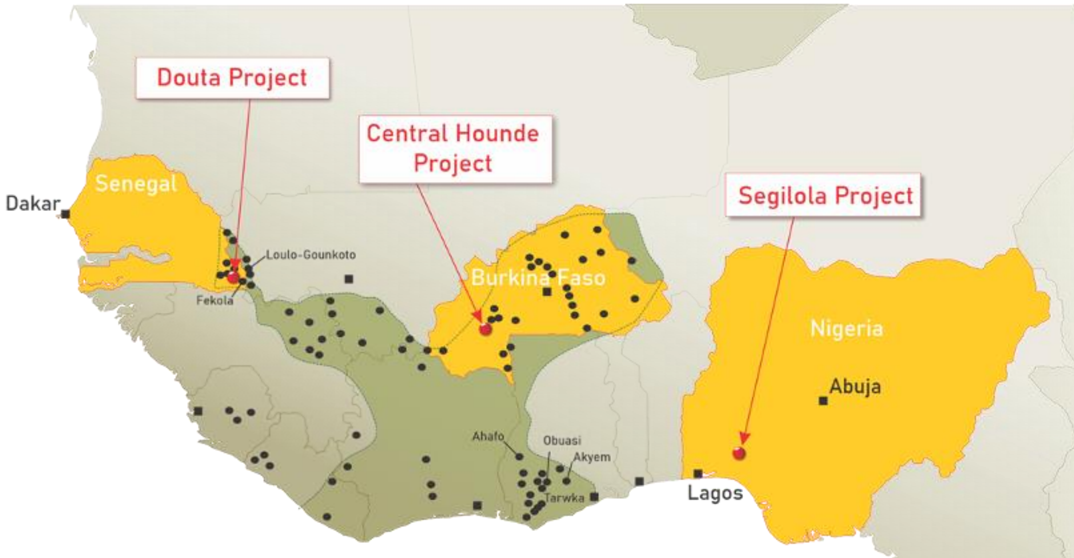
This MD&A is prepared as of November 29, 2022.

1 OVERVIEW

Thor Explorations Ltd. (“Thor” or the “Company”) is a gold production, development and exploration company focussed on West Africa and dual-listed on the TSX Venture Exchange TSX-V (THX: TSX-V) and the AIM market of the London Stock Exchange (THX: AIM). The Company’s main assets include its flagship producing Segilola Gold mine in Nigeria and the advanced exploration project, Douta, in Senegal. The Company has a growing portfolio of prospective exploration licences on the unexplored Ilesha schist belt in near proximity to the Segilola gold mine and further exploration licences in Nigeria and Burkina Faso.

Our strategy is to operate, develop and explore mineral properties where our expertise can substantially increase shareholder value. The Company operates with transparency and in accordance with international best practices and is committed to delivering value to its shareholders through responsible development, providing economic and social benefit to our host communities and operating in a manner where health and safety and the environment are integral to our operations and development approach.

Figure 1.1: Thor’s Principal Properties in West Africa



2 HIGHLIGHTS AND ACTIVITIES – THIRD QUARTER 2022

Operating results remain in line with expectation in the third quarter and are highlighted by the recovery of 26,523 ounces ("oz") of gold and sales of 28,787 oz at a cash operating cost[1] of $653 per oz sold and all-in sustaining cost ("AISC")[1] of $986 per oz sold. The Company anticipates the AISC for the year to fall within its guidance of $850 to $950 per oz sold.

Commercial production was declared at Segilola on January 01, 2022, and the Facility Taking over Certificate from the EPC contractor was received on January 31, 2022. The EPC Contractor has confirmed that it will support the Company by extending the payment period of the final EPC invoices and has acknowledged that the Company will make payment of the final EPC invoices from available cashflow.

The Company's performance in Q3 2022 builds on its performance in H1 2022 and provides good direction for the rest of the year. The Company has updated its production guidance to 90,000 to 100,000 oz, while AISC[1] guidance of $850/oz to $950/oz for 2022 remains unchanged.

Table 2.1 Key Operating and Financial Statistics

		Nine months to September 30, 2022	Three months to September 30, 2022	Three months to June 30, 2022	Three months to March 31, 2022
Operating					
Gold Sold	Au	67,617	28,787	22,172	16,658
Average realised gold price	$/oz	1,803	1,935	1,865	1,867
Cash operating cost	$/oz	730	653	922	696
AISC (all-in sustaining cost)	$/oz	909	986	956	799
Financial					
Revenue	$	121,923,327	55,703,098	41,354,747	24,865,482
Net Income	$	10,631,640	4,126,066	6,104,628	200,473
Cash and cash equivalents	$	2,459,709	2,459,709	5,055,930	6,276,376
Deferred Income	$	-	-	10,147,435	6,233,347
Net Debt[1]	$	40,795,649	40,795,649	47,454,406	56,697,267

1 See Note 3.4 for detail

2.1 Segilola Gold Mine, Nigeria

During the period, there continued to be global supply chain issues resulting in shortages and increased prices for a number of essential consumables and supplies such as ammonium nitrate, diesel and spare parts. The Company has mitigated these risks through the bulk purchase of most supply chain items and anticipates that its production guidance and costs for the year remain in line.

Gold Production

During the three months ended September 30, 2022 the Segilola Mine produced 26,523 ounces of gold (Q2: 23,785 ounces).

The Company exported the gold regularly throughout the period selling 28,787 ounces of gold and 1,913 ounces of silver in the period and had a further gold dore inventory of 2,226 ounces on hand. These ounces have all been sold in the fourth quarter of 2022.

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1 Refer to "Non-IFRS Measures" section

Mining

During the three months ended September 30, 2022, 4,018,431 tonnes of material was mined, equivalent to mining rates of 44,649 tonnes of material per day. In this period, 225,182 tonnes of ore were mined, equivalent to mining rates of 2,475 tonnes of ore per day, at an average grade of 4.43g/t.

The stockpile balance at the end of the period was 229,909 tonnes of ore at an average of 1.19g/t. This comprised 406 tonnes (5.80g/t) at high grade, 2,028 tonnes (2.87g/t) at medium grade, and 227,475 tonnes (1.12g/t) at low grade.

Processing

During the three months ended September 30, 2022, a total of 241,434 tonnes of ore, equivalent to a throughput rate of 2,682 tonnes per day, was processed.

The mill feed grade was 3.58g/t gold and recovery was 95.5% for a total of 26,523 ounces of gold produced. We continue to review the process plant to optimize throughput and recoveries.

All of the main operating units of the process plant are performing as expected, and the plant is consistently operating above nameplate capacity. We continue to carry out further optimization activities for the gold recovery process.

Table 2.2: Production Metrics

	Units	Q3 2022	Q2 2022	Q1 2022
Mining				
Total Ore Mined	Tonnes	225,182	284,079	226,314
Ore Processed	Tonnes	241,434	211,582	221,900
Ore Stockpiled	Tonnes	229,909	249,281	179,758
Waste Mined	Tonnes	3,793,249	3,747,504	3,533,610
Total Mined	Tonnes	4,018,431	4,031,584	3,759,524
Total Ore Mined Gold Grade	g/t Au	4.43	3.63	2.68
Ore Processed	g/t Au	3.58	3.66	3.18
Ore Stockpiled	g/t Au	1.19	1.46	1.23
Processing				
Ore Milled	Tonnes	241,434	211,583	221,920
Daily Throughput Rate (average)	Tpd	2,835	2,784	2,760
Daily Throughput/ Nameplate Capacity	%	138%	141%	128%
Ore Processed Gold Grade				
Recovery	%	95.5	95.5	94.1
Gold Recovered	Oz	26,523	23,785	21,343

2.1.1 Environment and Social Summary Q3 2022

The main focus with respect to the Company's environment and social activities for Q3 2022 was implementing our new governance policies (13 new and/or updated policies) which included finalising the contract for an independent and free whistle blower hotline. Thor's 2021 Sustainability Report was further progressed, and metrics devised for measuring implementation of key sustainability parameters across the material topics of Corporate Governance, People, Health and Safety, Social and Community Development, Cultural Governance and Environment. The report will be completed in Q4 2022. The company has agreed to use the Global Reporting Initiative's (GRI) ESG reporting standards including the recently released Mining and Metals Sector disclosure standards for Thor's 2022's Sustainability and ESG Report.

During Q3 2022, significant progress has been made for the Company's wholly owned operating subsidiary, Segilola Resources Operating Limited ("SROL") to attain its' ISO 45001 Health and Safety accreditation with a site audit completed and agreement on actions to close out over the next 12 months. Accreditation is expected in Q4 2023. SROL's General Manager - Mike Kelly - received the Safety Ambassador Award from the Institute of Safety Professionals Nigeria (August 2022). This award from health and safety peers is professional acknowledgement of the high safety standards implemented on the Segilola project.

A full transition from diesel to 6 MW compressed natural gas ("CNG") generators will reduce GHG by 53% over that generated by diesel generators. This is a key step in SROL's reduction of its carbon footprint. This transition was completed post the period.

Table 2.3 HSE statistics to end Q3 2022

Safety topic for the week: MANUAL HANDLING TECHNIQUES	29-Sep	M-T-D	Y-T-D	P-T-D
HSE Statistics - Reactive (Lagging) Indicators				
Number of Man Shifts Worked (Total)	1020	29091	221,591	509,261
Man Hours	9423	265,077	2,009,003	4678406
Lost Time Injury (LTI) recorded	0	0	2	2
Fatality (FAT) recorded	0	0	0	1
Medical Treatment Case(MTC) reported	0	1	9	20
Near Miss (NM) reported	0	1	19	38
First Aid Case (FAC) reported	0	2	9	44
Property Damage (PD) reported	0	1	27	29
HSE Statistics - Proactive (Leading) Indicators				
Number of Safety Inductions conducted	0	26	385	760
Tool Box Meeting conducted	14	353	2448	3,815
HSE Meetings conducted	0	10	82	128
HSE Inspections conducted	0	16	130	244
HSE Trainings conducted	0	7	73	382
Number of Unsafe Conditions reported	1	43	290	3,819
Number of Unsafe acts reported	3	61	531	3,519
LTI Free Days	**1**	**29**	**63**	

An Environmental Impact Assessment for a helipad within the existing Segilola Mine site has been submitted to Federal Ministry of Environment and is expected to be approved in Q1 2023.

Social and community development parameters for the Segilola Project were also progressed in Q3 2022. Focus has been on establishing livelihood restoration projects by preparing sites for the fish farms (construction expected in Q1 2023) and site clearance for the vegetable farms' nursery. Contracts have been award to local companies for the construction of both livelihood projects. Specialist agricultural assistance from Nigerian experts has been contracted in by

SROL to assist with implementation during the next 12 month period to enable the projects' community operators to become self-sufficient and financially viable within the next 12 to 18 months.

Through funding agreed via Community Development Agreements ("CDA") signed with the three communities surrounding the Segilola Mine, community programmes were progressed in Q3 2022. These included Youth Initiative and Women's Initiative programmes in progress focusing on practical skill-based courses – truck driver training, mobile phone repairs and value-added production equipment. Annual school scholarship awards to enable children from vulnerable backgrounds to remain in school, are progressing with testing and interviews completed. Recipients will be selected in Q4 2022.

Compensation for temporary loss of assets and lands impacted by exploration activities (at 13 explorations sites across 3 states in Nigeria) stands at $354,000 for 585 asset owners and 15 landowners (as of end of Q3 2022).

Social listening continues (monitoring SROL and Thor mentions in Nigerian media) across electronic, TV and printed media and findings are shared with key departments in SROL. Most media coverage has been positive.

In Senegal, exploration activities at the Douta Project have progressed throughout Q3 2022. The project has now appointed a HSE officer with HSE leading and lagging indicators being recorded. A site waste plan has been implemented and waste generated from the drill site and camp is stored in separate bins of biodegradable and non-biodegradable. Biodegradable such as paper, sample bags and food are burned. Non-biodegradable such as cans, and empty water bottles are given to the local population for recovery or recycling. Used oils are stored in a well-defined place pending delivery to specialised companies for disposal. The HSE officer has formalized the sale of metal waste and the money from this sale is paid into the company's social fund for community projects.

2.1.2 Exploration Activity Summary Q3 2022

Exploration Activity
Q3 2022

<u>Nigeria</u>

Introduction

The high grade Segilola gold deposit is located on the major regional shear zone that extends for several hundred kilometres through the gold-bearing Ilesha schist belt (structural corridor) of Nigeria.

Thor's exploration tenure comprises eleven wholly owned explorations licences and four joint ventures. Together with the mining lease over the Segilola Gold Deposit Thor's total exploration tenure amounts to over 1,400 km^2.

Exploration Activity

In the period, the Company increased its exploration footprint in Nigeria via the acquisition of additional exploration licences in Osun State and Kwara State and also entered into a joint venture agreement over a further exploration licence in Kwara state.

The Company's licence portfolio now consists of 17 exploration licences and the Segilola mining licence.

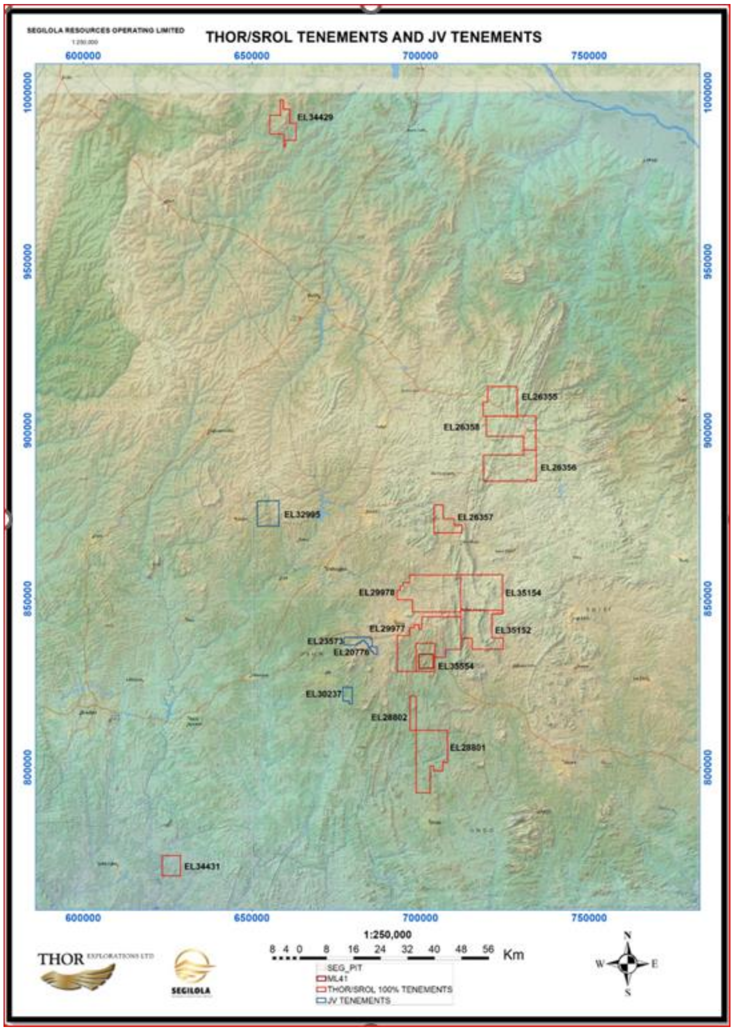

Figure 1:Thor Explorations/ Segilola Licence Portfolio Map

Exploration during the quarter consisted of an initial 1,280 metres of reverse circulation (“RC") and diamond drilling. In addition to the drilling program, the Company prioritised the generation of drilling targets, with a focus on targets within trucking distance of the Segilola plant. Exploration activities comprised of soil and stream geochemical surveys, auger drilling, trenching and ground magnetic programs.

The areas drilled were north of the Segilola Open Pit and at the “Ijana” and “Esteedan” targets which are located 14km to the west of Segilola. The main objectives of this program are:

1. to test the geochemical and structural targets generated by auger soil sampling and trenching in EL 20776 and EL23573 also the drilling was targeting the occurrence of gold mined in shallow pits mined by artisanal.
2. to test the gold-in soil anomalies generated by auger soil and trench sampling at Odo within EL19066, 3km north of Segilola deposit.

The drilling programs are scheduled to resume in January following the receipt of all assay results and completion of drill target generation work.

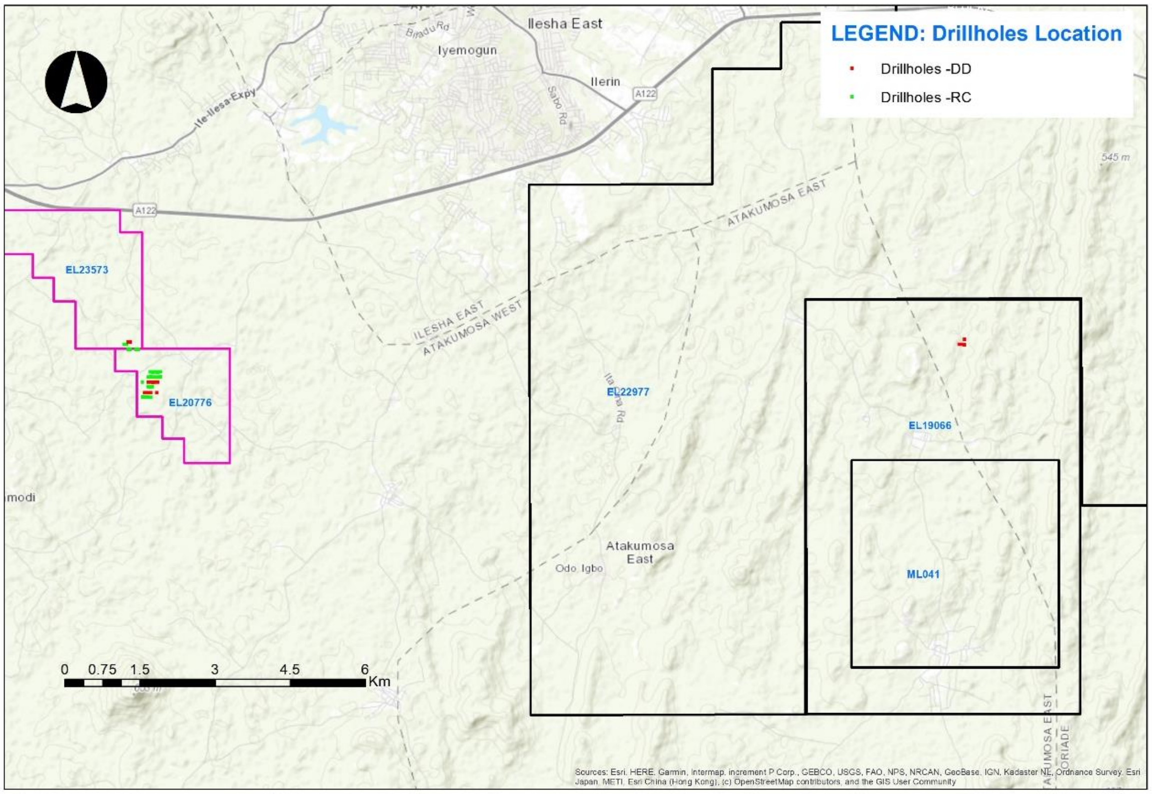

Figure 2: Map Showing Drilling Program Locations

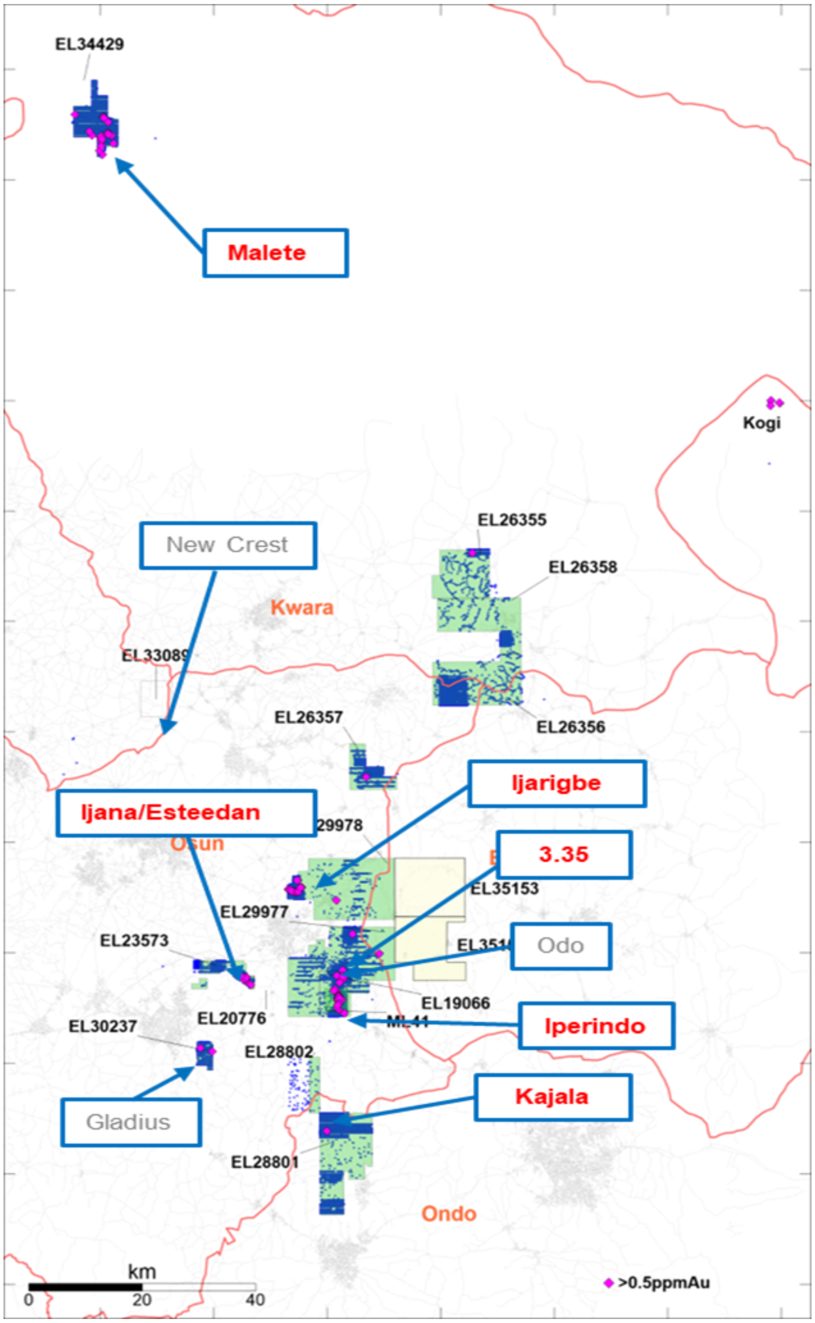

Figure 3: Drill Targets Generated on the Company's portfolio

Senegal

Introduction

The Douta Gold Project is a gold exploration permit, E02038, which covers an area of 58km2 and is located within the Kéniéba inlier, eastern Senegal. The northeast-trending license (Figure 4) has an area of 58 km^2. Thor, through its wholly owned subsidiary African Star Resources Incorporated ("African Star"), has a 70% economic interest in partnership with the permit holder International Mining Company SARL ("IMC"). IMC has a 30% free carried interest in its development until the announcement by Thor of a Probable Reserve.

The Douta licence is strategically positioned 4km east of Massawa North and Massawa Central deposits, which form part of the world-class Sabadola-Massawa Project owned by Endeavour Mining (Figure 4). The Makabingui deposit, belonging to Bassari Resources Ltd, is immediately located east of the northern portion of E02038.

There is an initial resource estimate of 15 million tonnes ("Mt") grading 1.53g/t Au for 730,000 ounces gold in the Inferred category. The resource encompasses the Makosa, Makosa North and Makosa Tail zones, which are collectively named the Makosa Resource.

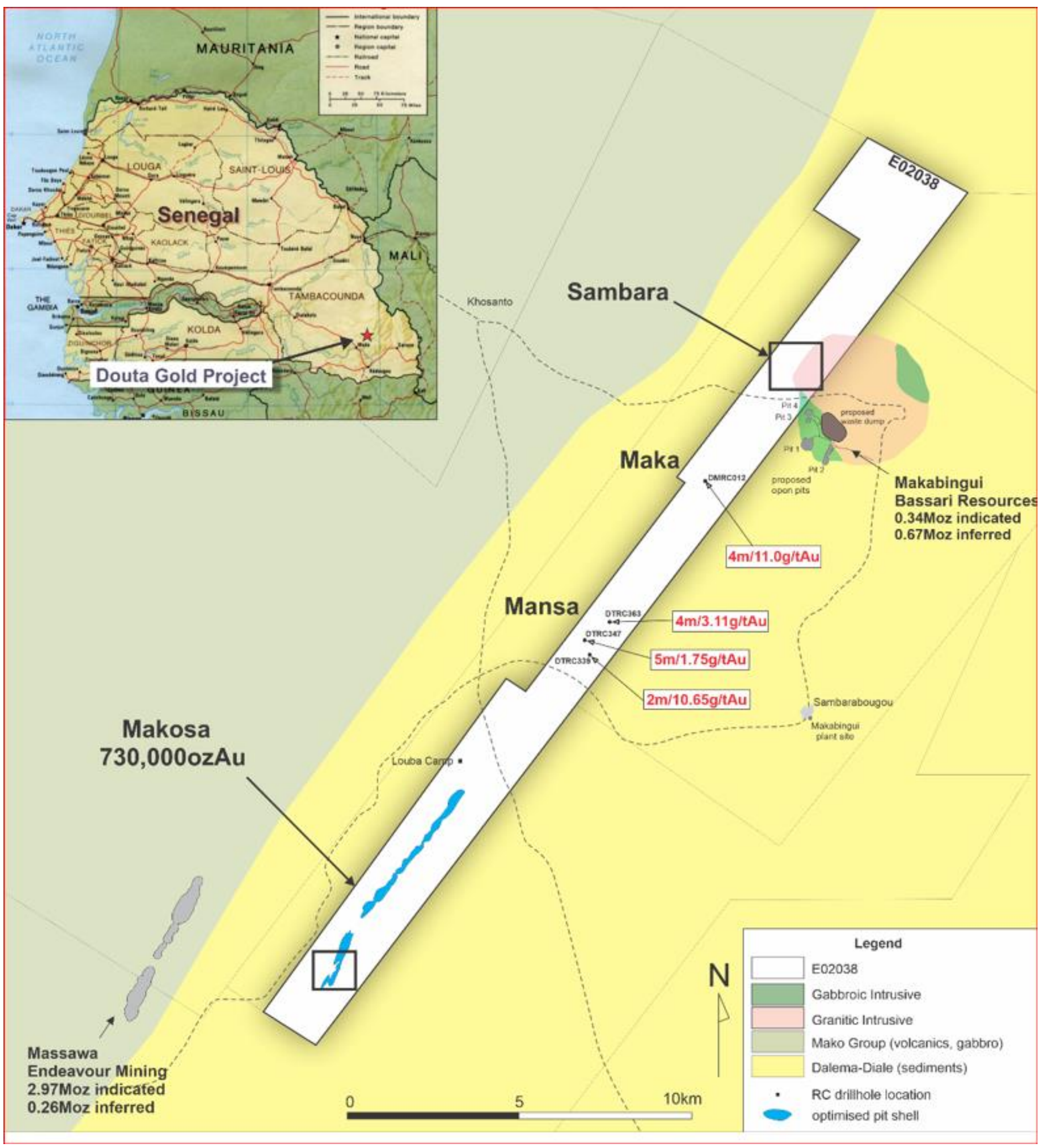

Figure 4: Douta Project Location Map

Exploration Activity

During the quarter, the main exploration work comprised the RC drilling program together with a target-generation termite geochemistry program occurred to test the Makosa East soil geochemistry anomaly.
Tables 5 and 6 summarise the exploration statistics for the quarter.

STATISTIC RC DRILLING Q3 July August September 2022									
Prospect	**Month**	**Start Date**	**End Date**	**Holes drilled**	**Samples total**	**Depth drilled**	**Sample despatched**	**Assay received**	**Assay pending/EndofMonth**
SAMBARA	July	2022-07-21	2022-07-31	11	970	824	824	0	970
	August	2022-08-01	2022-08-31	0	0	0	0	970	0
	September	2022-09-01	2022-09-30	0	0	0	0	0	
MAKOSA TAIL	July	2022-07-01	2022-07-30	4	314	267	0	0	6107
	August	2022-08-01	2022-08-31	48	4676	3986	3024	624	5483
	September	2022-09-01	2022-09-30	11	1045	940	3084	2399	3084
MAKOSA MAIN	July	2022-07-01	2022-07-30	0	0	0	0	0	
	August	2022-08-01	2022-08-31	0	0	0	0	0	
	September	2022-09-01	2022-09-30	34	3070	2670			
Q3_TOTAL				**108**	**9990**	**8687**	**6932**	**3993**	

Table 5: Douta Drilling Statistics

Geochem statistic Q3 July August September 2022									
DrillType	**MonthNo**	**Start Date**	**End Date**	**Points Status**		**Sample despatc**	**Assay received**	**Assay pending/EndofMonth**	
GEOCHEM	July	2022-07-01	2022-07-31	COMPLETE	ABANDONED				
	August	2022-08-01	2022-08-31	299				299	
	September	2022-09-01	2022-09-30						
ROCKS	July	2022-07-01	2022-07-31						
	August	2022-08-01	2022-08-31	26				26	
	September	2022-09-01	2022-09-30				299		

Table 6: Douta Geochemistry statistics

Exploration Results

Sambara

The Sambara Prospect is located 15km north-east along strike from the Makosa resource (Figure 5). Drilling targeted an anomalous zone defined by auger geochemical sampling. The area is located 2km directly north of the Makabingui group gold deposits and which collectively contain approximately 340,000ozAu in the indicated category and 670,000ozAu in the inferred category.
Drill testing of the geochemical anomaly was carried out over nine sections that were spaced at either 100m or 200m apart (Figure 5). This wide spacing was considered to be appropriate for the first phase of drill testing. Based on the positive results received, additional, closer-spaced (infill) drilling will be undertaken.

A total of 824m of RC drilling at the Sambara prospect was completed. Gold mineralisation was discovered over approximately 500m of strike. The host rock is deformed greywacke associated with smoky quartz, disseminated pyrite, sericite, and silica stockworks.

Table 7 summarises the significant results from the Sambara drilling program.

HOLE-ID	X	Y	Z	Depth (m)	Azi-muth	Dip	From (m)	To (m)	Interval (m)	Grade (g/tAu)	True Width (m)
DTRC426	187999	1451958	146	72	130	-50	65	71	6	4.80	2.5
Incl							70	71	1	0.80	0.9
DTRC431	188165	1452076	150	84	130	-50	12	18	6	4.80	3.6
DTRC491	188174	1452068	160	42	130	-60	8	10	2	6.39	1.3
DTRC492	188155	1452081	160	60	130	-60	23	26	3	1.64	1.9
DTRC493	188146	1452093	160	96	130	-60	10	11	1	3.33	0.6
And							41	42	1	2.53	0.6
And							57	63	6	2.58	3.7
Includes							59	63	4	3.32	2.3
DTRC496	188230	1452156	145	70	130	-60	8	13	5	1.12	3.2
DTRC497	188094	1452008	158	45	130	-60	15	20	5	1.74	3.1
DTRC497					130	-60	26	28	2	5.85	1.2
DTRC498	188080	1452020	163	90	130	-60	17	22	5	0.55	3.2
And							29	34	5	1.07	3.2
And							60	61	1	4.72	0.6

Table 7: Sambara Significant Results

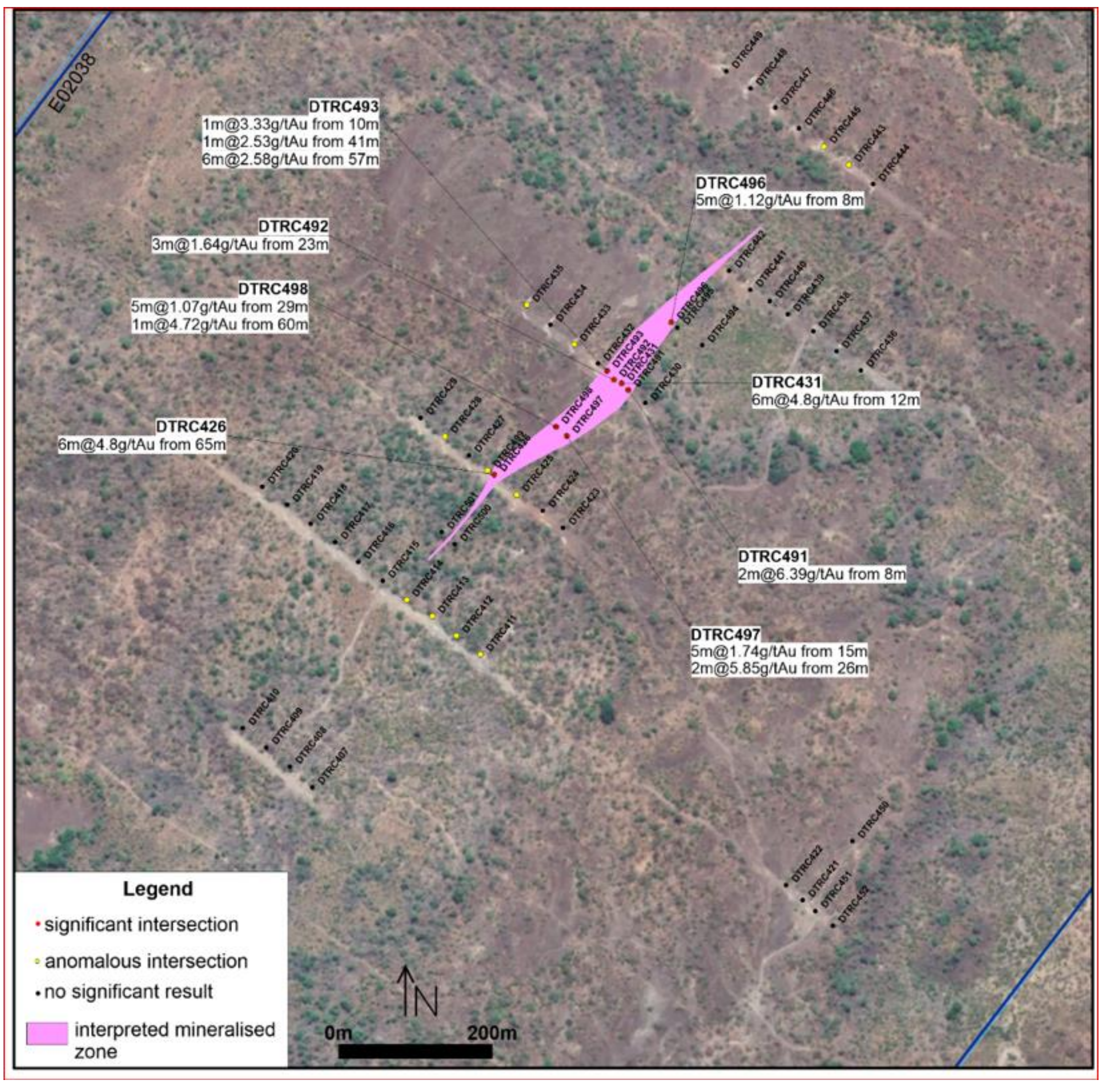

Figure 5: Sambara Drillhole Location Map

Makosa

The Makosa resource is currently classified as inferred. In August 2022, Thor commenced a program of follow up RC and diamond drilling with the objective of upgrading the higher-grade portions of the resource, that fall within the optimised pit shell, to indicated classification.

Initial results from drillholes completed at the southern extremity of the deposit include 8m at 4.77/tAu from 62m in drillhole DTRC504 (Figure 6). The significant intersections from Makosa are listed in Table 7. In addition to upgrading this part of the resource, the intersection suggests that gold mineralisation may extend to depth. Two additional drillholes (DTRC561 and DTRC562) have subsequently been drilled to test for depth extensions to this higher grade zone. Assays for these two holes are pending.

HOLE-ID	X	Y	Z	Length (m)	Azi-muth	Dip	From (m)	To (m)	Interval (m)	Grade (g/tAu)	True Width (m)
DTRC502	173909	1433683	198	70	130	-60	45	52	7	1.11	4.6
DTRC504	173926	1433729	155	80	130	-60	47	50	3	1.48	1.9
and							62	70	8	4.77	5.1
DTRC505	173877	1433642	155	72	130	-60	34	39	5	1.92	3.1
and							53	60	7	0.60	4.4
DTRC506	173898	1433630	200	30	130	-60	1	5	4	2.95	2.5
includes							1	4	3	3.29	1.8
DTRC508	174264	1434389	190	60	130	-60	19	21	2	3.12	1.2
and							47	53	6	0.51	3.7
DTRC509	174304	1434427	190	42	130	-60	38	40	2	2.84	1.2

Table 8: Makosa Significant Results

(0.5g/tAu lower cut off; maximum 2m internal dilution, minimum 2m interval)

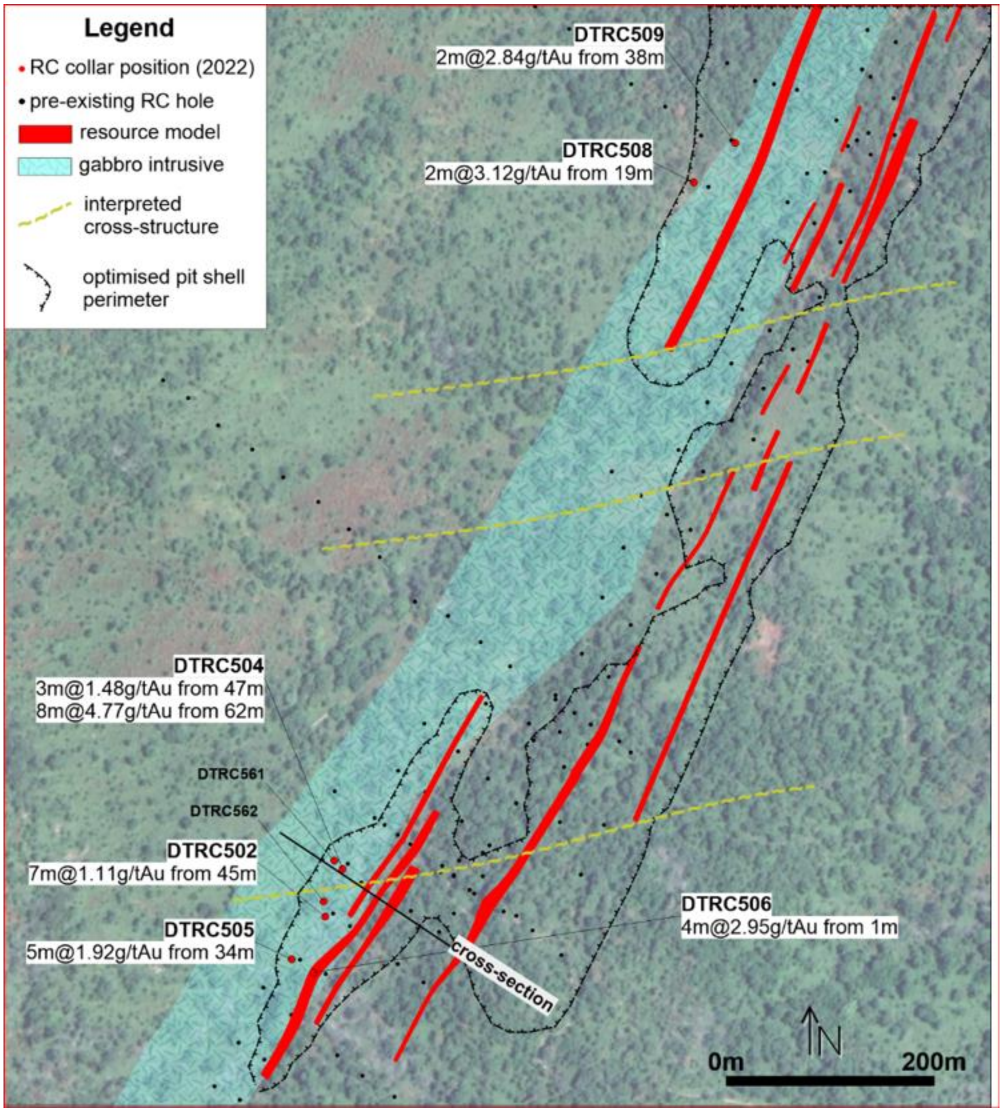

Figure 6: Makosa Drillhole Location Map

At Makosa, zones of gold mineralisation are developed either within a sheared gabbro intrusive or within a steep north-westerly dipping sequence of meta-sedimentary rocks that are close proximity to the gabbro (Figure 7). Higher grade zones or shoots are suspected to occur along east-west oriented structures that cut across the main north-east trend of the mineralisation. The potential to upgrade the resource will be assessed by ongoing infill drilling along the Makosa mineralised trend.

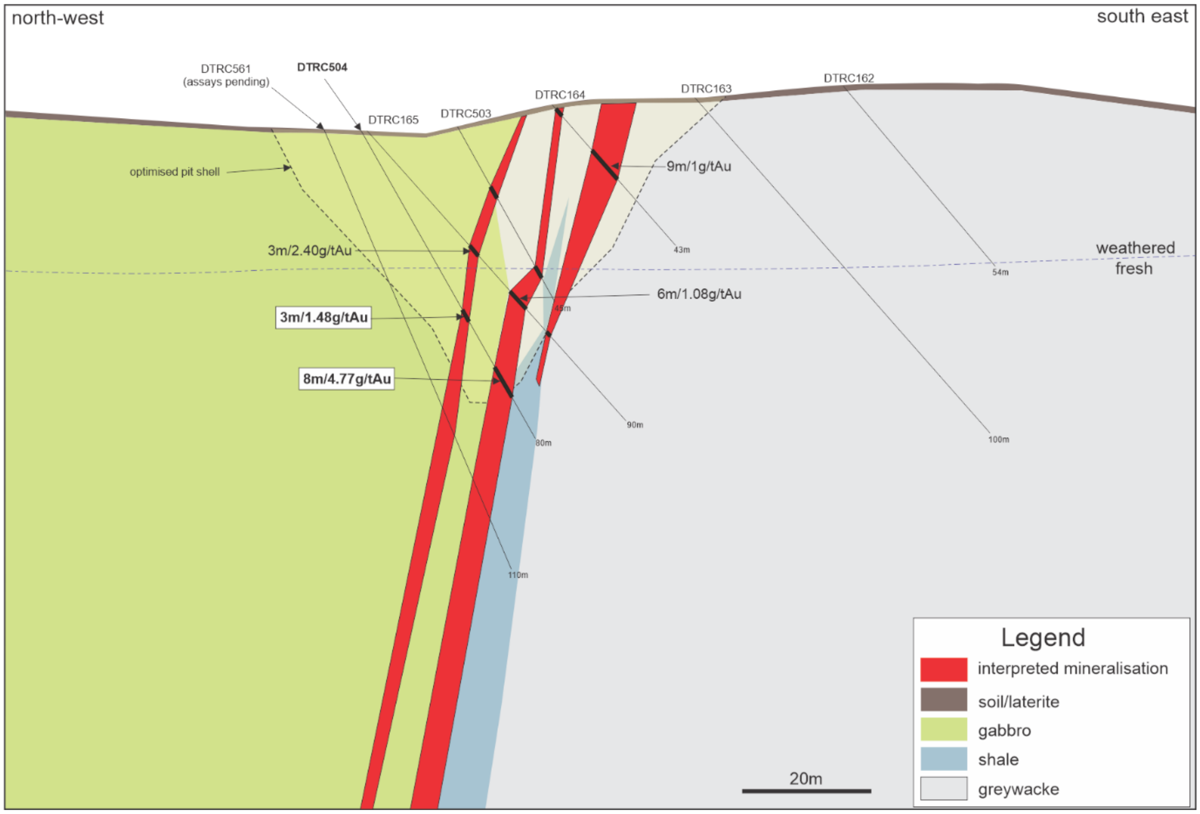

Figure 7: Makosa Cross Section

Hounde Gold Project, Burkina Faso

No exploration activities took place during the quarter.

3 NON-IFRS MEASURES

This MD&A refers to certain financial measures, such as average realized gold price, which are not recognized under IFRS and do not have a standardized meaning prescribed by IFRS. These measures may differ from those made by other companies and accordingly may not be comparable to such measures as reported by other companies. These measures have been derived from the Company's financial statements because the Company believes that, with the achievement of gold production, they are of assistance in the understanding of the results of operations and its financial position.

3.1 Average realised gold price per ounce sold

Average realized gold price is a metric used to better understand the gold price realized during a period. This is calculated as sales less treatment and refining charges, and sales agreement costs divided by gold oz sold.

Table 3.1: Average annual realised price per ounce sold

	Units	Nine months to September 30 2022	Three months to September 30, 2022	Three months to June 30, 2022	Three months to March 31, 2022
Revenues [1]	$	121,923,327	55,703,098	41,354,747	24,865,482
Deferred Income [2]	$	-	-	-	6,233,347
Gold Sales	$	121,923,327	55,703,098	41,354,747	31,098,829
Gold ounces sold	oz Au	67,617	28,787	22,172	16,658
Average realised price per ounce sold[3]	$	1,803.15	1,935.01	1,865.18	1,866.90

[1] Included in Revenues is sales of silver, which is a produced and sold as a by-product, and is not material to the calculation.

[2] Deferred income relates to 3,196 ounces of gold sales that were in transit as at March 31 2022.

[3] Impact of deferred income ounces rolled forward into three months to September 30,2022, regularized at nine months to September 30, 2022

3.2 Cash operating cost per ounce

Cash operating cost per oz sold, combined with revenues, can be used to evaluate the Company's performance and ability to generate operating income and cash flow from operating activities.

Table 3.2: Average annual cash operating cost per ounce of gold

		Nine months to September 30, 2022	Three months to September 30, 2022	Three months to June 30, 2022	Three months to March 31, 2022
Operating expenses	$	47,012,448	17,912,146	19,486,150	8,356,121
Expenses relating to deferred income [1]	$	-	-	-	2,681,819
Royalty expenses	$	2,379,110	882,093	946,252	550,765
Cash Operating costs	$	49,391,558	18,794,239	20,432,402	11,588,705
Gold ounces sold recognised in income statement	Oz Au	67,617	28,787	22,172	16,658
Cash operating cost per ounce sold	$/oz	730	653	922	771

[1]Deferred income relates to 3,196 ounces of gold sales that were in transit as at March 31 2022.

3.3 All-in sustaining cost per ounce

AISC provides information on the total cost associated with producing gold since December 1, 2021 and has been calculated on a basis consistent with historic news releases by the Company.

The Company calculates AISC as the sum of total cash operating costs (as described above), corporate social responsibility costs, treatment and refining charges, accretion of restoration provision, and sustaining capital, less silver revenue, all divided by the gold ounces sold to arrive at a per oz amount.

Other companies may calculate this measure differently as a result of differences in underlying principles and policies applied.

Table 3.3: Average annual all-in sustaining cost per ounce of gold

		Nine months to September 30, 2022	Three months to September 30, 2022	Three months to June 30, 2022	Three months to March 31, 2022
Cash operating costs	$	49,391,558	18,794,239	20,432,402	8,356,121
Treatment and refining charges	$	2,447,485	1,340,272	604,691	502,522
Sustaining capital[1]	$	9,626,085	8,246,912	160,896	1,218,277
Total all-in sustaining cost	$	61,465,128	28,381,423	21,197,989	13,309,204
Gold ounces sold	oz Au	67,617	28,787	22,172	16,658
All-in sustaining cost per ounce sold	$/oz	909	986	956	799

[1] Sustaining capital for the three months to September 30, 2022 includes capital costs relating to the TMF project ($1.7m), workshop and building construction ($461,000), process plant and mining spares and equipment ($1.3m) and reallocated mine asset costs from Q1 and Q2 into Q3.

3.4 Net Debt

Net debt is calculated as total debt adjusted for unamortized deferred financing charges less cash and cash equivalents and short-term investments at the end of the reporting period. This measure is used by management to measure the Company's debt leverage. The Company considers that in addition to conventional measures prepared in accordance with IFRS, net debt is useful to evaluate the Company's performance.

Previous quarters contained a provision for outstanding EPC invoices of $5.2 million. Following a full audit, the EPC contractor presented and the Company has accepted an additional late invoice of $4 million. Total EPC Payments due have been confirmed at $16 million.

The Net Debt reported at June 30, 2022 and March 31, 2022 have been revised to include the deferred income component which was omitted from the Net Debt calculations. The revised figures are presented in Table 3.4 below. The figure reported for Net Debt in June 30, 2022 and March 31, 2022 was $37,306,971 and $50,463,920 respectively.

Table 3.4: Net Debt

		September 30 2022	June 30 2022	March 31 2022
Project Loan	$	28,959,617	38,174,040	51,337,488
EPC Payments	$	16,025,837	11,811,515	10,992,978
Deferred EPC Facility	$	5,960,704	6,205,146	6,328,204
Deferred income adjustment	$		10,147,435	6,233,347
Less:				
Cash	$	(2,459,709)	(5,055,930)	(6,276,376)
Inventory on hand (at sales value)[1]	$	(7,690,800)	(13,827,800)	(11,918,374)
Net Debt	$	40,795,649	47,454,406	56,697,267

[1] Includes gold dore held in inventory valued at $1,700/oz.

3.5 Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)

EBITDA is calculated as the total earnings before interest, taxes, depreciation and amortisation. This measure helps management assess the operating performance of each operating unit.

Table 3.5: Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)

		Nine months to September 30, 2022	Three months to September 30, 2022	Three months to June 30, 2022	Three months to March 31, 2022
Net profit for the period	$	10,431,167	4,126,066	6,104,628	200,473
Amortisation and depreciation - owned assets	$	15,923,649	5,130,023	5,789,009	5,004,617
Amortisation and depreciation - right of use assets	$	3,477,995	1,244,005	1,075,735	1,158,255
Impairment of Exploration & Evaluation assets	$	9,581	2,360	4,520	2,701
Interest expense	$	11,351,690	3,657,827	3,935,732	3,758,131
EBITDA	$	41,194,082	14,160,281	16,909,624	10,124,177
Ounces sold[1]	oz Au	67,617	28,787	22,172	16,658
EBITDA per ounce sold	$	609	492	763	608

[1] 3,196 ounces of gold in transit at March 31, 2022 were adjusted for between Q1 and Q2 sales.

4 SUBSEQUENT EVENTS

There are no material subsequent events to report.

5 OUTLOOK AND UPCOMING MILESTONES

This Section 5 of the MD&A contains forward looking information as defined by National Instrument 51-102. Refer to Section 16 of this MD&A for further information on forward looking statements.

We are focussed on advancing the Company's strategic objectives and near-term milestones which include:

- Maintain our rigorous health and safety protocols
- 2022 Operational Guidance and Outlook

Gold Production	oz	90,000-100,000
All-in Sustaining Cost ("AISC")	US$/oz Au sold	$850 - $950
Capital Expenditure[1]	US$	23,500,000
Exploration Expenditure:		
Nigeria[2]	US$	4,200,000
Senegal	US$	3,000,000

1 The increase in guidance from Q2 is due to the additional provision for the EPC contract ($9m), and purchase of additional mining equipment ($4.5m) not included in previous guidance.
2 This includes purchase of licenses and near mine exploration

- The critical factors that influence whether Segilola can achieve these targets include:
  - Segilola's ability to maintain an adequate supply of consumables (in particular ammonium nitrate, flux and cyanide) and equipment, particularly if there is any resurgence in the COVID-19 pandemic
  - Fluctuations in the price of key consumables, in particular ammonium nitrate, and diesel
  - Segilola's workforce remaining healthy
  - Continuing to receive full and on-time payment for gold sales
  - Continuing to be able to make local and international payments in the ordinary course of business

- Continue to advance the Douta project towards preliminary feasibility study ("PFS")
- Continue to advance exploration programmes across the portfolio:
  - Segilola near mine exploration
  - Segilola underground project
  - Segilola regional exploration programme
  - Douta extension programme
  - Douta infill programme
  - Assess regional potential targets in Nigeria

6 SUMMARY OF QUARTERLY RESULTS

The table below sets forth selected results of operations for the Company's eight most recently completed quarters.

Table 6.1: Summary of quarterly results

$	2022 Q3 Sep 30	2022 Q2 Jun 30	2022 Q1 Mar 31	2021 Q4 Dec 31
Revenues	55,703,098	41,354,747	24,865,482	6,205,345
Net profit/(loss) for period	4,126,066	6,163,942	200,473	2,665,653
Basic and fully diluted profit/(loss) per share (cents)	0.016	0.01	0.00	0.40

$	2021 Q3 Sep 30	2021 Q2 Jun 30	2021 Q1 Mar 31	2020 Q4 Dec 31
Revenues	-	-	-	-
Net profit/(loss) for period	463,844	(5,582,090)	(67,365)	(1,560,694)
Basic and fully diluted profit/(loss) per share (cents)	(0.001)	(0.90)	(0.05)	(0.25)

7 RESULTS FOR NINE MONTHS ENDED SEPTEMBER 30, 2022

The review of the results of operations should be read in conjunction with the Company's Consolidated Financial Statements and notes thereto.

The Company reported a net profit of $10,431,167 ($0.016 profit per share) for the nine months to September 30, 2022, as compared to a net loss of ($4,644,514 ($0.007 loss per share) for the nine months ended September 30, 2021. The move to profit for the nine months was largely due to:

- sales to Q3 2022 of $121,923,327 2021 (nil);
- foreign exchange gains of $8,043,758 from loss of $967,679 for the same period in 2021

These were offset partially by:

- Amortisation and depreciation of $19,401,644; and
- Interest of $11,351,690

The Company recorded sales revenue of $121,923,327 for the nine months ended September 30, 2022, and $nil for the nine months to September 30,2021. No interest was earned during the nine months ended September 30, 2022, and 2021.

8 LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2022, the Company had cash of $2,459,709, and 2,226 ounces of gold dore in inventory to be sold, and a working capital deficit of ($35,592,984).

The increase in cash from December 31, 2021 (cash of $1,276,270) is due mainly to gold sales revenue of $121,923,327, offset by instalment payments on the loan facility of $27,388,729, the purchase of property plant and equipment of $9,575,425 and operational costs and corporate overheads of $89,111,233. This cash expenditure was financed by operational cashflow and existing cash balances.

The EPC Contractor has confirmed that it will continue to support the Company by extending the payment period of the final EPC invoices and has acknowledged that the Company will make payment of the final EPC invoices from available cashflow.

8.1 Working Capital Calculation

The Working Capital Calculation excludes $9,891,530 of gold stream liabilities, and $3,492,023 in third party royalties included in current accounts payable, that are contingent upon the achievement of the revised gold sales forecast of 90,000-100,000 ounces for the year ending December 31, 2022.
Included in working capital, in Accounts payable and accrued liabilities, is a balance of $16,025,837 due to our EPC contractors. The EPC Contractor and the Company have agreed to make payment of the final EPC invoices from available cashflow before June 30, 2023.

Table 8.1: Working Capital

		September 30 2022	June 30 2022	March 31 2022
Current Assets				
Cash and Restricted Cash	$	2,459,709	5,055,930	6,276,376
Inventory	$	11,581,051	24,046,025	16,534,943
Less expenses related to Deferred Income	$		(6,556,648)	(2,681,819)
Amounts receivable, prepaid expenses, advances and deposits	$	3,758,295	2,667,106	1,110,095
Total Current Assets for Working Capital	$	17,799,055	25,212,413	21,239,595
Current Liabilities				
Accounts Payable and accrued liabilities	$	48,670,354	39,128,410	31,834,095
Lease Liabilities	$	4,766,383	4,007,843	4,854,714
Gold Stream Liability	$	9,891,530	11,753,417	12,889,957
Loan and other borrowings	$	3,447,325	15,779,820	28,441,348
	$	66,775,592	70,610,992	78,020,114
less: Current Liabilities contingent upon future gold sales	$	(13,383,553)	(16,608,385)	(18,268,990)
Total Current Liabilities for Working Capital	$	53,392,039	54,061,105	59,751,124

8.2 Inventory

Gold inventory is recognised in the ore stockpiles and in production inventory, comprised principally of ore stockpile and doré at site or in transit to the refinery, with a component of gold-in-circuit.

Table 8.2: Inventory

		September 30 2022	June 30 2022	March 31 2022
Plant spares and consumables	$	2,285,788	3,071,586	1,513,438
Gold ore in stockpile	$	5,801,769	9,728,233	4,203,827
Gold in circuit	$	1,774,547	2,457,696	2,581,292
Gold dore [1]	$	1,718,947	8,788,510	8,236,386
Total assets measured at amortised cost	$	11,581,051	24,046,025	16,534,943

1:Gold dore is valued at cost ($772/oz), which comprises production cost, depreciation and amortisation.

8.3 Liquidity and Capital Resources

The Company has generated strong operating cash flow during Q3 2022 and expects to continue to do so based on its production and AISC guidance. This strong operating cash flow will support debt repayments, regional exploration and underground expansion drilling at Segilola, planned capital expenditures and corporate overhead costs.

9 FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Group's financial instruments consist of cash, restricted cash, amounts receivable, accounts payable, accrued liabilities, gold stream liability, loans and other borrowings and lease liabilities.

9.1 Fair value of financial assets and liabilities

Fair values have been determined for measurement and/or disclosure purposes. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The carrying amount for cash, restricted cash, amounts receivable, and accounts payable, accrued liabilities, loans and borrowings and lease liabilities on the statement of financial position approximate their fair value because of the limited term of these instruments.

9.2 Financial risk management objectives and policies

The Group has exposure to the following risks from its use of financial instruments

- Interest rate risk
- Credit risk
- Liquidity and funding risk
- Market risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these consolidated financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in these notes.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

9.3 Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

Table 9.3: Financial instruments by category

		September 30, 2022			December 31, 2022		
		Measured at amortised cost	Measured at fair value through profit and loss	Total	Measured at amortised cost	Measured at fair value through profit and loss	Total
Assets							
Cash and cash equivalents	$	2,459,709	-	2,459,709	1,276,270	-	1,276,270
Restricted cash	$	-	-	-	3,495,992		3,495,992
Amounts receivable	$	466,575	-	466,575	237,651	-	237,651
Total assets	**$**	**2,926,284**	**-**	**2,926,284**	**5,009,913**	**-**	**5,009,913**
Liabilities							
Accounts payable and accrued liabilities	$	35,932,348	3,492,023	39,424,371	33,284,701	7,106,979	40,391,680
Loans and borrowings	$	24,755,464	-	24,755,464	53,738,603	-	53,738,603
Gold stream liability	$	-	26,666,164	26,666,164	-	30,262,279	30,262,279
Lease liabilities	$	16,294,573	**-**	16,294,573	18,274,374	**-**	**18,274,374**
Total liabilities	**$**	**76,982,385**	**30,158,187**	**107,140,572**	**105,297,678**	**37,369,258**	**142,666,936**

9.4 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash is held in business accounts and are available on demand with the exception of restricted cash which is only available to be applied against the cost of the construction of the Segilola Gold Mine until construction is completed, at which point it will then be available on demand.

In the normal course of business, the Company enters into contracts and performs business activities that give rise to commitments for future minimum payments.

The following table summarizes the Company's significant remaining contractual maturities for financial liabilities at September 30, 2022, and December 31, 2021.

Table 9.4: Contractual maturity analysis

Contractual maturity analysis as at September 30, 2022

	Less than 3 months $	3 – 12 Months $	1 – 5 Year $	Longer than 5 years $	Total $
Accounts payable and accrued liabilities	46,182,842	2,487,512		-	48,670,354
Gold stream liabilities	2,383,071	9,891,530	16,774,634		29,049,235
Loans and borrowings	95,137	345,524	24,314,803	-	24,755,464
	48,661,050	**12,724,566**	**41,089,437**	**-**	**102,475,053**

Contractual maturity analysis as at December 31, 2021

	Less than 3 months $	3 – 12 Months $	1 – 5 Year $	Longer than 5 years $	Total $
Accounts payable and accrued liabilities	33,959,553	4,862,676	1,952,408	-	40,774,637
Gold stream liabilities	2,237,631	10,614,896	33,955,921		46,808,448
Loans and borrowings	1,984,714	26,031,054	32,400,920	-	60,416,688
	38,181,898	**41,508,625**	**68,309,249**	**-**	**147,999,772**

9.5 Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Group's income and operating cash flows will be impacted by changes in market interest rates as the Group's secured loans from the AFC incurs Interest at LIBOR plus 9% (Refer to Note 12 of the 2021 Audited Financial Statements). The Group's management monitors the interest rate fluctuations on a continuous basis and assesses the impact of interest rate fluctuations on the Group's cash position, and acts to ensure that sufficient cash reserves are maintained in order to meet interest payment obligations.

9.6 Credit risk

Credit risk is the risk of an unexpected loss if a counterparty to a financial instrument fails to meet its contractual obligations. The credit risk associated with cash and receivables is believed to be minimal.

Cash consists of cash on deposit in Canadian, UK, Mauritian, Nigerian, and Senegalese Chartered banks that are believed to be creditworthy.

9.7 Market risk

The Company is subject to normal market risks including fluctuations in foreign exchange rates and interest rates.

9.8 Foreign currency risk

The Company's primary operations are in Nigeria and Senegal. Revenues generated and expenditures incurred are primarily denominated in United States Dollars, as are its loan facilities.

Although the Company does not enter into derivative financial instruments to manage its exposure, the Company tries to manage this risk by maintaining most of its cash in United States dollars.

10 RELATED PARTY DISCLOSURES

10.1 Trading transactions

The Africa Finance Corporation ("AFC") is deemed to be a related party given the size of its shareholding in the Company. There have been no other transactions with the AFC other than the Gold Stream liability as disclosed in Note 11, and the secured loan as disclosed in Note 12 of the 2021 Audited Financial Statements.

10.2 Compensation of key management personnel

There are no other related party disclosures other than those disclosed in the Company's Unaudited Financial Statements and notes thereto for the quarter ended September 30, 2022.

11 OFF–BALANCE SHEET ARRANGEMENTS

The Company is not committed to any material off-balance sheet arrangements.

12 PROPOSED TRANSACTIONS

Except as otherwise noted, the Company does not have any other material proposed transactions.

13 CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

13.1 Application of new and revised International Financial Reporting Standards

There were no other new standards or interpretations effective for the first time for periods beginning on or after January 1, 2022, that had a significant effect on the Group's financial statements.

13.2 Future accounting pronouncements

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods and which the Group has decided not to adopt early. None of these are expected to have a significant effect on the Group, in particular:

IFRS 17 – Insurance contracts	January 1, 2023
Amendments to IAS 1 – Classification of Liabilities as Current or Non-current	January 1, 2023

Amendments to IFRS 3 Reference to the Conceptual Framework	January 1, 2022
Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract	January 1, 2022
Annual Improvements to IFRS Standards 2018-2020 Cycle – Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture	January 1, 2022

There are no other standards issued by IASB, but not yet effective, that are expected to have a material impact of the Group.

14 DISCLOSURE OF OUTSTANDING SHARE DATA

As at the date of this MD&A, there were 641,897,009 common shares issued and outstanding stock options to purchase a total of 36,840,000 common shares.

Authorized Common Shares

Table 14.1: Common shares issued

	September 30, 2022	June 30, 2022
Common shares issued	641,897,009	641,897,009

Warrants

There were no warrants that were outstanding at September 30, 2022, and as at the date of this report.

During the quarter ended September 30, 2022, no warrants were issued.

During the year ended December 31, 2018, 44,453,335 warrants were issued to subscribers as a part of the private placement ("closing options") that closed on August 31, 2018. These warrants were issued with an exercise price of $0.28 per share with an exercise period of three years from the date of closing. In addition, the Company issued a total of 1,497,867 broker warrants plus 166,667 broker warrants as an advisory fee, each broker warrant being exercisable for a common share at C$0.18 for a period of three years from the date the closing options were issued.

During the three months ended June 30, 2021, 1,664,534 broker warrants were exercised and converted into common shares at C$0.18 each.

During the three months ended September 30, 2021, 8,287,500 placement warrants were exercised and converted into common shares at C$0.28 each, and 36,165,835 placement warrants expired during the period ended September 30, 2021.

Stock Options

The number of stock options that were outstanding and the remaining contractual lives of the options at September 30, 2022, were as follows.

Table 14.2: Options outstanding

Exercise Price	Number Outstanding	Weighted Average Remaining Contractual Life	Expiry Date
C$0.145	12,800,000	0.45	March 12, 2023
C$0.140	750,000	1.01	October 5, 2023
C$0.200	14,040,000	2.30	January 16, 2025
Total	27,590,000		

The Company has granted employees, consultants, directors and officers share purchase options. These options were granted pursuant to the Company's stock option plan.

No options were issued during the nine month period ended September 30, 2022, and a total of 9,539,000 options were exercised at a price of C$0.12 each.

During the year ended December 31, 2020, 14,250,000 options were issued. During the year ended December 31, 2019, no options were issued. During the year ended December 31, 2018, 13,550,000 options were issued, and during the year ended December 31, 2017, 10,250,000 options were issued. No options expired during the year ended December 31, 2020, or the year ended December 31, 2019.

Under the Company's Omnibus Incentive Plan approved by shareholder on December 17, 2021, 44,900,000 common shares of the Company are reserved for issuance upon exercise of options or other securities.

15 RISKS AND UNCERTAINTIES

The following discussion summarizes the principal risk factors that apply to the Company's business and that may have a material adverse effect on the Company's business, financial condition and results of operations, or the trading price of the Common Shares.

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. The primary risk factors affecting the Company are set forth below and the risks discussed below should not be considered as all inclusive.

15.1 Exploration, Development and Operating Risks

Mineral exploration and development operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of gold, base metals and other minerals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability.

The Company's activities are directed towards the search for, evaluation of, and development of mineral deposits. There is no certainty that the expenditures to be made by the Company will result in discoveries of commercial quantities of minerals. There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other interests, many of which have greater financial resources than the Company has for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts.

Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

15.2 Production Risk

The Company's ability to meet development and production schedules, and cost estimates for the Segilola Gold Mine cannot be assured. The Company has prepared estimates of capital costs and/or operating costs for the Segilola Gold Mine, but no assurance can be given that such estimates will be achieved. Underperformance of the process plant, failure to achieve cost estimates, or material increases in costs could have an adverse impact in future cash flows, profitability, results of operations, and the financial condition of the Company. The Company's primary sources of liquidity include its existing cash balance and its anticipated cash flows from its Segilola Gold Mine operations.

It is likely that actual results and/or costs for our projects will differ from our current estimates and assumptions, and these differences may be material. In addition, experience from actual mining or processing operations may identify new or unexpected conditions that could reduce production below, and/or increase capital and/or operating costs above, current estimates. If actual results are less favourable than we currently estimate, our business, results of operations, financial condition and liquidity could be materially adversely impacted.

In addition, the Company's production estimates and plans are subject to risks inherent in the mining industry including the risks described in this section, the occurrence of which could cause any such production forecasts and estimates to be materially inaccurate. The Company cannot give any assurance that it will achieve its production estimates. The Company's failure to achieve its production estimates could have a material and adverse effect on the Company's future cash flows, results of operations, production cost, financial conditions and prospects. The plans are developed based on assumptions regarding, among other things, mining experience, reserve estimates, assumptions regarding ground conditions, hydrologic conditions and physical characteristics of ores (such as hardness and presence or absence of certain metallurgical characteristics) and estimated rates and costs of production. Actual production may vary from estimates for a variety of reasons, including, but not limited to, the risks and hazards of the types discussed above, and as set out below:

- equipment failures;
- shortages of principal supplies needed for operations;
- natural phenomena such as inclement weather conditions, floods, droughts, rockslides and earthquakes;
- accidents;
- mining dilution;
- encountering unusual or unexpected geological conditions;
- changes in power costs and potential power shortages;
- strikes and other actions by labour; and
- regulatory restrictions imposed by government agencies.

Such occurrences could, in addition to stopping or delaying gold production, result in damage to mineral properties, injury or death to persons, damage to the Company's property or the property of others, monetary losses and legal liabilities. These factors may also cause a mineral deposit that has been mined profitably in the past to become unprofitable. Estimates of production from properties not yet in production or from operations that are to be expanded are based on similar factors (including, in some instances, feasibility, scoping or other studies prepared by the Company's personnel and outside consultants) but it is possible that actual operating costs and economic returns will differ significantly from those currently estimated. It is not unusual in new mining operations or mine expansion to experience unexpected problems during the start-up phase. Delays often can occur in the commencement of production.

15.3 Land Title

Title insurance generally is not available, and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions from time to time may be severely constrained. In addition, unless the Company conducts surveys of the claims in which it holds direct or indirect interests, the precise area and location of such claims may be in doubt. In addition, such mineral properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects.

The Company has obtained title reports from Nigerian legal counsel with respect to the Segilola Gold Project, Senegal legal counsel with respect to the Douta Gold Project and from Burkina Faso counsel with respect to the Central Houndé Project, but this should not be construed as a guarantee of title. Other parties may dispute title to any of the Company's mineral properties and any of the Company's properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected encumbrances of defects or governmental actions.

In addition, the Company may be unable to operate its properties as permitted or to enforce its rights with respects to its properties.

15.4 Political Risks

Future political actions cannot be predicted and may adversely affect the Company. Changes, if any, in mining or investment policies or shifts in political attitude in the countries in which the Company holds property interests in the future may adversely affect the Company's business, results of operations and financial condition. Future operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the Company's consolidated business, results of operations and financial condition.

15.5 Government Regulation

The mineral exploration and development activities which may be undertaken by the Company may be subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters.

Exploration and development activities may also be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploration and production, price controls, export controls, currency availability, foreign exchange controls, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, limitations on foreign ownership, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on repatriation of income and return of capital, limitations on mineral exports, high rates of inflation, increased financing costs, and site safety. This may affect both the Company's ability to undertake exploration and development activities in respect of its properties, as well as its ability to explore and operate those properties in which it currently holds an interest or in respect of which it obtains exploration and/or development rights in the future.

No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail development or future potential production. Amendments to current laws and regulations governing operations and activities of mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Company.

15.6 Permitting

The Company's operations may be subject to receiving and maintaining permits from appropriate governmental authorities. There is no assurance that delays will not occur in connection with obtaining all necessary renewals of such permits for future operations. Management of the Company believes it has received the necessary permits for the current operations. Prior to any development on any properties, the Company must receive permits from appropriate governmental authorities. There can be no assurance that the Company will obtain and/or continue to hold all permits necessary to develop or continue operating at any particular property. See also "Exploration, Development and Operating Risks" above.

The Properties are the only material properties of the Company. Any material adverse development affecting the progress of the Properties, in particular the Segilola Property, will have a material adverse effect on the Company's financial condition and results of operations.

If the Company loses or abandons its interest in its Properties, there is no assurance that it will be able to acquire another mineral property of merit, whether by way of direct acquisition, option or otherwise.

15.7 Environmental Risks and Hazards

All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates and will be subject to environmental regulation in the jurisdictions in which it will operate in the future. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties in which the Company holds interests from time to time which are unknown to the Company, and which have been caused by previous or existing owners or operators of the properties. Government approvals and permits may in the future be required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from proceeding with planned exploration, production or development activities.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses or capital expenditures or require abandonment or delays in development of new properties.

15.8 Foreign Currency Exchange Rates

Fluctuations in currency exchange rates, principally Nigerian Naira, West African CFA franc, British pound, US dollar and Australian dollar exchange rate and, to a lesser extent, other exchange rates, can impact the Company's earnings and cash flows. Certain of the Company's obligations and operating expenses may from time to time be denominated in Nigerian Naira, West African CFA franc, British pound and US dollar. If the value of the Nigerian Naira, West African CFA franc, British pound and US dollar increases relative to the Canadian dollar, the Company's results of operations, financial condition and liquidity could be materially adversely affected.

15.9 Insurance and Uninsured Risks

The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays, monetary losses and possible legal liability.

The Company currently only maintains nominal liability insurance. The Company may also be unable to maintain insurance to cover certain risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mineral exploration industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

15.10 Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

Management of the Company believes that the infrastructure in Nigeria, Senegal and Burkina Faso is comparable to those in any remote mining location located in other parts of the world.

15.11 Competition may hinder Corporate growth

The mining industry is competitive in all of its phases. The Company faces strong competition from other mining companies in connection with the acquisition of properties producing, or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than the Company. As a result of this competition, the Company may be unable to acquire or maintain attractive mineral exploration properties on terms it considers acceptable or at all. Consequently, the Company's operations and financial condition could be materially adversely affected.

15.12 Additional Capital

The development of the Company's properties may require additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development or production on any or all of the Company's properties from time to time, or even a loss of property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company.

15.13 Gold Price

The Company is subject to commodity price risk from fluctuations in the market prices of gold. Commodity price risks are affected by many factors that are outside the Company's control including global or regional consumption patterns, the supply of and demand for metals, speculative activities, the availability and costs of substitutes, inflation, and political and economic conditions.

The financial instruments impacted by commodity prices are a portion of the trade receivables, the offtake obligation (a derivative liability) and the stream obligation, which are accounted for at fair value through profit or loss, are impacted by fluctuations of commodity prices.

15.14 Dependence on Key Personnel

The Company's success depends to a degree upon certain key members of the management. Those individuals have developed important government and industry relationships; they have historic knowledge of the Properties which is not recorded in tangible form or shared through data rooms; and they have extensive experience of operating in Nigeria. They are a significant factor in the Company's growth and success. The loss of such individuals could result in delays in developing the Properties and have a material adverse effect on the Company.

The Company does not currently have key man insurance in place in respect of any of its directors or officers. Recruiting and retaining qualified personnel is critical to the Company's success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. To manage its growth, the Company may have to attract and retain additional highly qualified management, financial and technical personnel and continue to implement and improve operational, financial and management information systems. Although the Company believes that it will be successful in attracting and retaining qualified personnel, there can be no assurance of such success.

15.15 Dependence on third party services

The Company will rely on products and services provided by third parties. If there is any interruption to the products or services provided by such third parties, the Company may be unable to find adequate replacement services on a timely basis or at all.

The Company is unable to predict the risk of insolvency or other managerial failure by any of the contractors or other service providers currently or in the future used by the Company in its activities.

Any of the foregoing may have a material adverse effect on the results of operations or the financial condition of the Company. In addition, the termination of these arrangements, if not replaced on similar terms, could have a material adverse effect on the results of operations or the financial condition of the Company.

15.16 External contractors and sub-contractors

When the world mining industry is buoyant there is increased competition for the services of suitably qualified and/or experienced sub-contractors, such as mining and drilling contractors, assay laboratories, metallurgical test work facilities and other providers of engineering, project management and mineral processing services.

As a result, the Company may experience difficulties in sourcing and retaining the services of suitably qualified and/or experienced sub-contractors, and the Company may find this more challenging given its Nigerian operations with most third-party service providers located in other countries. The loss or diminution in the services of suitably qualified and/or experienced sub-contractors or an inability to source or retain necessary sub-contractors or their failure to properly perform their services could have a material and adverse effect on the Company's business, results of operations, financial condition and prospects.

15.17 Covid-19

The COVID-19 pandemic continued in 2021 and has had a significant impact on businesses through restrictions put in place by governments around the world including the jurisdictions in which we conduct our business. Over the last two years, aspects of the Company's operations have been impacted by COVID-19 for a variety of reasons, such as government and other restrictions on transportation and the mobility of personnel and mandatory quarantine periods and border closures.

As of the date of this MD&A, it is not possible to determine the extent of the impact that this pandemic will have on our activities as the impacts will depend on future developments which themselves are uncertain and cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, its extent and intensity, the duration of the outbreak, and possible government, societal, and individual responses to the situation.

Possible impacts of the continuing or worsening spread of COVID-19, including new variants of the virus, may include mandated or voluntary closures of operations, illness among the Company's workforce, restricted mobility of personnel, interruptions in the Company's logistics and supply chain, delay at or closure of the Company's refining and smelting service providers and global travel restrictions, all of which could disrupt the Company's operations and negatively impact its financial performance.

15.18 Market Price of Common Shares

Securities of publicly listed mineral resource companies can be subject to substantial volatility, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America, China and globally and market perceptions of the attractiveness of particular industries. The Company's share price is also likely to be significantly affected by short term changes in the price or in its financial condition or results of operations as reflected in its quarterly earnings reports. Other factors unrelated to the Company's performance that may have an effect on the price of the Common Shares include the following: the extent of analytical coverage available to investors concerning the Company's business may be limited if investment banks with research capabilities do not continue to follow the Company; lessening in trading volume and general market interest in the Company's securities may affect an investor's ability to trade significant numbers of Common Shares; the size of the Company's public float may limit the ability of some institutions to invest in the Company's securities; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Company's securities to be delisted from the exchange on which they trade, further reducing market liquidity.

As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect the Company's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

15.19 Future Sales of Common Shares by Existing Shareholders

Sales of a large number of Common Shares in the public market, or the potential for such sales, could decrease the trading price of the Common Shares and could impact the Company's ability to raise capital through future sales of Common Shares.

15.20 Conflict of Interest

Certain of the directors and officers of the Company also serve as directors and/or officers of other Companies involved in mining and/or natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interest of the Company and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth under applicable laws.

16 CAUTIONARY NOTES

16.1 Caution Regarding Forward-Looking Information:

Certain information contained in this MD&A constitutes forward-looking information, which is information relating to future events or the Company's future performance and which is inherently uncertain. All information other than statements of historical fact may be forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking information contained in this MD&A includes, but is not limited to, the Company's expectations regarding its future work capital requirements, including its ability to satisfy such requirements, the exposure of its financial instruments to various risks and its ability to manage those risks.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Company believes the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct, and readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A.

The forward-looking information contained in this MD&A are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law. All of the forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.