MANAGEMENT DISCUSSION & ANALYSIS

for the year ended December 31, 2022

THOR EXPLORATIONS LTD

Amount in United State Dollars

Beyond Exploration, we are
Socially Responsible
Value & Sustainability Driven

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).

TABLE OF CONTENTS

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 and year ended December 31, 2022. These audited 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 May 1, 2023.

CHAIRMAN'S **STATEMENT**

Adrian **COATES**

We are extremely pleased to have completed our first full calendar year as a commercial gold producer, with the 98,006 ounces produced during the year being at the top end of the Company's Full Year 2022 guidance. This progress has seen the Company transition from an explorer, to a developer and ultimately a gold producer, building and successfully operating Nigeria's first large scale commercial gold mine within a five year period. This required significant effort from a large number of people from our various stakeholders and the Board wishes to express its thanks to everyone involved.

This year saw a highly regrettable loss of life. We were sorry to suffer a fatal injury incident leading to the tragic death of Mr Muyideen Adegboyega. Our condolences go out to his family and friends. Following this tragic incident, the Company has put into place additional measures that ensure the safety of anyone working or otherwise affected by the Segilola Project, including the ongoing work towards achieving ISO45001. Environmental, Social and Governance ("ESG") was at the heart of our business in 2022. Engagement with local stakeholders happened at all levels, from national government through to local communities. This remains a priority for the Company.

Community development projects have made significant progress throughout the year. We have commenced livelihood restoration programmes in the form of fish farms and market gardens. By funding and assisting with the construction of these projects, providing necessary equipment, maintenance materials and training, the communities are now presented with cash-positive projects that can produce goods to sell at local markets and to the Segilola mine. We have also commissioned and supervised various community youth programmes and skills training workshops throughout the year that focussed on developing and enhancing transferable skills.

2022 has been a year where the company has consolidated itself as an operator. Production for the first full year of operations has been commendable, with an achievement of over 98,000 ounces. We also continued to advance exploration in Nigeria and Senegal, and look forward to accelerating exploration in both countries in 2023.

I would like to thank all our shareholders who have been supportive through our transition. We believe we have created a strong foundation to deliver further value in the coming years and look forward to 2023.

Adrian COATES
Chairman

THOR EXPLORATIONS LTD

CEO'S STATEMENT

Segun **LAWSON**

2022 proved to be a year of significant milestones for Thor. The Company officially declared commercial production from its Segilola Gold Mine on 1 January 2022 and after this, successfully produced 98,006 ounces by the end of the year. This was a successful year in terms of gold production; however, the year was not without its challenges. Global supply chain shortages following the COVID-19 pandemic persisted, resulting in materially increased prices of essential consumables and supplies such as ammonium nitrate, diesel and spare parts contributing to a higher than budget AISC for the Segilola Gold Mine of US$1,091 per ounce. Despite these challenges, we were able to demonstrate operational efficiency, resulting in positive cash flows and a maiden annual operating profit of US$40 million and net profit of US$25.4 million.

In the full year 2022, Segilola produced 98,006 ounces and sold 92,489 ounces of gold with an average gold price sold of US$1,767 per ounce. Significantly, our senior debt facility was reduced from US$54 million to US$28.4 million as at December 31, 2022.

I reiterate the comments of our Chairman and also extend my condolences to the friends and family of Mr Muyideen Adegboyega, who was tragically killed. A thorough Incident Investigation was undertaken (in line with company procedures) with senior managers involved as well as the Ministry of Mines and Steel Development as is standard practice. The lessons learnt from this fatality triggered immediate and long-lasting actions to prevent the reoccurrence of such an event, to improve protection of SROL and Project staff and to protect and respect local community resident's health, safety and security.

Our focus turns to achieving global best practice in health and safety with ESG continuing to be a priority for the Company. We continue to be extremely proud of our community engagement and throughout the period we invested heavily in a number of long-term initiatives, specifically in the areas of food and agriculture, health, education, water and sanitation and local economic development.

The Company also completed a successful year of exploration at the Douta Project in Senegal. This project continues to be of high priority for the Company and is well positioned to deliver significant value to our shareholders. During the year, the major activity carried out was a 26,000 metre exploration drilling program which was successful and culminated in the announcement of a 144% resource increase post the period end. We look forward to completing a preliminary feasibility study of the Douta Project in 2023.

I would like to finish by saying we are proud of our first calendar year as a producer, achieving the top end of our guidance. We are now very well positioned to grow the company and continue its evolution through exploration whilst continuing to deliver further on gold production and generation of strong cash flow. I would like to thank our entire team of incredible employees for their commitment and tireless work during the year without whom we would be unable to operate. We look forward to the years ahead and growing Thor into a sustainable, multi- asset, mining company.

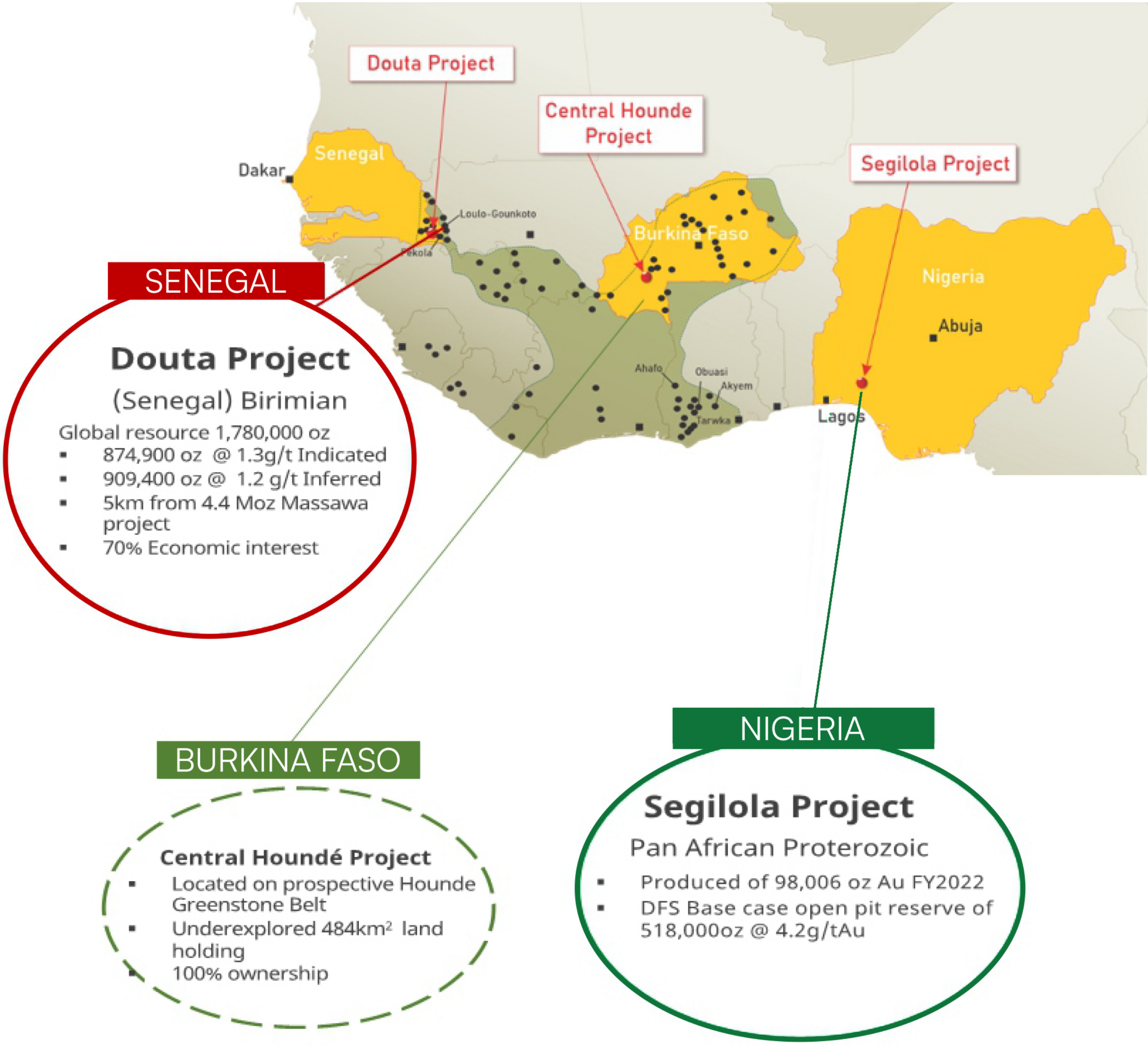
Segun LAWSON
Chief Executive Officer

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 also 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 — FOURTH QUARTER 2022 AND YEAR EDNED DECEMBER 31, 2022

Operating results remained in line with expectation for the quarter and the year highlighted by the selling of 92,489 ounces ("oz") of gold during the year at a cash operating cost of $821 per oz sold, with a higher than guidance all-in sustaining cost ("AISC")[1] of $1,091 per oz sold.

Commercial production was declared at Segilola on January 1, 2022, and the Facility Taking over Certificate from the EPC contractor was received on January 31, 2022. The EPC Contractor confirmed that it would cooperate with the Company by extending the payment period of the final EPC invoices by allowing the Company to make payment of the final EPC invoices from available cashflow. As at the date of publishing this document, all EPC invoices had been settled in full.

The Company's performance in Q4 2022 builds on its performance during the previous quarters and provides good direction for 2023. The Company has set its production guidance to 85,000 to 95,000 oz, while AISC[1] guidance for 2023 is set at US$1,150 per ounce to US$1,350 per ounce.

Table 2.1 Key Operating and Financial Statistics

		Year ended December 31, 2022	Year ended December 31, 2021
Operating			
Gold Sold	Au	92,489	3,425
Average realised gold price[1]	$/oz	1,767	1,753
Cash operating cost[1]	$/oz	821	-
AISC (all-in sustaining cost)[1]	$/oz	1,091	-
EBITDA[1]	$/oz	775	-
Financial			
Revenue	$	165,174,531	6,049,485
Net Income/(Loss)	$	25,398,941	(2,069,195)
Cash and cash equivalents	$	6,688,037	1,276,270
Deferred Income	$	6,581,743	-
Net Debt[1]	$	31,650,722	65,555,984
EBITDA[1]	$	71,680,022	(1,799,068)

1 Refer to "Non-IFRS Measures" section

2.1 Segilola Gold Mine, Nigeria

During the year, 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 contributing to a higher than target AISC of US$1,091. The Company was able to partially mitigate these risks through the bulk purchase of most supply chain items. Despite these challenges, we were able to demonstrate operational efficiency, resulting in positive cash flows and annual operating profit of US$40 million and net profit of US$25.4 million.

Gold Production

During the year ended December 31, 2022 the Segilola Mine produced 98,006 ounces of gold doré (2021: 9,888 ounces).

The Company exported gold regularly throughout the year selling 92,489 ounces of gold and 5,329 ounces of silver in the year and had a further gold dore inventory of 1,884 ounces and gold in circuit of 1,031 ounces on hand. These ounces have all been sold in the first quarter of 2023.

MINING

Mining

During the year ended December 31, 2022, 16,106,033 tonnes of material were mined, equivalent to mining rates of 43,956 tonnes of material per day. In this period, 1,057,996 tonnes of ore were mined, equivalent to mining rates of 2,890 tonnes of ore per day, at an average grade of 3.56g/t.

The stockpile balance at the end of the period was 300,531 tonnes of ore at an average of 1.48g/t. This comprised 4,331 tonnes (5.19g/t) at high grade, 51,753 tonnes (2.88g/t) at medium grade, and 244,448 tonnes (0.89g/t) at low grade.

Processing

During the year ended December 31, 2022, a total of 929,760 tonnes of ore, equivalent to a throughput rate of 2,719 tonnes per day, were processed.

The mill feed grade was 3.45g/t gold and recovery was 95.12% for a total of 98,006 ounces of gold doré 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		FY 2022	FY 2021
Mining				
Total Ore Mined	Tonnes		1,057,996	309,641
Ore Processed	Tonnes		929,760	145,999
Waste Mined	Tonnes		15,048,436	6,179,443
Total Mined	Tonnes		16,106,033	6,489,014
Total Ore Mined Gold Grade	g/t Au		3.56	2.47
Ore Processed	g/t Au		3.45	2.65
Processing				
Ore Milled	Tonnes		929,760	145,999
Daily Throughput Rate (average)	Tpd		2,719	86
Daily Throughput/ Nameplate	%		136.34	96.64
Capacity				
Ore Processed Gold Grade				
Recovery	%		95.12	83.90
Gold doré Recovered	Oz		98,006	9,888

ENVIRONMENT

2.1.1 Environment, Health, Safety and Social Summary 2022

The main focus of 2022 was on improving health, safety and operational actions following a community resident fatality from a blasting event, commencing community livelihood restoration projects, delivering on commitments agreed through the community development agreement process and taking actions on illegal mining activities in close proximity to SROL's mine footprint. Further, reporting Sustainability topics (including ESG topics) for 2021 was commenced to ensure that a baseline was in place for future annual Sustainability and ESG reporting.

In October 2022, a local resident, Mr Muyideen Adegboyega was sadly killed during a blasting incident after entering the blast zone. A thorough Incident Investigation was undertaken (in line with company procedures) with senior managers in SROL involved as well as Ministry of Mines and Steel Development as is standard practice. SROL's Community Development and Stakeholder Manager, and community cultural leaders visited Mr Adegboyega's family and SROL was able to provide assistance for the funeral and on-going assistance to keep Mr Adegboyega's children in school.

The lessons learnt from this fatality triggered immediate and long-lasting actions to prevent the reoccurrence of such an event and to improve protection of SROL and Project staff, and to protect and respect local community resident's health, safety and security. Changes included increased vigilance and security at roadblocks, provision of radios for improved communication, clearer chain of command for blasting events, improvements to blasting procedures and processes, requirement of medical trained staff to be part of ambulance crew, and further training within SROL and in communities regarding the dangers of blasting events.

Thor also prepared 15 new and updated Corporate policies including Whistleblower, Antibribery and Corruption, Business Conduct and Ethics, Harassment Prevention, Diversity, Environment, Social and Community, Health and Safety, and Human Rights. These were adopted by the Board in June 2022.
The independent Whistleblower hotline became operational in Q3 2022. These policies are on the Thor website: https://thorexpl.cm/corporate/board-committees-and-policies/

2.1.2 Environment, Social, Governance (ESG) and Sustainability Summary 2022

Nigeria

The main achievements with respect to the Company's environment and social activities for Q4 2022 included the annual Segilola Mine facility inspection visit by Federal Ministry of Mines and Steel Development and Federal Ministry of Environment. Their report was positive with no showstoppers or red flags.

SROL is often called upon to give presentations at national events in Nigeria given the national pioneer status of the Segilola Mine Project. SROL was represented by the HSE department at the mining week conference in Abuja, Nigeria in November and presented on Mining Sustainability. The Community Team also presented on Stakeholder consultation and transparency in awarding community benefits. Such presentations aid in building technical knowledge in the emerging Nigerian mining sector.

Thor's 2021 Sustainability Report was further progressed and metrics have been 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 Q2 2023. 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. A summary of Thor's sustainability achievements now forms part of the information on Thor's website.

Significant progress has been made for the Company's wholly owned operating subsidiary SROL to attain its' ISO 45001 Health and Safety accreditation with a site audit completed and a report provided on actions required to close out over the next 12 months. Accreditation is on track for Q4 2023.

Some technical difficulties led to a delay in the full commissioning of the 6MW compressed natural gas ("CNG") generators. These generators were fully commissioned in January 2023 and the transition from diesel to CNG is progressing . Once the CNG generators are in full operation the Segilola Mine project is expected to reduce Green House Gas emissions by 53% over that generated by diesel. This is a key step in SROL's reduction of its carbon footprint. In this context, the total greenhouse gas emissions (Scope 1) for 2022 was estimated to be 31,781 tons. This estimate was modelled based on fuel usage information obtained throughout the year.

Social and community development parameters for the Segilola Project were also progressed in Q4 2022. Focus has been on commencing livelihood restoration projects by constructing sites for the fish farms (construction expected to be completed Q2 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. Around 150 Project Affected Persons (PAPs) who lost their crops and trees within the Segilola mine footprint are benefitting from these projects.

Plans commenced for temporarily relocating residents within the 500m blasting safety zone from the southern edge of Segilola Mine's boundary fence. Within the southern village of Iperindo there are 140 structures and 650 residents within the 500m safety buffer zone. Building structural stability surveys by civil engineers and valuers commenced in Q4 2022. Rather than permanently relocating residents, assistance is being provided to support renting other premises for a 6 to 8 month period. SROL will undertake repairs and upgrading of homes and structures within the safety buffer zone upon completion of mining in the southern mine quarter. Initial compensation will be made in Q2 2023 and temporary relocation expected to commence in Q4 2023.

Through funding agreed via Community Development Agreements ("CDA") signed with the three host communities surrounding the Segilola Mine, community programmes were progressed in Q4 2022. These included Youth Initiative and Women's Initiative programmes focusing on practical skill-based courses — truck driver training, mobile phone repairs, garment manufacturing and provision of value-added production equipment. Annual school scholarship awards to enable children from vulnerable backgrounds to remain in school, were progressed again in 2022 with testing and interviews completed. Recipients will be selected and awards given in Q2 2023.

Senegal

In Senegal, the wet season Biodiversity Survey (November 22) was completed. Quarterly water quality (surface and ground) monitoring commenced in Q4 2022. Groundwater is impacted by sewage and surface water had elevated levels of chromium and cadmium but not cyanide or mercury.

African Star Recourses (ASR) has been assisting with economic development of local communities and purchased a new mill and donated it to the women's community of the local village, Mandakholy. ASR also provided funding to a women's initiative programme to help them buy vegetable seeds for their activities and also contributed to the local school to buy books and writing materials. It is expected an ESIA for the Douta project will commence in Q2 2023.

Through funding agreed via Community Development Agreements ("CDA") signed with the three host communities surrounding the Segilola Mine, community programmes were progressed in Q4 2022. These included Youth Initiative and Women's Initiative programmes focusing on practical skill-based courses — truck driver training, mobile phone repairs, garment manufacturing and provision of value-added production equipment. Annual school scholarship awards to enable children from vulnerable backgrounds to remain in school, were progressed again in 2022 with testing and interviews completed. Recipients will be selected and awards given in Q2 2023.

Senegal

In Senegal, the wet season Biodiversity Survey (November 22) was completed and confirms there are some sensitivities re fauna: chimpanzee, Guinea Baboon and the Patas Monkey; birds - savannah bateleur; and flora: Borassus aethiopum (under threat from bloodletting to make wine) and Sterculia setigera. Quarterly water quality (surface and ground) monitoring commenced in Q4 2022. Groundwater is impacted by sewage and surface water had elevated levels of chromium and cadmium but not cyanide or mercury.

African Star Recourses (ASR) has been assisting with economic development of local communities and purchased a new mill for the population of Mandakholing. ASR also provided funding to a women's initiative programme to help them buy vegetable seeds for their activities and also contributed to the local school to buy books and writing materials. It is expected an ESIA for the Douta project will commence in Q2 2023.

EXPLORATION

2.1.2 Exploration Activity Summary Q4 2022 and year ended December 31, 2022

Exploration remained a priority for the Company in 2022 in both Nigeria and Senegal. In Nigeria, the Company continued to expand its portfolio through the acquisition of new licences and also entering into joint venture agreements with existing licence holders. Exploration activities were carried out on all the Company's licences, consisting of Reverse Circulation (RC) drilling, ground geophysics, auger drilling and soil sampling. A number of encouraging drill targets were delineated to be drilled in 2023.

In Senegal, the Company completed a 26,000 metre RC drill program which resulted in the announcement of a materially increase mineral resource in Q1 2023.

Nigeria

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.

The key objective of the exploration strategy is to extend the life of mine (LOM) at Segilola. Approximately 80% of the Company's Nigerian exploration effort is concentrated within a 25km radius from the Segilola operation such that potential gold-bearing material can be easily trucked to the existing plant. In areas that are further from the mine generative exploration is targeting potential new stand-alone operations.

Thor's exploration tenure currently comprises 13 exploration licenses and four joint venture partnership exploration licenses. Together with the mining lease over the Segilola Gold Deposit, Thor's total exploration tenure amounts to 1,400 km².

Exploration Activity

The objective of the Company's exploration activities, was to continue to generate drill targets.

Extensive reconnaissance geochemical surveys were carried out over most of the leases that are either held 100% by Thor or are held under a JV/option agreement.

THOR EXPLORATIONS LTD

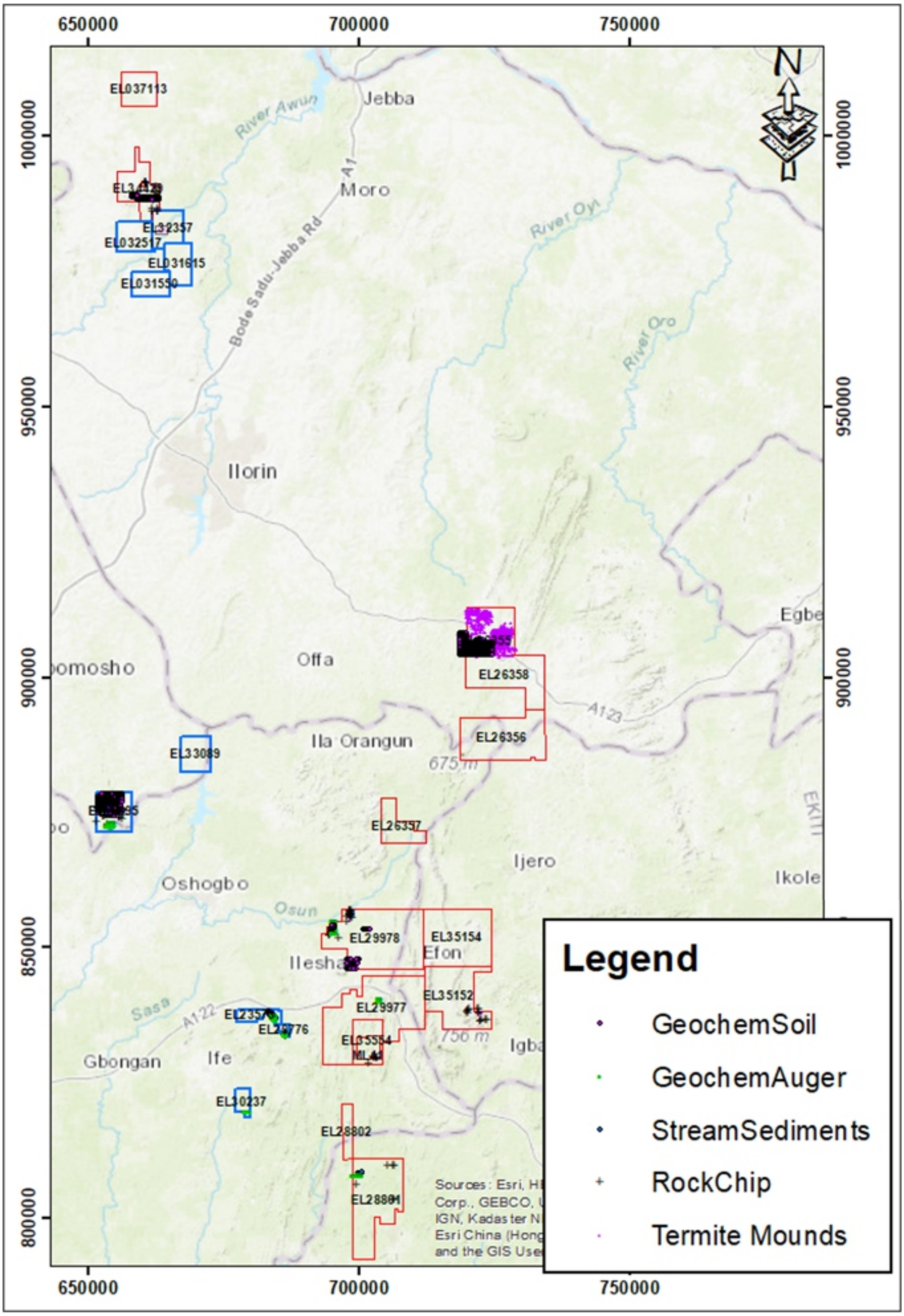


Figure 1: Segilola Tenement Map showing Geochemical Sample Locations

The highest priority exploration target are known as "The Western Prospects" which are located about 15km directly west of the Segilola Gold Mine. They comprises two exploration permits that are held under exercised option agreements. The area is easily accessed through a series of sealed roads and gravel tracks.
In Q4 2022, exploration comprised grid-based soil geochemical sampling using a hand-held auger drill and rock chip sampling of exposures located mostly inside shallow abandoned artisanal diggings.

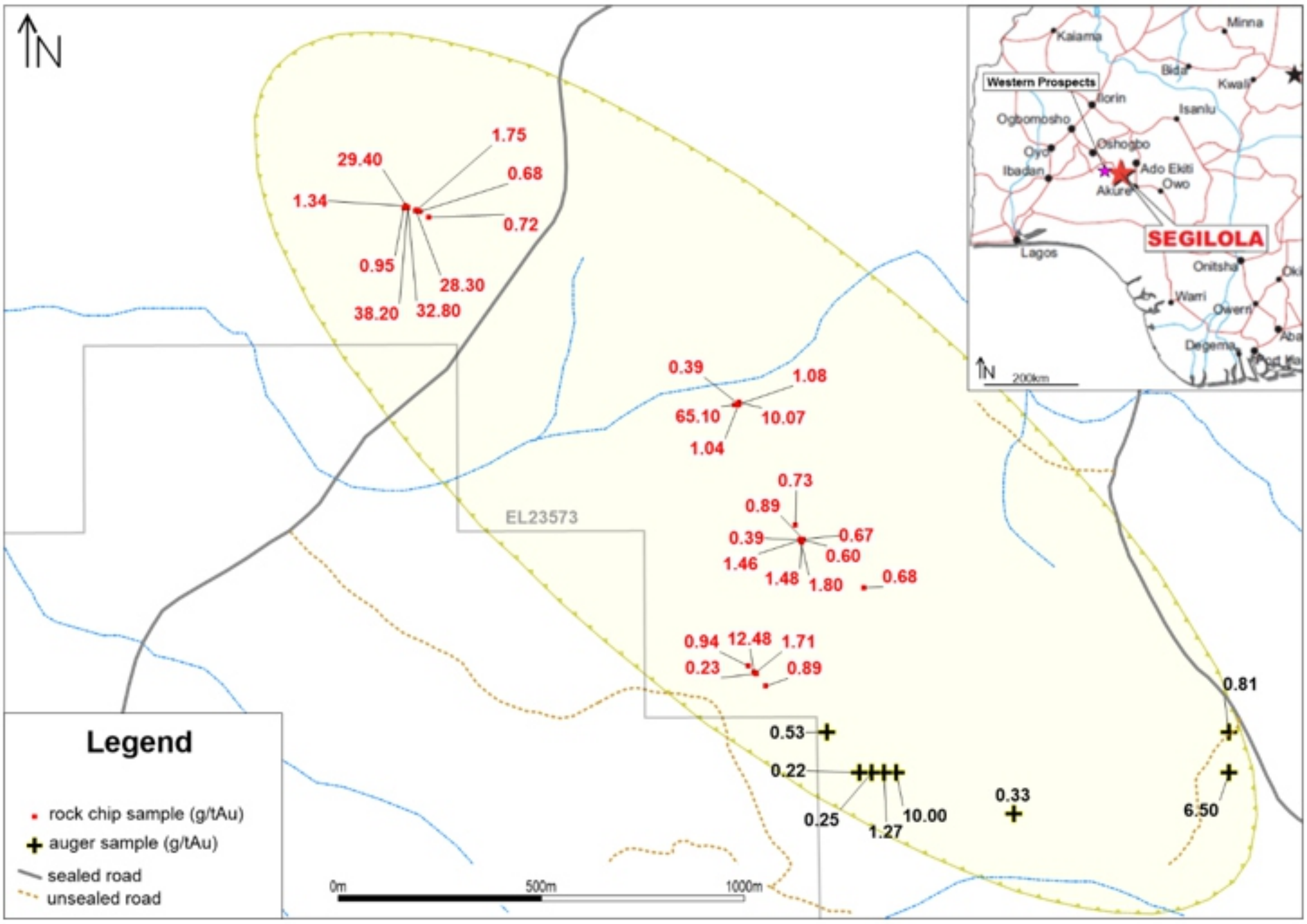
In the central parts of the Western Prospects, the sampling has defined an area measuring approximately 3km along strike and 1km wide that is oriented in a north-westerly direction (Figure 2).

Initial results from the soil geochemistry program returned values of 6.50g/tAu and 10g/tAu towards the south east portion of this area. These values are typically located towards the base of a 1-2m thickness transported laterite profile. Close-spaced soil sampling is continuing.

Rock chip sampling returned high grade values including 65.1g/tAu in the central part of the area and several samples in excess of 30g/tAu located towards the north west (Figure2).

This area was drilled subsequent to the period in Q1 2023 and returned encouraging initial drill results.

Figure 2: Rock chips and soil/auger geochemical results at the Western Prospects



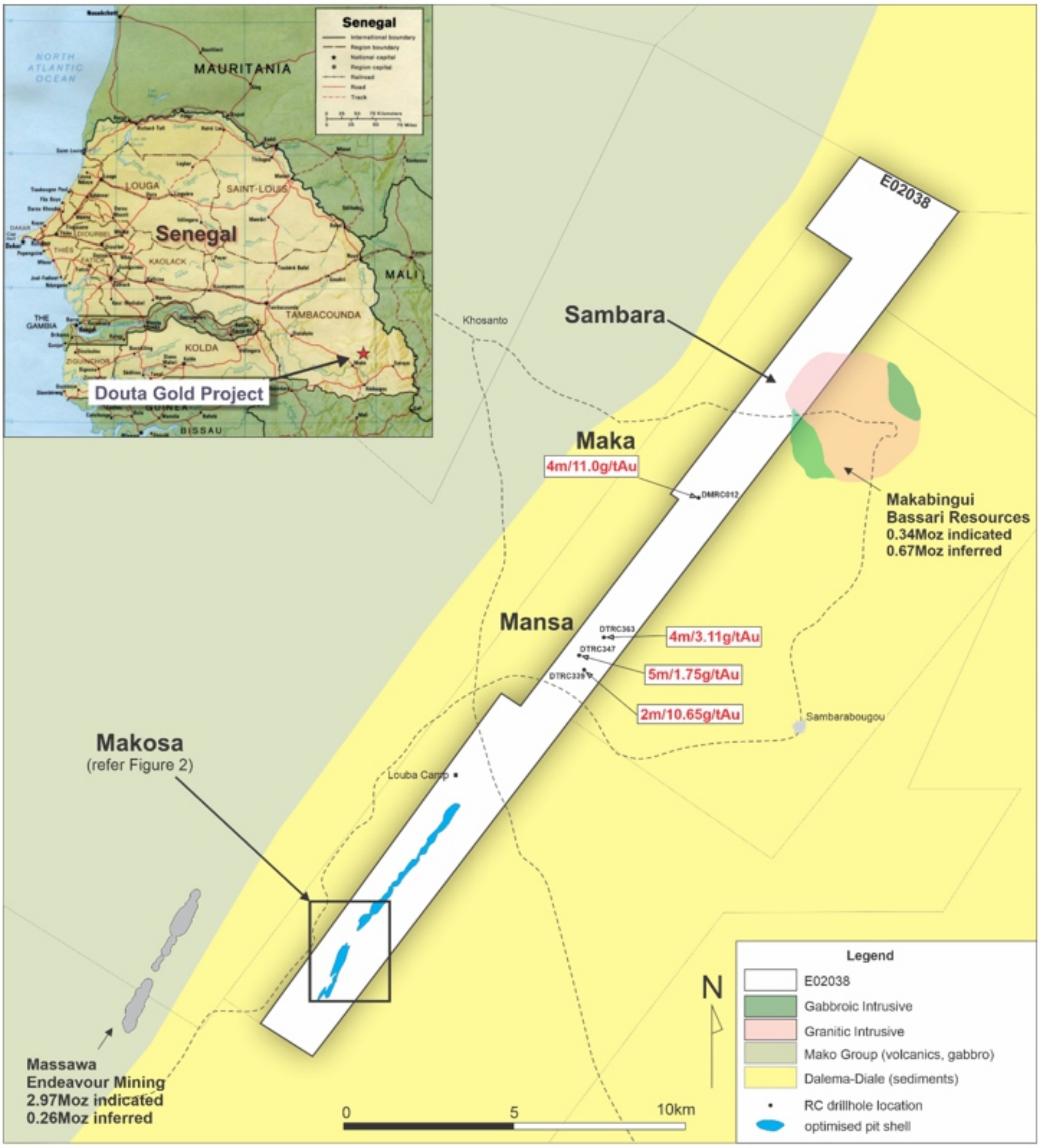
Senegal

Introduction

The Douta Gold Project is a gold exploration permit, E02038 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 3). The Makabingui deposit, belonging to Bassari Resources Ltd, is immediately located east of the northern portion of E02038.

Figure 3: Douta Project Location Map



Exploration Activity

During the, the final 126 holes of the 2022 RC Drilling Program were completed. The Program was designed to both expand the existing resource and to convert inferred to indicated classification.

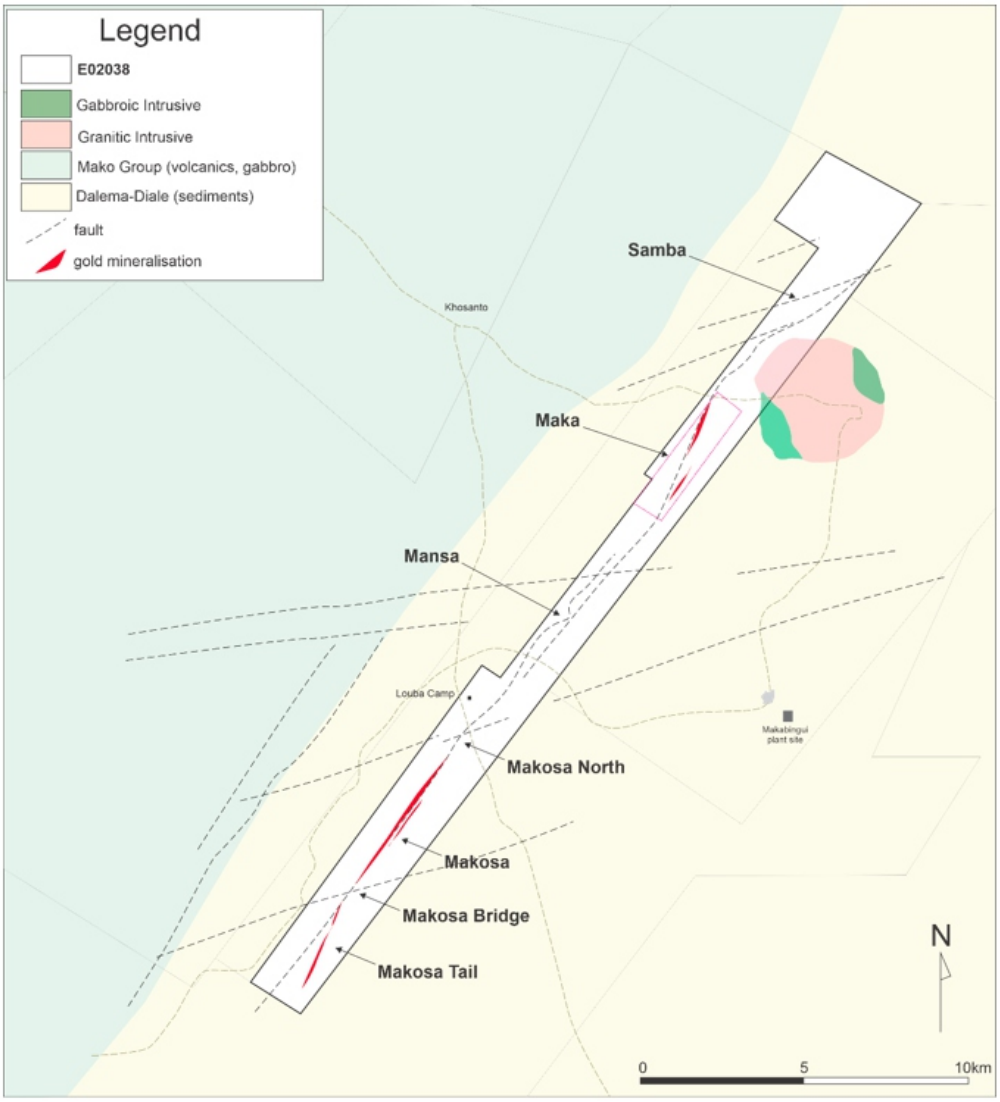


Figure 4: Douta Project, Exploration Prospects

Table 2 summarises the exploration statistics for the quarter.

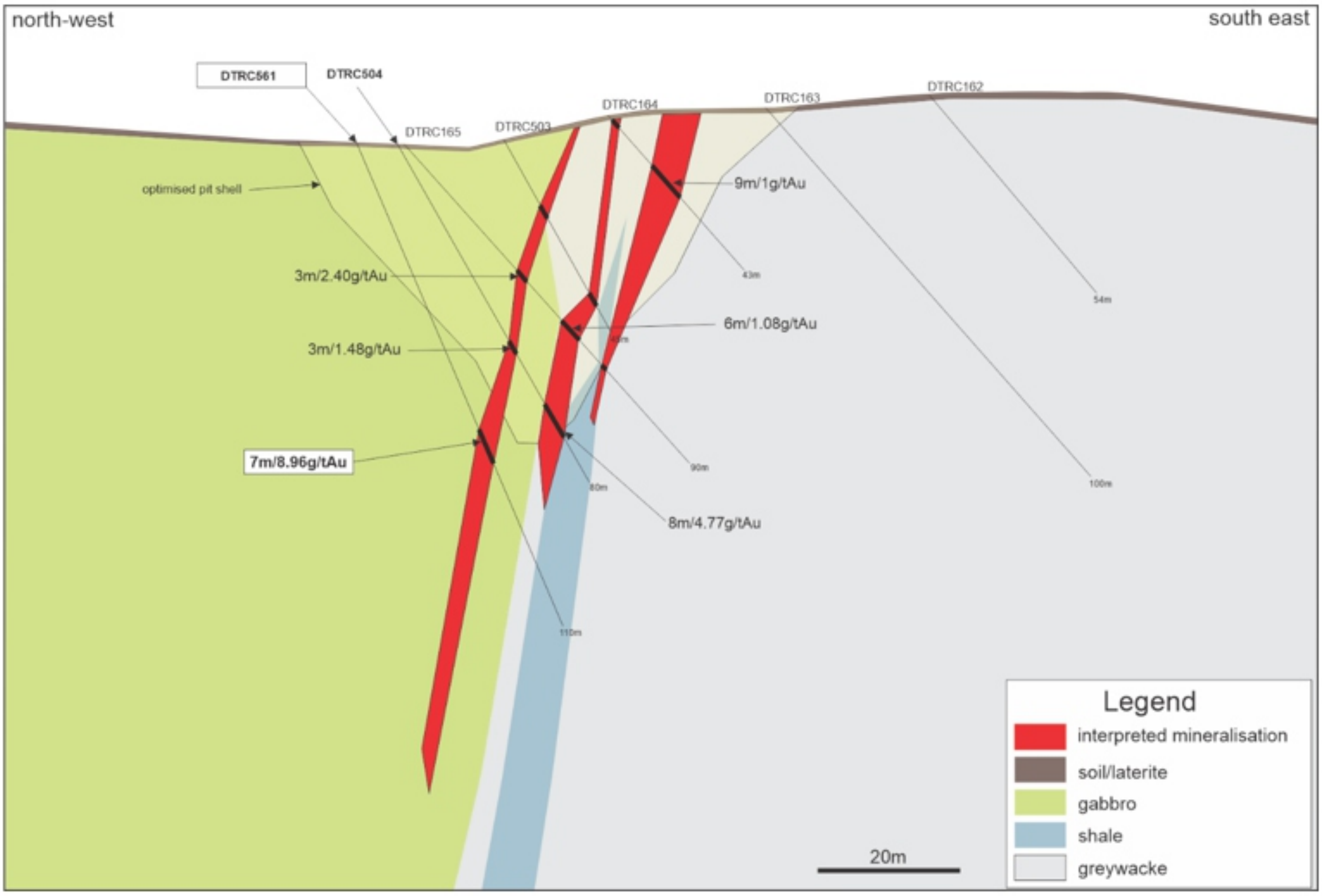
Table 2: Drilling and Sampling Statistics

Prospect	No. Holes	Metres Drilled	Samples Dispatched
Mansa	15	809	953
Makosa	62	5,899	6,683
Makosa North	8	574	675
Makosa East	24	1,317	1,549
Maka East	17	1,288	1,502
Total	**126**	**9,887**	**10,687**

Makosa

At the end of the period, The Makosa resource was 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.

Figure 4: Cross-section showing high grade intersection in drillhole DTRC561



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. 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. Drill samples were analysed by ALS Laboratories in Mali using the AA26 fire assay method (50g charge). The significant intersections from Makosa are listed in Table 3 and shown on Figures 4 and 5. Figures 6-9 show selected cross sections through the resource area.

In addition to upgrading the southern part of the resource, the intersection received earlier in 2022 suggested that gold mineralisation may extend to depth. Drillhole DTRC561 was drilled to test for depth extensions of a potential higher grade zone and returned 7m grading 8.96g/tAu (Figure 4). Additional higher grade intersections in the area include 6m grading 5.72g/tAu in DTRC570 and 4m grading 13.82g/tAu in DTRC540 (Figure 6).

Figure 6: Cross-section highlighting high grade intersection in drillhole DTRC640

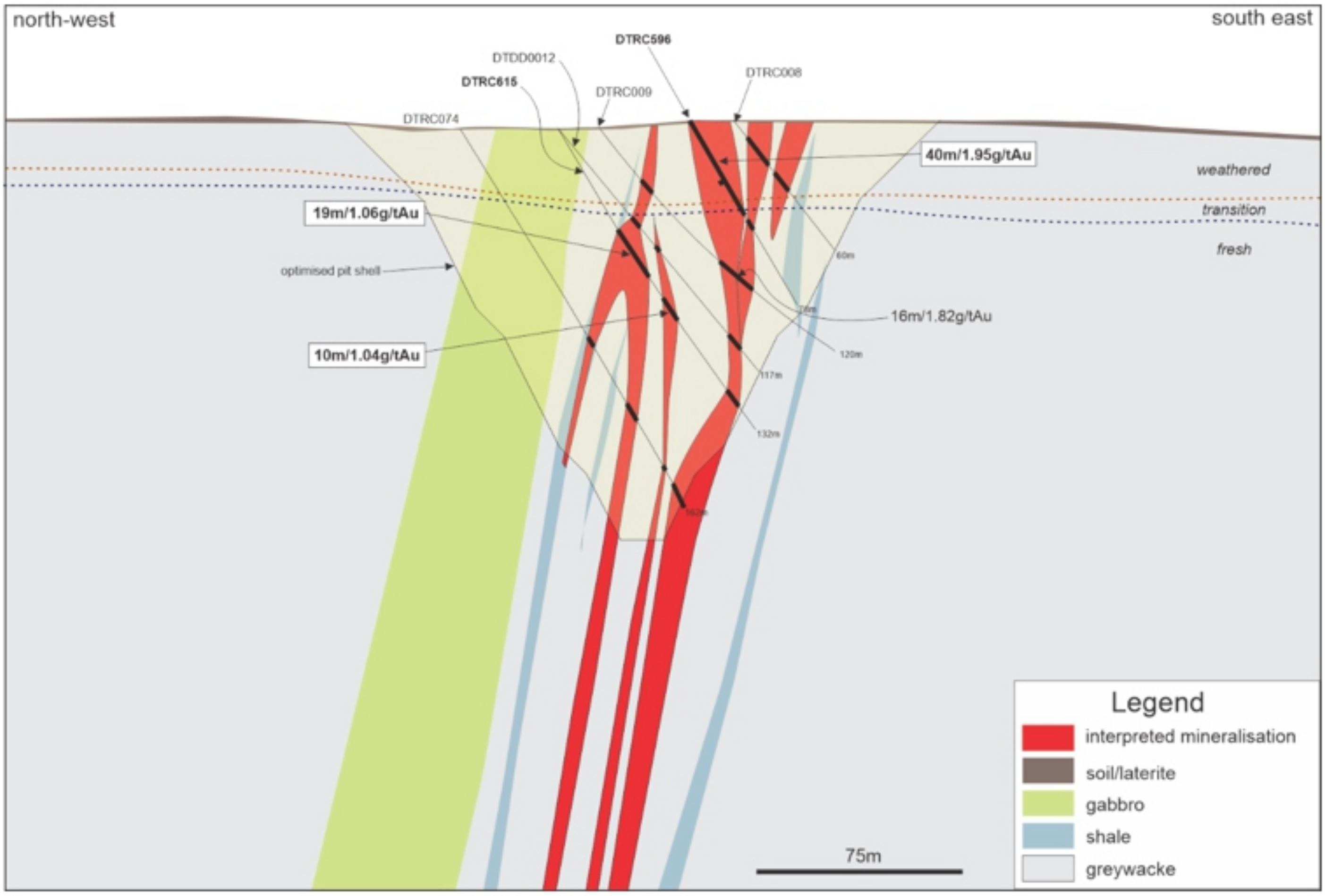


Table 3: Makosa Significant Results (>10 gram-metres)
(0.5g/tAu lower cut off; maximum 2m internal dilution, minimum 2m interval)

Selection of significant results from the 2022 RC Drilling Program

HOLE-ID	Easting	Northing	Length (m)	Azimuth	Dip	From (m)	To (m)	Interval (m)	Grade (g/tAu)	True Width (m)
DTRC526	174375	1434656	84	130	-60	60	62	2	12.98	1.6
DTRC532	174429	1434678	36	130	-60	14	26	12	1.18	9.4
DTRC535	174568	1434786	90	130	-60	39	50	11	2.23	8.4
DTRC538	174532	1434753	100	130	-60	39	41	2	6.53	1.5
DTRC539	174462	1434787	84	130	-60	59	69	10	3.8	7.8
DTRC540	174434	1434740	66	130	-60	44	48	4	13.82	3.2
DTRC550	174575	1434844	120	115	-60	80	97	17	2.02	13.1
DTRC551	174605	1434830	84	115	-60	43	48	5	2.71	3.8
DTRC555	174532	1434921	79	115	-60	31	41	10	2.7	9
And						48	55	7	2	6.3
DTRC556	174494	1434938	102	115	-60	78	89	11	2.3	8.5
DTRC559	174576	1434953	65	115	-60	9	23	14	1.48	10.7
DTRC560	174548	1434966	120	115	-60	74	79	5	4.8	3.8
DTRC561	173917	1433737	110	130	-65	67	74	7	8.96	5
DTRC596	175496	1436124	78	130	-60	0	40	40	1.95	30.5
DTRC602	175206	1435952	146	130	-60	53	64	11	1.77	8.4
				includes		56	64	8	2.36	6.1
DTRC608	175769	1436458	66	130	-60	4	14	10	2.38	7.6
				includes		4	8	4	5.08	3
DTRC620	175495	1436205	150	130	-60	58	67	9	11.74	6.7
DTRC640	175606	1436300	142	130	-60	42	68	26	4.66	20.1
				includes		42	52	10	10.29	7.7
				and		54	60	6	2.33	4.6

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

Subsequent to the period, after receiving all of the drill results from the 2022 RC Drilling Program, the company announced an updated Mineral Resource Estimate Douta Resource constrained within optimised pit shells and comprised of:

- an initial Indicated Mineral Resource of 20.2 million tonnes ("**Mt**") grading 1.3 grammes per tonne ("g/t") Au for 874,900 oz Au; and
- Inferred Mineral Resource of 24.1 Mt grading 1.2g/t Au for 909,400 oz Au

Houndé 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, cash operating costs, all-in sustaining costs ("AISC"), net debt and earnings before interest, taxes, depreciation and amortisation ("EBITDA") 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

The Company believes that, in addition to conventional measures prepared in accordance with GAAP, the average realised gold price, which takes into account the impact of gain/losses on forward sale of commodity contracts, is a metric used to better understand the gold price realised during a period. Management believes that reflecting the impact of these contracts on the Group's realised gold price is a relevant measure and increases the consistency of this calculation with our peer companies.

In addition to the above, in calculating the realised gold price, management has adjusted the revenues as disclosed in the consolidated financial statement to exclude by product revenue, relating to silver revenue, and has reflected the by product revenue as a credit to cash operating costs. The revenues as disclosed in the consolidated financial statements have been reconciled to the gold revenue for all periods presented.3

Table 3.1: Average annual realised price per ounce sold

	Units	Year Ended December 31, 2022	Year Ended December 31, 2021
Revenues	$	165,174,531	6,049,485
By product revenue	$	(114,211)	(3,727)
Gold Revenue	$	165,060,320	6,045,758
Gain/(Loss) on forward sale of commodity contracts	$	(1,587,524)	(43,295)
Gold Revenue	$	163,472,796	6,002,463
Gold ounces sold	oz Au	92,489	3,425
Average realised price per ounce sold	$	1,767	1,753

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. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors may find this information useful to evaluate the costs of production per ounce.

By product revenues are included as a credit to cash operating costs.

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

		Year Ended December 31, 2022
Production costs	$	68,907,249
Transportation and refining	$	3,419,333
Royalties	$	3,696,527
By product revenue	$	(114,211)
Cash Operating costs	$	75,908,898
Gold ounces sold recognised in income statement	Oz Au	92,489
Cash operating cost per ounce sold	$/oz	821

3.3 All-in sustaining cost per ounce

AISC provides information on the total cost associated with producing gold.

The Company calculates AISC as the sum of total cash operating costs (as described above), other administration expenses and sustaining capital, all divided by the gold ounces sold to arrive at a per oz amount.

Other administration expenses includes administration expenses directly attributable to the Segilola Gold Mine plus a percentage of corporate administration costs allocated to supporting the operations of the Segilola Gold Mine. For the year ended December 31, 2022, this was deemed to be 50%.

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

		Year Ended December 31, 2022
Cash operating costs[1]	$	75,908,898
Adjusted other administration expenses[2]	$	14,042,505
Sustaining capital[3]	$	10,917,636
Total all-in sustaining cost	$	100,869,039
Gold ounces sold	Oz Au	92,489
All-in sustaining cost per ounce sold	$/oz	1,091

1 Refer to Table - 3.2 Cash operating costs.
2 Exclude expenses not related to the Segilola mine.
3 Refer to Table - 3.3a Sustaining and Non-Sustaining Capital.

The Company's all-in sustaining costs include sustaining capital expenditures which management has defined as those capital expenditures related to producing and selling gold from its on-going mine operations. Non-sustaining capital is capital expenditure related to major projects or expansions at existing operations where management believes that these projects will materially benefit the operations. The distinction between sustaining and non-sustaining capital is based on the Company's policies and refers to the definitions set out by the World Gold Council.

This non-GAAP measure provides investors with transparency regarding the capital costs required to support the on-going operations at its operating mine, relative to its total capital expenditures. Readers should be aware that these measures do not have a standardised meaning. It is intended to provide additional information and should not be considered in isolation, or as a substitute for measures of performance prepared in accordance with IFRS.

Table 3.3a: Sustaining and Non-Sustaining Capital

		Year Ended December 31, 2022
Property, plant and equipment additions during the year	$	24,757,723
Non-sustaining capital expenditures[1]	$	(18,722,873)
Payment for sustaining leases	$	4,882,786
Sustaining capital	$	10,917,636

1 Includes EPC and other construction costs for the Segilola Mine.

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.

Table 3.4: Net Debt

		Year Ended December 31, 2022	Year Ended December 31, 2021
Loans from the Africa Finance Corporation	$	24,459,939	46,859,966
Due to EPC contractor	$	10,196,105	13,762,221
Deferred element of EPC contract	$	3,682,715	6,210,067
Less:			
Cash		(6,688,037)	(1,276,270)
Net Debt	$	31,650,722	65,555,984

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)

		Year Ended December 31, 2022
Net profit/(loss) for the period	$	25,398,941
Amortisation and depreciation - owned assets	$	26,928,156
Amortisation and depreciation - right of use assets	$	4,724,100
Impairment of Exploration & Evaluation assets	$	12,013
Interest expense	$	14,616,810
EBITDA	$	71,680,022
Gold ounces sold	Oz Au	92,489
EBITDA per ounce sold	$/oz	775

4 SUBSEQUENT EVENTS

Amendment and rescheduling of senior debt facility

On 31 January 2023, the Group entered into an agreement with the AFC amending the terms of its senior debt facility.

The amended facility removes the project finance cash sweep requirement, releases restrictions on bank accounts and allows for free distributions from SROL (subject to a 20% distribution sweep to the senior debt facility), as well as releasing the Company from restrictions regarding acquisitions, distribution of dividends and certain indebtedness covenants.

In addition, the amortization schedule of the facility has been re-scheduled per the below. No material accounting implications are expected as a result of this amendment.

Repayment date	Repayment instalment (%)	Repayment amount ($)	$	%
Cancelled		1,346,167		
	2.5%	1,316,346		
Paid	25.0%	13,163,458	25,566,930	46%
	17.5%	9,214,421		
	1.0%	526,538		
31-Mar-23	1.0%	526,538		
30-Jun-23	1.0%	526,538		
30-Sep-23	1.5%	789,808		
31-Dec-23	7.5%	3,949,038	28,433,070	54%
31-Mar-24	14.0%	7,371,537		
30-Jun-24	14.0%	7,371,537		
30-Sep-24	7.5%	3,949,038		
31-Dec-24	7.5%	3,949,038		
	100.0%	54,000,000		

As of the date of these Financial Statements, the Company has made all outstanding due payments in relation to the EPC contract. At December 31, 2022, this amounted to US$10,196,105.

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
- 2023 Operational Guidance and Outlook

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
- 2023 Operational Guidance and Outlook

Gold Production	oz	85,000-95,000
All-in Sustaining Cost ("AISC")	US$/oz Au sold	$1,150 - $1,350
Capital Expenditure	US$	8,000,000 – 10,000,000
Exploration Expenditure:		
Nigeria[1]	US$	4,200,000
Senegal	US$	3,000,000

1 This includes purchase of licenses

- 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.
  - 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 Q4 Dec 31	2022 Q3 Sep 30	2022 Q2 Jun 30	2022 Q1 Mar 31
Revenues	43,251,204	55,703,098	41,354,747	24,865,482
Net profit for period	14,908,460	4,126,066	6,163,942	200,473
Basic profit per share (cents)	2.21	0.65	0.01	0.00

$	2021 Q4 Dec 31	2021 Q3 Sep 30	2021 Q2 Jun 30	2021 Q1 Mar 31
Revenues	6,049,485	-	-	-
Net profit/(loss) for period	3,116,416	463,844	(5,582,090)	(67,365)
Basic profit/(loss) per share (cents)	0.47	0.07	(0.87)	(0.01)

The Company reported a net profit of $14,908,460 (2.21 cents per share) for the three months period ended December 31, 2022, as compared to a net profit of $3,116,416 (0.47 cents per share) for the three months period ended December 31, 2021.

The increase in profit for the period was largely due to:

- Sales during the period of $43,251,204 (Q4 2021: $6,049,485);

These were offset partially by:

- Amortisation and depreciation of $12,250,612 (Q4 2021: $15,720); and
- Interest of $3,265,120 (Q4 2021: $16,713)

No interest was earned during the three months period ended December 31, 2022, and 2021.

7 SELECTED ANNUAL FINANCIAL INFORMATION

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

For the year ended		December 31, 2022	December 31, 2021	December 31, 2020
Total revenues	$	165,174,531	6,049,485	-
Net profit/(loss)	$	25,398,941	(2,069,195)	(2,886,145)
Profit/(loss) per share (cents)				
Basic	$	3.81	(0.33)	(0.52)
Diluted	$	3.86	(0.33)	(0.52)
Total assets	$	223,251,813	212,238,762	111,596,899
Total non-current liabilities	$	57,663,580	63,406,824	36,530,000

7.1 RESULTS FOR THE YEAR ENDED DECEMBER 31, 2022 and 2021

The Company reported a net profit of $25,398,941 (3.86 cents per share) for the year ended December 31, 2022, as compared to a net loss of $2,069,195 (0.33 cents per share) for the year ended December 31, 2021.

The move to profit for the year was largely due to:

- sales during the year of $165,174,531 (2021: $6,049,485);

These were offset partially by:

- Amortisation and depreciation of $31,652,257 (2021: $106,191); and
- Interest of $14,616,810 (2021: $64,877)

No interest was earned during the year ended December 31, 2022, and 2021

8 LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2022, the Company had cash of $6,688,037 (2021: $1,276,270) and 1,884 ounces of gold dore in inventory to be sold (2021: 6,626 ounces), and a working capital deficit of $29,116,915 (2021: deficit of $45,542,373).

The increase in cash from December 31, 2021 is due mainly to gold sales revenue of $165,174,531, offset by instalment payments on the loan facility of $28,865,778, the purchase of property plant and equipment of $26,754,964 and operational costs and corporate overheads of $91,906,985. This cash expenditure was financed by operational cashflow and existing cash balances.

The total EPC amount has been finalized with our EPC contractor, and we have paid all outstanding EPC payments at the date of this report.

8.1 Working Capital Calculation

The Working Capital Calculation excludes $10,187,630 (2021: $12,837,633) of gold stream liabilities, and $2,215,585 (2021: $7,115,207) in third party royalties included in current accounts payable, that are contingent upon the achievement of the revised gold sales forecast of 85,000 to 95,000 ounces for the year ending December 31, 2023.

Included in working capital, in Accounts payable and accrued liabilities, is a balance of $10,196,105 (2021: $13,762,221) due to our EPC contractors. As of the date of this report, the Company has made all outstanding due payments in relation to the EPC contract.

Table 8.1: Working Capital

		December 31 2022	December 31 2021
Current Assets			
Cash and Restricted Cash	$	6,688,037	4,772,262
Inventory Less expenses related to Deferred Income	$ $	19,901,262	18,146,558
Amounts receivable, prepaid expenses, advances and deposits	$	10,697,365	824,516
Total Current Assets for Working Capital	$	37,286,664	23,743,336
Current Liabilities			
Accounts Payable and accrued liabilities	$	56,337,289	43,567,750
Deferred Income		6,581,743	-
Lease Liabilities	$	4,811,991	4,849,088
Gold Stream Liability	$	10,187,630	12,837,633
Loan and other borrowings	$	888,141	27,984,078
	$	78,806,794	89,238,549
less: Current Liabilities contingent upon future gold sales	$	(12,403,215)	(19,952,840)
Working Capital Deficit	$	(29,116,915)	(45,542,373)

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

		December 31 2022	December 31 2021
Plant spares and consumables	$	4,751,922	1,337,792
Gold ore in stockpile	$	11,869,168	8,663,728
Gold in circuit	$	1,160,237	1,614,267
Gold dore [1]	$	2,119,935	6,530,771
	$	19,901,262	18,146,558

1:Gold dore is valued at cost ($1,125/oz), which comprises production cost, depreciation and amortisation.

8.3 Liquidity and Capital Resources

The Company has generated strong operating cash flow during Q4 2022 and the year ended December 31, 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

		December 31, 2022			December 31, 2021		
		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	$	6,688,037	-	6,688,037	1,276,270	-	1,276,270
Restricted cash	$	-	-	-	3,495,992		3,495,992
Amounts receivable	$	220,442	-	220,442	237,651	-	237,651
Total assets	**$**	**6,908,479**	**-**	**6,908,479**	**5,009,913**	**-**	**5,009,913**
Liabilities							
Accounts payable and accrued liabilities	$	54,121,704	2,215,585	56,337,289	38,024,962	7,106,979	45,131,941
Loans and borrowings	$	28,142,654	-	28,142,654	53,738,603	-	53,738,603
Gold stream liability	$	-	25,039,765	25,039,765	-	30,262,279	30,262,279
Lease liabilities	$	15,409,285	-	15,409,285	18,274,374	-	18,274,374
Total liabilities	**$**	**97,673,643**	**27,255,350**	**124,928,993**	**110,037,939**	**37,369,258**	**147,407,197**

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 was only available to be applied against the cost of the construction of the Segilola Gold Mine until construction is completed, at which point it then became 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 tables summarize the Company's significant remaining contractual maturities for financial liabilities at December 31, 2022, and December 31, 2021. The tables show projected cashflows including interest payments.

Table 9.4: Contractual maturity analysis

Contractual maturity analysis as at December 31, 2022

	Less than 3 months $	3 – 12 Months $	1 – 5 Year $	Longer than 5 years $	Total $
Accounts payable and accrued liabilities	55,368,069	1,001,983	-	-	56,370,052
Lease liabilities	1,255,581	3,766,744	12,681,521	-	17,703,846
Gold Stream Liability	2,986,708	8,475,973	23,420,334	-	34,883,015
Loans and borrowings	1,642,151	4,810,033	33,337,237	-	39,789,421
	61,252,509	**18,054,733**	**69,439,092**	**-**	**148,746,334**

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	38,699,814	4,862,676	1,952,408	-	45,514,898
Lease liabilities	1,213,678	3,641,035	16,991,498	-	21,846,211
Gold Stream Liability	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
	44,135,837	**45,149,661**	**85,300,747**	**-**	**174,586,245**

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 SOFR plus 9% (Refer to Note 12 of the 2022 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 Group manages the credit risk associated with cash by investing these funds with highly rated financial institutions, and by monitoring its concentration of cash held in any one institution. As such, the Group deems the credit risk on its cash to be low. At 31 December 2022, 93% of the Group's cash balances were invested in AA rated financial institutions (2021: 93%), 2% in AA- rated financial institutions (2021: 1%), 1% in A+ rated financial institutions (2021: 1%) and 4% in B rated institutions (2021: 5%).

The Group sells its gold to large international organisations with strong credit ratings, and the historical level of customer defaults is minimal. As a result, the credit risk associated with gold trade receivables at 31 December 2022 is considered to be negligible.

9.7 Market risk

The Group is subject to normal market risks including fluctuations in foreign exchange rates and interest rates. While the Group manages its operations in order to minimize exposure to these risks, the Group has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure.

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 currency 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 2022 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 Financial Statements and notes thereto for the year ended December 31, 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

In the current year, the Group has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- Amendments to IFRS 3 Reference to the Conceptual Framework
- Amendments to IAS 37 Onerous Contracts — Cost of Fulfilling a Contract
- Annual Improvements to IFRS Accounting Standards 2018-2020 Cycle

The Group elected to early adopt the Amendments to IAS 16 Property, Plant and Equipment—Proceeds before Intended Use on the consolidated financial statements for the year ended December 31, 2021.

13.2 Future accounting pronouncements

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective.

IFRS 17 (including the June 2020 and December 2021Amendments to IFRS 17)	Insurance Contracts
Amendments to IFRS 10 and IAS28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods.

14 DISCLOSURE OF OUTSTANDING SHARE DATA

As at the date of this MD&A, there were 644,696,185 common shares issued and outstanding stock options to purchase a total of 26,901,000 common shares.

Authorized Common Shares

Table 14.1: Common shares issued

		December 31, 2022	December 31, 2021
Common shares issued		644,696,185	632,358,009

Warrants

There were no warrants that were outstanding at December 31, 2022, and as at the date of this report.

During the quarter ended December 31, 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 December 31, 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 December 31, 2021.

Stock Options

The number of stock options that were outstanding and the remaining contractual lives of the options at December 31, 2022, were as follows.

Table 14.2: Options outstanding

Exercise Price	Number Outstanding	Weighted Average Remaining Contractual Life	Expiry Date
C$0.145	12,111,000	0.19	March 12, 2023
C$0.140	750,000	0.76	October 5, 2023
C$0.200	14,040,000	2.05	January 16, 2025
Total	26,901,000		

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 year ended December 31, 2022, and a total of 9,250,000 options were exercised at a price of C$0.12 each and 689,000 at a price of C$0.145.

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.

During the year ended December 31, 2022, 2,399,176 Restricted Share Units (“RSUs”) were granted to members of Executive Management under the Company's Long Term Incentive Plan (“LTIP”).

In April 2023, the Board resolved to extend the expiry date of 12,111,111 shares with exercise price of C$0.145 past its original expiry date of March 12, 2023 up until June 15, 2023.

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 and Canadian 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 Canadian dollar. If the value of the Nigerian naira, West African CFA franc, British pound and Canadian dollar increases relative to the US 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 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.

15.18 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.

15.19 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.