THOR EXPLORATIONS LTD

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three months and year ended December 31, 2023

Amounts in United States Dollars

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, 2023. 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 April 27, 2024.

CHAIRMAN'S STATEMENT

Dear fellow shareholders, I am pleased to report that 2023 was a year in which Thor Explorations successfully navigated through a technically challenging year and delivered its target gold production of approximately 85,000 ounces. I would like to thank all our employees, Leadership Team and Board for their continued hard work and dedication in the year, and our investors for their continued support.

In Nigeria, where we are a pioneer in the mining sector, we have also recognised that we need to take a long-term view of building a local mining skill-base, and as a result, we have invested in youth, undergraduate and graduate programmes as well as post-secondary school apprenticeship schemes in our host communities and regions. We remain committed to labour excellence through managing employee job satisfaction in the local community.

We have also continued to enjoy a healthy and cooperative relationship with our host communities. In 2023, we completed our first two livelihood restoration programs which had 135 direct beneficiaries. In total, 4,479 community members have benefited from our Community Development Agreement programs and an impressive 11,122 people have directly benefited from our Corporate Social Responsibility programs.

Following the regrettable loss of life of an individual as a result of our operations in 2022, we are reassured that the measures put in place to guarantee the safety of all our employees and stakeholders we interact with during our operations, continue strictly prioritised and effected. This resulted in a fatality free year with our employment practices being recognised and rewarded with the Labour Award at the 2024 Mining Indaba, selected by the Mining Indaba Sustainability Committee.

Operationally, we continue to be strategically driven. The addition of our early-stage lithium licences to our portfolio demonstrates our ability to move quickly and with flexibility in-country to capitalise on value accretive opportunities in Nigeria.

Looking ahead, 2024 promises to be a year of delivery. With upgrades to the Segilola processing plant complete and completion of the pushback of the west wall of the Segilola pit, we are confident that the Company is well positioned to grow through gold production and value creation through exploration success in Nigeria.

We are confident of our strategy in Nigeria and West Africa in 2024 and thank you for your support for Thor Explorations in 2023. Please be assured that the Board and Leadership Team are resolutely focused on delivering our strategy and creating value for our shareholders and all of our stakeholders.

Adrian Coates
Chairman

CEO’S STATEMENT

The end of 2023 marks two calendar years of commercial gold production at our flagship asset, the Segilola Gold Mine. Thinking back to the original mine plan in the Definitive Feasibility Study, we knew as a management team that the second year of production was going to be an operationally challenging year, requiring the pushback of the western wall of the pit and mining of waste material in order to access the orebody efficiently in the subsequent years.

Despite the operational challenges, we are pleased to have produced approximately 85,000 ounces of gold in 2023 versus the original mine plan projection of 72,000 ounces. This was achieved whilst carrying out certain plant upgrades which would also optimise gold production for the remainder of the Segilola mine life. In addition to this, we were able to deliver our operations in a safe and responsible manner, with an improved safety performance in 2023. We continue to prioritise safety and best practise standards and aim to continuously improve.

Personally, I am pleased we managed to achieve our operational objectives. We refreshed the leadership at the mine site with the appointment of a new General Manager in October 2023 and executed necessary upgrades to the process plant whilst ending the year having achieved an all-in sustaining cost (“AISC”) for the Segilola Gold Mine of $1,313 per ounce.

The Company is now strongly positioned for repayment of the Company’s long-term debt during 2024 and growth, primarily coming from strong cash flow at Segilola, and also through exploration and the development of the Douta Gold Project in Senegal.

We are also continuing to prioritise our Environmental, Social and Governance (“ESG”) standards, particularly as we are in a country where we must set an example as pioneers in the industry.

Furthermore, in 2023, we began to capitalise on our first mover advantage in Nigeria through the acquisition of over 600 square kilometres of lithium-bearing ground. We believe our first mover advantage allows us to quickly and professionally assess value accretive opportunities for our shareholders. Having successfully carried out early-stage exploration on our lithium portfolio, we are able to provide our shareholders with significant value optionality that can be funded by the Company’s existing cash flow and human resources in Nigeria.

In 2024, the Company’s strategy will be focussed on growth. The first priority is to extend the Segilola Mine life where there is currently an underground resource of over 100,000 ounces that has not been incorporated into the existing mine plan. At the current prevailing high gold prices, we aim to assess our options in re-optimising the Segilola Pit to produce gold from this resource prior to transitioning into an underground mine. We also aim to carry out further exploration at depth aimed at increasing the existing underground resource which has not been closed out.

In Senegal, the Douta Gold Project continues to provide blue sky exploration upside potential. The Douta Gold Project is undergoing a preliminary feasibility study (“PFS”) and subsequent to the year, we acquired additional contiguous ground with potential to scale the Douta Gold Project.

Our strategy in Senegal in 2024 is to focus on increasing the oxide component of the existing Douta resource in parallel with the PFS workstreams. We will be carrying out drilling programs across various geochemical targets on both the Douta and Douta-West licences. The aim is to increase the oxide resource, where high recoveries are metallurgically straightforward, to a target of 500,000 ounces.

We ended 2023 with our Segilola gold mine well positioned to produce approximately 100,000 ounces per year for the next three years. The Company will also be completely deleveraged in 2024 and will continue to strengthen its balance sheet in the historically high gold price environment.

Looking further ahead, our ambition to continue to grow through mine life extension at Segilola and exploration across our entire portfolio remains unchanged, and we will also be well-positioned for future opportunities that may accelerate our growth into a more mature gold producer.

I am proud of what we achieved in 2023, which is all the result of the hard work and commitment of our people. I am equally excited about the opportunities we have in front of us as we continue to build a uniquely positioned African-focussed gold producer.

Segun Lawson
Chief Executive Officer

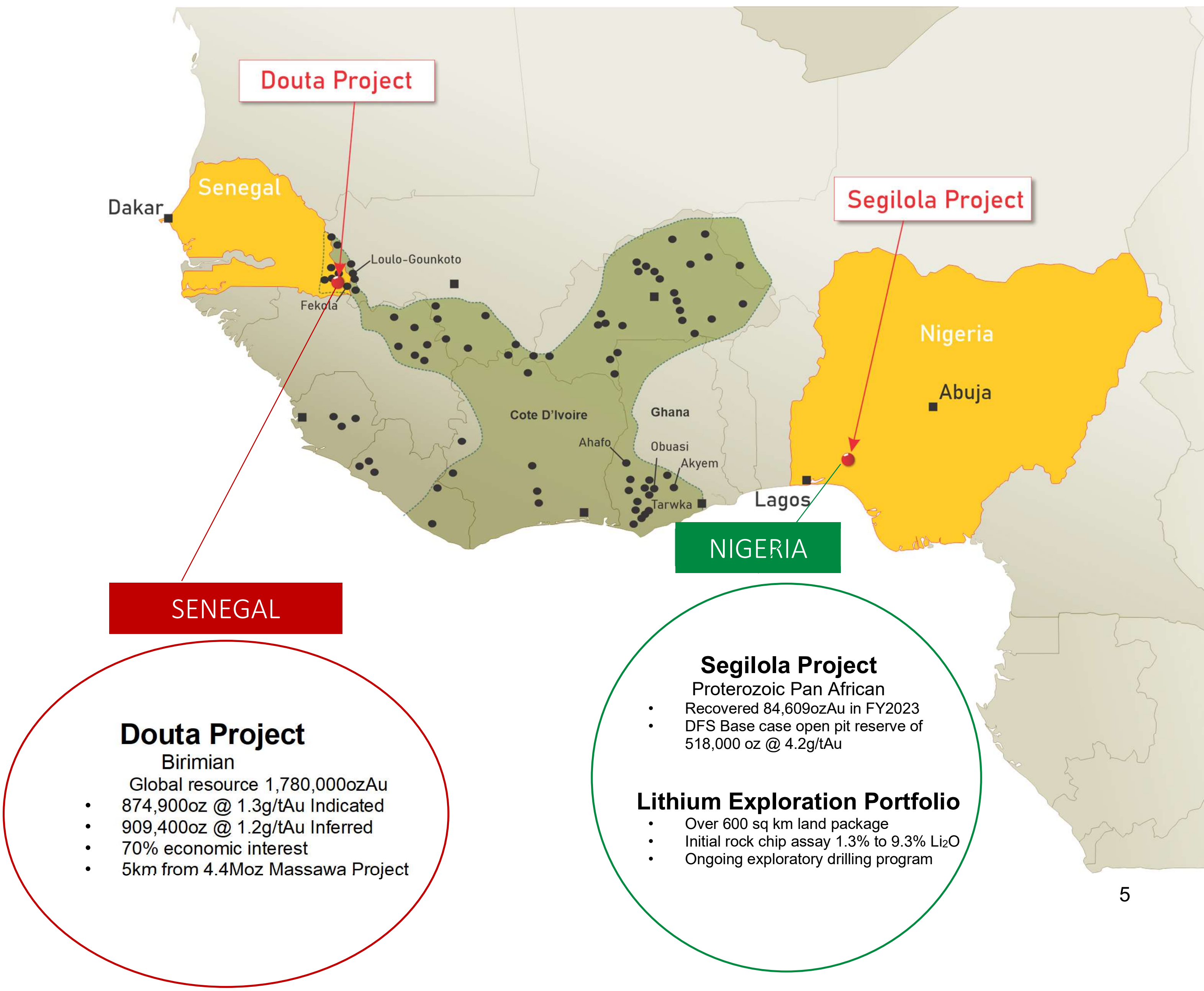
1 OVERVIEW

Thor Explorations Ltd. (the “Company”), together with its subsidiaries (collectively, “Thor” or the “Group”) is a gold production, development and mineral 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 Group’s main assets include its flagship producing Segilola Gold mine in Nigeria and the advanced exploration project, Douta, in Senegal. The Group 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.

As part of the Group’s strategy in identifying high-value mineral resource opportunities, Thor, through its wholly owned subsidiary Newstar Minerals Ltd (“Newstar”), completed the acquisition of significant tenure in south-west Nigeria that covers both known lithium-bearing pegmatite deposits and a large unexplored prospective pegmatite-rich belt.

Our strategy is to operate, develop and explore mineral properties where our expertise can substantially increase shareholder value. The Group 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 Properties in West Africa



2 HIGHLIGHTS AND ACTIVITIES – FOURTH QUARTER 2023 AND YEAR ENDED DECEMBER 31, 2023

Operating results for the year were highlighted by the selling of 73,356 ounces (“oz”) of gold during the period at a cash operating cost of $1,006 per oz sold, with an all-in sustaining cost (“AISC”) of $1,313 per oz sold.

Gold recovered for the quarter was 21,798 ounces. The Group has set its production guidance for 2024 to 95,000 to 100,000 oz, while AISC guidance for 2024 is set at US$1,100 per ounce to US$1,200 per ounce.

Table 2.1 Key Operating and Financial Statistics

		Three months period ended					Year ended	
		December 31, 2023	September 30, 2023[1]	June 30, 2023[1]	March 31, 2023[1]	December 31, 2022[1]	December 31, 2023	December 31, 2022[1]
Operating								
Gold sold	Au	11,930	19,021	20,852	21,553	24,918	73,356	92,489
Gold recovered	Au	21,798	19,104	23,078	20,629	26,523	84,609	98,006
Average realised gold price[2]	$/oz	1,927	1,910	1,971	1,832	1,657	1,907	1,767
Cash operating cost[2]	$/oz	1,451	1,193	628	961	342	1,006	685
AISC (all-in sustaining cost)[2]	$/oz	1,706	1,392	916	1,408	610	1,313	954
EBITDA[2]	$/oz	266	624	1,227	683	1,035	755	911
Financial								
Revenue	$	22,998,429	36,594,900	41,364,169	40,287,830	43,251,204	141,245,328	165,174,531
Net (Loss)/Profit	$	(8,847,842)	2,270,508	14,458,095	2,988,685	10,715,034	10,869,446	37,996,903
EBITDA[2]	$	3,175,024	11,862,271	25,589,910	14,722,672	25,800,397	55,349,877	84,277,983

		December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022
Cash and cash equivalents	$	7,839,757	8,264,796	11,149,491	4,505,071	6,688,037
Deferred Income	$	11,838,898	-	865,173	-	6,581,743
Net Debt[2]	$	15,926,289	19,374,507	16,807,972	24,940,762	31,650,722

1 The figures for the production costs and net profit have been restated in connection with the restatement of the financial statements. Refer to note 25 of the financial statements for further details.

2 This is a non-IFRS measure. Refer to the non-IFRS measures section.

2.1 Segilola Gold Mine, Nigeria

Mining

During the three months ended December 31, 2023, 5,483,291 tonnes of material were mined, equivalent to a mining rate of 59,601 tonnes of material per day. This was higher than the mine plan due to some resequencing of mining areas and demonstrated a maintained increase in material mined since the end of Q1 2023 in order to efficiently mine the required waste material in the west wall of the southern end of the pit.

In this period, 451,360 tonnes of ore were mined, equivalent to a mining rate of 4,906 tonnes of ore per day, at an average grade of 1.93g/t. Completion of the west wall pushback has meant production areas are increasing, which allows maintaining higher production rates than was in the annual plan. Grade was lower than Q3 2024 due to increased low grade material identified during grade control drilling increasing the stockpiles for processing at the end of the mine’s life.

The stockpile balance at the end of the period increased by 59.8% to 541,151 tonnes of ore at an average grade of 1.04g/t. This comprised 1,003 tonnes (8.47g/t) at high grade, 18,648 tonnes (2.15g/t) at medium grade, 521,501 tonnes (0.99g/t) at low grade and 4,563 tonnes (3.34g/t) on the coarse ore stockpile between the crusher and mill.

The Group ended the year with a gold recovery of 84,609 oz vs the year end guidance of 85,000 oz. Gold recovered during the year includes approximately 11,250 oz of Gold In-Circuit ("GIC").

Processing

During the three months ended December 31, 2023, a total of 262,439 tonnes of ore, equivalent to a throughput rate of 2,852 tonnes per day, were processed with no significant downtime periods. The process plant maintained the Q3, higher than design, throughput rates with all the main operating units continuing to perform better than expected.

The Q3 2024 mill feed ore tonnes were maintained and recovered ounces of 21,798 were achieved at an average grade of 2.77g/t gold and at an improved recovery of 93.4%.

A leach circuit tank upgrade was ongoing during the period with a projected full commissioning during Q2 2024, to improve processing recovery and efficiency which will reduce the gold in circuit through 2024.

Table 2.2: Production Metrics

	Units	Q4 – 2023	Q3 – 2023	Q2 –2023	Q1 - 2023	Q4 – 2022	Q3 - 2022	Q2 - 2022	Q1 - 2022
Mining									
Total Mined	Tonnes	5,483,291	5,673,193	5,633,688	4,194,689	4,296,494	4,018,431	4,031,584	3,759,524
Waste Mined	Tonnes	5,031,932	5,370,279	5,355,105	3,996,264	3,974,073	3,793,249	3,747,504	3,533,610
Ore Mined	Tonnes	451,360	302,915	278,583	198,425	322,421	225,182	284,079	226,314
Grade	g/t Au	1.93	2.44	2.43	2.85	3.51	4.43	3.63	2.68
Daily Total Mining Rate	Tonnes/Day	59,601	61,665	61,909	46,608	46,701	43,679	44,303	41,772
Daily Ore Mining Rate	Tonnes/Day	4,906	3,292	3,061	2,205	3,505	2,448	3,122	2,515
Stockpile									
Ore Stockpiled	Tonnes	541,151	338,558	297,060	270,215	300,531	229,909	249,281	179,758
Ore Stockpiled	g/t Au	1.04	0.99	1.06	1.14	1.48	1.19	1.46	1.23
Ore Stockpiled	Oz	18,141	10,756	10,124	9,904	14,300	8,796	11,701	7,109
Processing									
Ore Processed	Tonnes	262,439	261,671	255,231	231,001	254,824	241,434	211,582	221,900
Grade	g/t Au	2.77	2.46	2.99	2.95	3.38	3.58	3.66	3.18
Recovery	%	93.4	92.3	94	94.1	95	95.5	95.5	94.1
Gold Recovered	Oz	21,798	19,104	23,078	20,629	26,331	26,523	23,785	21,343
Milling Throughput	Tonnes/Day	2,852	2,844	2,805	2,567	2,770	2,624	2,325	2,466

2.2 Environment, Health, Safety and Social Summary 2023

Nigeria

The main achievements with respect to the Group's environment and social activities for Q4 2023 were the delivery of community projects and Livelihood Restoration programmes in the 3 host communities around the Segilola Gold Mine. Major projects included the refurbishment of a secondary school, installation of a 33kV transformer, opening of a commercial fish farm and vegetable farm, commencement of a free medical outreach programme, and training (and provision of equipment) for youth and women. Over 11,000 community residents benefit from these programs.

Thor Explorations' flagship project, Segilola Gold Mine has faced many challenges in sourcing skilled mining personnel locally, as Nigeria continues to expand its talent pool of skilled and competent mining professionals. Thor continues to build a technical mining knowledge and skills base locally in Nigeria with extensive training through mentorships (ex-pats to Nigerian nationals) and extensive on-site training programs at the Segilola project site. With around 1,770 staff on the project, our wholly owned subsidiary Segilola Resources Operating Limited ("SROL") has created a more inclusive workforce (gender, upskilling host community's workforce) and, by proactively coordinating with community leaders on employment opportunities and employee relations, generated host community employee levels in excess of those set out in Community Development Agreements ("CDA"). Regarding gender diversity, the Group targeted training and upskilling programmes to transition women into traditional male roles such as driving dumper trucks and is including competent female CVs in each shortlisted candidate interviews. These actions enabled SROL to achieve; 98% Nigerian workforce; 2% expatriates; 20% of the workforce from the local communities; employ 37 youth interns (6-month & 12-month workplace programs for undergraduates and university graduates); deliver 25,508 hours of training; have zero lockout/strikes; and attain a 50% increase in Nigerian new hires in 2023.

Regular environmental monitoring occurred throughout the year as required by Nigerian environmental impact assessment ("EIA") and regulations with air quality, dust, noise and surface and ground water generally complying with Nigerian standards and environmental parameters similar to those recorded in the project EIA baseline compiled in 2010. Quarterly summaries of the environmental monitoring are shared with the Federal Ministry of Environment and Ministry of Solid Minerals Development. An annual biodiversity study occurred in the dry season in 2023 and the overall biodiversity account of the 2023 survey showed better biodiversity parameters than that of 2021 and 2022, indicating an increase and improvement in overall biodiversity and water quality status.

Extensive community consultation occurred in 2023 to address a range of community concerns and to provide transparent regular project updates to host communities. The SROL Communities team held 140 public meetings with ~2,850 people in attendance. The main topics discussed were; community benefits within the CDA renewal negotiations; timing and delivery of CDA projects; compensation for one of the villages for temporary relocation whilst mining activities are active in the blasting safety zone near their dwellings; sensitisation meetings with community leaders in exploration areas; project updates; delivery and operation of livelihood restoration projects, and discussion of grievances. We have been successful in completed the renewal of two CDAs with the host communities, while the others are in their final stages with expected completion in Q2 2024. The existing CDAs were all due for renewal in 2023 (renewed on a 5-year basis). The CDAs are required by Nigerian legislation to transparently deliver mutually agreed host community benefits from the project.

Throughout 2023, SROL have been very active in delivering 26 community projects through either CDA, Corporate social responsibility ("CSR") or Livelihood Restoration ("LRP") – the latter geared to those Project Affected Persons ("PAP") who lost land and or assets (crops and trees) within the Segilola Mine footprint. Apart from the projects mentioned above, other community projects delivered in 2023 include; a women's' initiative project (30 recipients) and youth training programs (41 recipients) who received training and equipment to assist in establishing their own businesses; 34 students from vulnerable households received scholarships to help them stay in school; and donations of palliatives given at Christmas time. A further three key LRPs were delivered in 2023 – including construction and operation of a fish farm (45 PAPs, with a further 55 PAPs to benefit over the next 12 months); opening of improved species vegetable farms (40 beneficiaries) and provision of improved species of cocoa seedlings (50 beneficiaries). CSR activities included sponsoring a "Shun Violence" campaign in the lead up to the national and state government elections, donations for each host community's local festival; palliatives for 250 elderly residents; and sponsoring a popular intervillage/SROL staff football competition.

There has been significant momentum in gathering data for the 2023 Sustainability Report. Data is being gathered aligning to information requirements in the Global Reporting Initiative's ("GRI") environment, social and governance standards. The 2023 report is being prepared with around 80% achievement of the GRI standards. The material topics chosen to report on are corporate governance, people, health and safety, environment, social and community, and cultural governance.

Senegal

In Senegal, an area Biodiversity Survey (March 2023) was completed for the full Douta Exploration License area and confirms there are some sensitivities regarding flora and fauna. Quarterly water quality (surface and ground) monitoring occurred during 2023. Groundwater impacted by sewage and surface water had elevated levels of chromium and cadmium but not cyanide or mercury. Thor's operating subsidiary in Senegal, African Star Recourses ("ASR") has been assisting with economic development of local communities and provided funding to a women's initiative programme (vegetable market garden) and provided awards for academic excellence at the local high school. Environment and social baseline data is being captured for use in the preliminary economic assessment for the Douta Gold Project expected in Q3 2024.

2.3 Exploration Activity Summary Q4 2023 and year ended December 31, 2023

In Nigeria, the Company continued to expand its portfolio through the acquisition of new licences, whilst also entering into 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.

In Senegal, the Company completed a 26,000 metre RC drill program which resulted in the announcement of a materially increased 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 Group'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.

The Group's exploration tenure currently comprises 13 exploration licenses and four partnership agreement exploration licenses. Together with the mining lease over the Segilola Gold Deposit, the Group's total exploration tenure amounts to 1,542km^2.

Exploration Activity

During 2023, the Group announced the expansion of exploration tenure to a total area of 1,542km^2. This tenure comprises 16 granted permits that are 100% owned by the Group, together with nine granted permits held under options agreements with seven third parties.

In addition to near-mine exploration, activities on the ground have focussed on these main areas:

- Western Prospects - Igila, Aye-Ile
- Central Prospects – Kajola

Western Prospects

The Western Prospects are located approximately 15km directly west from the Segilola Gold Mine and cover mostly amphibolitic rocks that contrast with the more gneissic terrain that is developed at Segilola itself. The prospect comprises several exploration permits that are held under exercised option agreements. The area is easily accessed through a series of sealed roads and gravel tracks.

To date, exploration has 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.

Initial results from the soil geochemistry program returned values of 6.50g/tAu and 10g/tAu towards the southeast 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 northwest.

Based on these results, an initial drill testing program comprising both diamond core and reverse circulation (RC) drilling was completed in 2023. The significant intersections from the Western Prospects are listed in Table 2.3.1. A typical cross section is shown in Figure 2.3.1.

Table 2.3.1: Western Prospects Significant Results (0.3g/tAu lower cut off; maximum 0.5m internal dilution)

Prospect	Hole ID	X	y	Depth	Dip	Azimuth	From (m)	To (m)	Interval (m)	Grade (g/tAu)
Aye-lle	SGD275	684222	836862	111	-60	230	80.5	81.1	0.60	3.06
Aye-lle	SGD275						81.6	82.6	0.96	8.31
Aye-lle	SGD279	684243	836875	125	-60	230	45.7	46.5	0.80	0.15
Aye-lle	SGD280	684233	836886	122	-60	230	111.4	112.3	0.95	2.46
Aye-lle	SGD280						112.3	113.0	0.70	3.83
Aye-lle	SGD280						113.0	116.0	3.00	3.62
Aye-lle	SGD281	684204	836910	125	-60	230	117.0	117.9	0.90	3.87
Aye-lle	SGD282	684220	836926	158	-60	230	149.5	150.5	0.98	2.67
Aye-lle	SGD282						150.5	151.5	1.02	2.95
Aye-lle	SGD285	684195	836950	164	-60	230	153.9	154.7	0.84	1.82
Aye-lle	SGD250	684182	836855	110	-60	320	40.7	41.8	1.10	0.64
Aye-lle	SGD266	684219	836824	84	-60	320	36.2	38.1	1.90	8.34
Aye-lle	SGD272	684246	836842	101	-60	320	70.1	73.1	3.00	6.84
Igila	SGD235	683308	838018	50	-60	230	27.9	31.0	3.10	14.32
Igila	SGD236	683310	838020	90	-65	222	10.0	13.0	3.00	1.25
Igila	SGD236						15.5	17.0	1.50	0.99
Igila	SGD236						46.5	48.5	2.00	6.24
Igila	SGD236						50.2	54.4	4.20	0.52
Igila	SGD237	623325	838042	140	-60	221	81.2	82.7	1.45	0.38
Igila	SGD238	683265	837997	80	-60	90	80.0	82.0	2.00	226.88
Igila		includes					81.0	82.0	1.00	310.00
Igila	SGD239	683236	837999	140	-60	90		Nsr		
Igila	SGRC146	683352	837981	50	-60	230	59.0	60.0	1.00	0.61
Igila	SGRC147	683374	388009	100	-60	230	71.0	73.0	2.00	17.47
Igila	SGRC148	683255	838042	100	-60	90		Nsr		

Southern Prospects

The southern prospects cover an area that is located to the south from the Segilola Gold Mine. Regional stream sediment sampling located an area of interest at what is now referred to as the Kola target. Kajola (previously referred to as Kola) is located approximately 20km from the Segilola Mine. Drill testing of this greenfield target intersected several zones of interest including 11m grading 22g/tAu (Table 2.3.2, Figure 2.3.2). Ongoing exploration is focused on generating additional targets in the general area.

Lithium Exploration

Introduction

The Group, through its wholly owned subsidiary Newstar, has secured over 600km^2 of granted tenure in Nigeria that form Oyo State, Kwara State and Ekiti State Lithium Project Areas. The Oyo State Project Area encompasses what the Group considers to be Nigeria's most significant lithium pegmatite occurrence which is currently being exploited by small-scale lithium mining.

The Oyo State Lithium Project comprises approximately 38km^2 of exploration tenure that is located towards the westernmost border of Nigeria and within 200km of the commercial capital of Lagos. The project area is unique in the Nigerian context as it is mostly located in a relatively sparsely populated region of the country but within close proximity to large population centres and advanced infrastructure such as road, rail and ports.

Oyo Prospect

Reconnaissance rock chip sampling carried out in 2022 in the western parts of Oyo State returned Li_2O analyses of between 1.34% and 9.31%. The Group has secured tenure over this area in a number of partnership agreements together with wholly owned exploration permits.

A program of reverse circulation (RC) targeted an identified pegmatite trend that is developed within northerly trending mafic sequence that is surrounded by granitoid-gneiss terrain (Table 2.3.2). An initial RC program was completed to assess the extent of the known pegmatite and confirm lithium mineralisation at depth. The significant results from this program are listed in Table 2.3.3.

Following the drilling campaigns, follow up soil sampling and mapping continued to generate anomalous targets which have been identified for drilling in Q2 2024.

Ekiti Prospect

Nine RC holes were completed with no significant result reported to date.

Table 2.3.2: 2023 Drilling Statistics Newstar 2023

Area	RC		Total	
	No. Holes	Metres	No. Holes	Metres
Oyo	98	6,099	98	6,099
Ekiti	9	841	9	841
Total	**107**	**6,940**	**107**	**6,940**

Table 2.3.3: Significant Drillhole Intercepts (0.4%Li2O cut-off grade, minimum 1m thickness, up to 2m internal dilution)

Hole ID	x	Y	Depth	Dip	Azimuth	From (m)	To (m)	Interval (m)	Grade (%Li2O)	True Width (m)
NRC006	494432	899276	110	-60	110	14	25	11	1.53	10.5
					includes	15	24	9	1.70	8.6
NRC009	494530	899242	50	-60	110	14	15	1	0.42	1.0
NRC010	494515	899248	60	-60	290	15	26	11	2.61	10.5
NRC018	494450	899300	46	-90	0	26	29	3	1.66	2.9
					includes	27	29	2	2.11	1.9
						35	44	9	2.42	8.6
NRC019	494445	899365	52	-90	0	33	35	2	1.27	1.9
					includes	33	34	1	2.08	1.0
NRC020	494396	899351	50	-90	0	6	10	4	0.43	3.8
NRC024	494500	899300	50	-90	0	35	39	4	1.03	3.8
					includes	35	36	1	2.50	1.0

Sample analyses were carried by SGS Randfontein (GE_ICP90A50 and GE_FUZ90A50). Cross check analyses were carried out by MSA Laboratories, Vancouver (PER-700). The drilled pegmatite averages 20m in thickness and dips at 5 degrees towards the northwest. A continuous sheet of coarse spodumene mineralisation of up to 11m thick is developed towards the upper contact of the pegmatite and mafic country rocks.

Ongoing exploration is underway to locate additional pegmatites in the immediate vicinity of this target and further to the south where extensive exposures of pegmatites have been mapped in Target Area 2.

Senegal

Introduction

The Douta Gold Project is a gold exploration permit E02038, located within the Kéniéba inlier, eastern Senegal. The northeast-trending license has an area of 58 km^2. The Group, 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 the Group 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. The Makabingui deposit, belonging to Bassari Resources Ltd, is immediately located east of the northern portion of E02038.

During the year an updated mineral resource estimate ("MRE") was announced. The 2023 MRE encompasses the Makosa, Makosa Tail and Sambara zones, which are collectively named the Douta Resource.

The MRE has been estimated by an independent consultant and is reported at a cut-off grade of 0.5g/t Au within optimised shells using a gold price of US$2,000 (Table 2.3.4).

Table 2.3.4: Douta Gold Project Total Classified Mineral Resource Estimate Summary, March 2023 (reported at cut-off grade of 0.5g/t Au)

Classification	Tonnes (Mt)	Grade (g/tAu)	Total Contained Gold (k ounces)	Thor Interest
Indicated	21.2	1.3	875	70%
Inferred	24.1	1.2	909	70%

- Open Pit Mineral Resources are reported in situ at a cut-off grade of 0.50 g/t Au. An optimized Whittle shell (US$2,000) was used to constrain the resources;
- The Mineral Resource is considered to have reasonable prospects for economic extraction by open pit mining methods above a 0.50 g/t Au and within an optimized pit shell;
- Cut-off grade varied from 0.45 g/t to 0.48 g/t in a pit shell based on mining costs, metallurgical recovery, milling costs and G&A costs;
- Metallurgical and mining recovery factors not applied;
- Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability;
- Totals may not add exactly due to rounding;
- The statement used the terminology, definitions and guidelines given in the CIM Standards on Mineral resources and Mineral Reserves (May 2014) as required by NI 43-101;
- Bulk density is assigned according to weathering profile with a weighted average of 2.78;
- The resource estimate was prepared by Mr. Kevin Selingue, Principal Geologist of MineralMind, Australia in accordance with NI 43-101. Mr. Selingue is an independent qualified person ("QP") as defined by NI 43-101.

The MRE is based on data obtained from a total of 64,567m of drilling consisting of 1,937m of diamond drilling and 62,630m of Reverse Circulation ("RC") drilling which have been used to generate the updated MRE. RC drilling was carried out by Sengold (2020-2023), while historic diamond drilling was carried out by International Drilling Company (2017), Sendrill Consulting (2018) and ADS (2012).

Exploration

During 2023 workstreams designed to advance the project to the prefeasibility stage ("PFS") commenced. This included a diamond drilling program that was designed to obtain sufficient core samples for comprehensive metallurgical test work and mineralogical studies. Drilling statistics for 2023 are shown in Table 2.3.6. Significant intersections (>12 gram-metres).

The Group intends to progress the Makosa Resource expansion and infill drilling together with parallel workstreams including environmental and social baseline monitoring as part of an Environmental and Social Impact Assessment, geotechnical and hydrological studies.

Table 2.3.5: Douta Gold Project Drilling Statistics 2023

Purpose	Diamond		RC		Total	
	No. Holes	Metres	No. Holes	Metres	No. Holes	Metres
Exploration	-	-	182	6,859	182	6,859
Geotechnical	13	1,750	-	-	13	1,750
Metallurgical	22	1,759	-	-	22	1,759
Total	**35**	**3,509**	**48**	**3,177**	**83**	**6,686**

Table 2.3.6: Douta Gold Project Significant Results (>12 gram-metres: grade true width) (0.5g/tAu lower cut off; minimum width 2m with 2m max internal waste)

Hole ID	Easting	Northing	Depth	Dip	Azimuth	From (m)	To (m)	Interval (m)	Grade (g/tAu)
DTDD0015	174424	1434498	70	-50	130	53	63	10	1.60
DTDD0016	174618	1434824	25	-50	130	2	18	16	1.20
DTDD0017	174590	1434805	45.2	-50	130	32	41	9	2.38
DTDD0019	175184	1435809	50	-50	130	31	45	14	1.26
DTDD0021	175377	1436071	90.2	-50	130	36	44	8	8.08
DTDD0021	175377	1436071	90.2	-50	130	55	61	6	4.03
DTDD0023	175219	1435902	70.4	-50	130	58	66	8	3.14
DTDD0024	175477	1436151	95.4	-50	130	64	71	7	3.77
DTDD0026	175784	1436545	110.3	-50	130	87	97	10	1.55
DTDD0027	175712	1436414	70.2	-50	130	50	55	5	2.58
DTDD0029	175949	1436665	20	-50	130	0	16	16	2.03
DTDD0030	176239	1437134	90.2	-50	130	74	84	10	1.40
DTDD0030	176239	1437134	90.2	-50	130	74	84	10	1.66
DTDD0031	176265	1437108	60.2	-50	130	22	39	17	1.14
DTRC779	175885	1436181	54	-60	130	39	48	9	2.46
DTRC786	175956	1436364	90	-60	130	66	81	15	0.96
DTRC796	173871	1433622	54	-60	130	25	38	13	1.38
DTRC801	173876	1433704	108	-60	130	93	105	12	1.20
DTRC805	173959	1433743	50	-60	130	36	46	10	2.25
DTRC806	173939	1433758	74	-60	130	52	54	2	13.90
DTRC807	173920	1433773	100	-60	130	78	81	3	25.35
DTRC812	174161	1433787	90	-60	130	50	56	6	4.94
DTRC837	174348	1434629	84	-60	130	50	62	12	1.47
DTRC842	174556	1434762	69	-60	130	25	43	18	1.82
DTRC844	174476	1434806	69	-60	130	45	55	10	3.00
DTRC848	174583	1434868	114	-60	130	96	109	13	4.59
DTRC850	174548	1434889	154	-60	130	9	17	8	2.48
DTRC851	174500	1434909	105	-60	130	54	62	8	2.20
DTRC852	174471	1434947	120	-60	130	104	110	6	2.83
DTRC853	174571	1435003	90	-60	130	31	42	11	1.64
DTRC854	174545	1435016	107	-60	130	61	76	15	1.79
DTRC864	176149	1437011	90	-60	130	49	56	7	3.90
DTRC865	176203	1437037	72	-60	130	93	102	9	4.33
DTRC870	176325	1437255	135	-50	130	93	104	11	1.19
DTRC871	176446	1437308	60	-50	130	28	44	16	2.26
DTRC874	176518	1437488	125	-50	130	91	95	4	3.55
DTRC875	176490	1437512	150	-50	130	119	130	11	2.03
DTRC895	177799	1439001	38	-50	130	8	16	8	2.61
DTRC896	177778	1439018	90	-50	130	26	30	4	3.10

DTRC903	177412	1438581	174	-50	130	120	126	6	5.21
DTRC905	177522	1438705	116	-50	130	35	41	6	3.18
DTRC905	177522	1438705	116	-50	130	63	74	11	1.15
DTRC907	177672	1438964	154	-50	130	118	131	13	0.99
DTRD845	174453	1434815	180	-50	130	93	102	9	4.33

3 NON-IFRS MEASURES

This MD&A refers to certain financial measures 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 Group's financial statements because the Group 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 Group 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 statements 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.

Table 3.1: Average annual realised price per ounce sold

		Three Months period ended					Year ended	
	Units	**December 31, 2023**	**September 30, 2023**	**June 30, 2023**	**March 31, 2023**	**December 31, 2022**	**December 31, 2023**	**December 31, 2022**
Revenues	$	22,998,429	36,594,900	41,364,169	40,287,830	43,251,204	141,245,328	165,174,531
By product revenue	$	(40,063)	(56,244)	(68,587)	(43,773)	(32,845)	(208,667)	(114,211)
Gold revenue	$	22,958,366	36,538,656	41,295,582	40,244,057	43,218,359	141,036,661	165,060,320
Gain/(Loss) on forward sale of commodity contracts	$	26,261	(205,323)	(200,534)	(750,482)	(1,925,754)	(1,130,078)	(1,587,524)
Adjusted gold revenue	$	22,984,627	36,333,333	41,095,048	39,493,575	41,292,605	139,906,583	163,472,796
Gold ounces sold	Oz Au	11,930	19,021	20,852	21,553	24,918	73,356	92,489
Average realized price per ounce sold	$	1,927	1,910	1,971	1,832	1,657	1,907	1,767

3.2 Cash operating cost per ounce

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

		Three Months period ended					Year ended	
	Units	**December 31, 2023**	**September 30, 2023[1]**	**June 30, 2023[1]**	**March 31, 2023[1]**	**December 31, 2022[1]**	**December 31, 2023**	**December 31, 2022[1]**
Production costs	$	16,743,415	22,032,471	11,249,777	19,649,164	6,272,403	69,674,827	56,309,287
Transportation and refining	$	613,813	712,258	810,080	342,291	971,849	2,478,442	3,419,334
Royalties	$	(4,835)	-	1,102,308	768,282	1,317,417	1,865,755	3,696,527
By product revenue	$	(40,063)	(56,244)	(68,587)	(43,773)	(32,845)	(208,667)	(114,211)
Cash Operating costs	$	17,312,330	22,688,485	13,093,578	20,715,964	8,528,824	73,810,357	63,310,937
Gold ounces sold	Oz Au	11,930	19,021	20,852	21,553	24,918	73,356	92,489
Cash operating cost per ounce sold	$/oz	1,451	1,193	628	961	342	1,006	685

1 The figures for the production costs have been restated in connection with the restatement of the financial statements. Refer to note 25 of the financial statements for further details

3.3 All-in sustaining cost per ounce

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

The Group 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 include 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. From June 30, 2023, this was deemed to be 33%, for prior periods, including 2022, it was considered to be 50%. The change is reflective of the increase in the Group`s exploration activities.

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

		Three Months period ended					Year ended	
	Units	**December 31, 2023**	**September 30, 2023[1]**	**June 30, 2023[1]**	**March 31, 2023[1]**	**December 31, 2022[1]**	**December 31, 2023**	**December 31, 2022[1]**
Cash operating costs[2]	$	17,312,330	22,688,485	13,093,578	20,715,964	8,528,824	73,810,357	63,310,937
Segilola mine – other administration expenses	$	2,323,963	806,394	1,093,344	3,775,777	6,171,107	7,999,478	14,042,505
Sustaining capital[3]	$	714,793	2,979,303	4,914,550	5,864,894	500,040	14,473,540	10,917,636
Total all-in sustaining cost	$	20,351,086	26,474,182	19,101,472	30,356,635	15,199,971	96,283,375	88,271,078
Gold ounces sold	oz Au	11,930	19,021	20,852	21,553	24,918	73,356	92,489
All-in sustaining cost per ounce sold	$/oz	1,706	1,392	916	1,408	610	1,313	954

1 The figures for the cash operating costs have been restated in connection with the restatement of the financial statements. Refer to note 25 of the financial statements for further details.

2 Refer to Table – 3.2 Cash operating costs.

3 Refer to Table – 3.3a Sustaining and Non-Sustaining Capital

The Group'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 Group'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 standardized 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

		Three months period ended					Year ended	
	Units	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Property, plant and equipment additions	$	220,954	2,020,081	10,132,049	5,719,158	8,663,986	18,092,242	24,757,723
Non-sustaining capital expenditures[1]	$	(762,818)	(298,248)	(6,474,490)	(1,109,993)	(9,096,788)	(8,645,549)	(18,722,873)
Payment for sustaining leases	$	1,256,657	1,257,470	1,256,991	1,255,729	932,842	5,026,847	4,882,786
Sustaining Capital[2]	$	714,793	2,979,303	4,914,550	5,864,894	500,040	14,473,540	10,917,636

1 Includes EPC and other construction costs for the Segilola mine

2 Includes capitalized production stripping costs of $9,446,693 (2022: $6,034,850)

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 metric is used by management to measure the Group's debt leverage. The Group considers that in addition to conventional measures prepared in accordance with IFRS, net debt is useful to evaluate the Group's performance.

Table 3.4: Net Debt

	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022
Project Loan	20,360,657	23,853,406	24,187,306	24,257,746	24,459,939
EPC Payments	-	-	-	1,463,353	10,196,105
Deferred EPC Facility	3,405,389	3,785,897	3,770,157	3,724,734	3,682,715
Less: Cash and cash equivalents	(7,839,757)	(8,264,796)	(11,149,491)	(4,505,071)	(6,688,037)
Net Debt	15,926,289	19,374,507	16,807,972	24,940,762	31,650,722

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)

		Three months period ended					Year ended	
	Unit	December 31, 2023	September 30, 2023[1]	June 30, 2023[1]	March 31, 2023[1]	December 31, 2022[1]	December 31, 2023	December 31, 2022[1]
Net profit for the period	$	(8,847,842)	2,270,508	14,458,095	2,988,685	10,715,034	10,869,446	37,996,903
Amortisation and depreciation – owned assets	$	4,524,892	5,087,535	6,679,708	7,165,523	10,571,705	23,457,658	26,928,156
Amortisation and depreciation – right of use assets	$	1,195,517	1,196,936	1,195,213	1,194,587	1,246,105	4,782,253	4,724,100
Impairment of Exploration & Evaluation assets	$	2,588	2,622	3,365	3,096	2,433	11,671	12,014
Buy-out of gold sale agreement`s option	$	3,154,454	-	-	-	-	3,154,454	-
Interest expense	$	3,145,415	3,304,670	3,253,529	3,370,781	3,265,120	13,074,395	14,616,810
EBITDA	$	3,175,024	11,862,271	25,589,910	14,722,672	25,800,397	55,349,877	84,277,983
Ounces sold	Oz Au	11,930	19,021	20,852	21,553	24,918	73,356	92,489
EBITDA per ounce sold	$	266	624	1,227	683	1,035	755	911

1 The net profit for the period has been restated in connection with the restatement of the financial statements. Refer to note 25 of the financial statements for further details.

4 SUBSEQUENT EVENTS

On April 3, 2024, the Company announced that it had completed the acquisition of interests in two licences in southeast Senegal where it is currently advancing the Douta Gold Project to a Preliminary Feasibility stage. The Company acquired an up to 85% interest in the strategically located Douta-West Licence which lies contiguous to the Douta Gold Project and an up to 80% interest in the Sofita Licence located approximately 20 kilometres ("km") south of the Douta Gold Project.

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:

- 2024 Operational Guidance and Outlook

Gold Production	oz	95,000-100,000
All-in Sustaining Cost ("AISC")	US$/oz Au sold	$1,100 - $1,200
Capital Expenditure	US$	2,000,000 – 4,000,000
Exploration Expenditure:		
Nigeria[1]	US$	4,000,000 – 6,500,000
West Africa	US$	3,500,000 – 4,500,000

1 This includes purchase of licences

- 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 Gold Project towards PFS for publication in H2 2024
- 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

$	2023 Q4 Dec 31	2023 Q3 Sep 30[1]	2023 Q2 Jun 30[1]	2023 Q1 Mar 31[1]
Revenues	22,998,429	36,594,900	41,364,169	40,287,830
Net (loss)/profit for period	(8,847,842)	2,270,508	14,458,095	2,988,685
Basic (loss)/earnings per share (cents)	(1.35)	0.35	2.24	0.46

$	2022 Q4 Dec 31[1]	2022 Q3 Sep 30[1]	2022 Q2 Jun 30[1]	2022 Q1 Mar 31[1]
Revenues	43,251,204	55,703,098	41,354,747	24,865,482
Net profit for period	10,715,034	10,712,996	9,928,444	6,640,429
Basic earnings per share (cents)	1.67	1.68	1.56	1.04

1 The net profit for the period has been restated in connection with the restatement of the financial statements. Refer to note 25 of the financial statements for further details.

The Company reported a net loss of $8,847,842 (1.35 cents per share) for the three months period ended December 31, 2023, as compared to a net profit of $10,715,034 (1.67 cents per share) for the three months period ended December 31, 2022. The decrease in profit for the period was largely due to:

- Sales during the period of $22,998,429 (Q4 2022: $43,251,204); and
- Production costs of $16,743,415 (Q4 2022: $6,272,403)
- Buy-out of gold sale agreement`s option of $3,154,454 (Q4 2022: Nil)

These were offset partially by:

- Amortization and depreciation of $5,720,409 (Q4 2022: $11,817,810); and
- Interest of $3,145,415 (Q4 2022: $3,265,120)

No interest was earned during the three months period ended December 31, 2023, and 2022.

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.

Table 7.1: Selected annual information

For the year ended		December 31, 2023	December 31, 2022	December 31, 2021
Total revenues	$	141,245,328	165,174,531	6,049,485
Net profit/(loss)	$	10,869,446	37,996,903	(2,069,195)
Profit/(loss) per share (cents)				
Basic		1.67	5.92	(0.33)
Diluted		1.66	5.84	(0.33)
Total assets	$	259,114,169	235,849,775	212,238,762
Total non-current liabilities	$	19,895,396	57,663,580	63,406,824

7.1 RESULTS FOR THE YEAR ENDED DECEMBER 31, 2023, and 2022

The Company reported a net profit of $10,869,446 (1.67 cents per share) for the year ended December 31, 2023, as compared to a net profit of $37,996,903 (5.92 cents per share) for the year ended December 31, 2022. The reduction in profit for the year was largely due to:

- sales during the year of $141,245,328 (2022: $165,174,531); and
- Production costs of $69,674,827 (2022: $56,309,287)

These were offset partially by:

- Amortization and depreciation of $28,239,911 (2022: $31,652,256); and
- Interest of $13,074,395 (2022: $14,616,810)

No interest was earned during the year ended December 31, 2023, and 2022.

8 LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2023, the Company had cash of $7,839,757 (2022: $6,688,037) and 4,405 ounces of gold dore in inventory to be sold (2022: 1,884 ounces), and a working capital deficit of $57,140,196 (2022: deficit of $16,518,953).

The increase in cash from December 31, 2022, is due mainly to cash generated in operations of $63,8379,783 offset by cash used in investing and financing activities of $37,838,419 and $25,067,047, respectively.

The increase working capital deficit is mainly due to the transfer of $22,359,551 of loans and other borrowings from non-current to current as these are due within 12 months from December 31, 2023.

8.1 Working Capital Calculation

The Working Capital Calculation excludes $12,343,232 (2022: $10,187,630) of gold stream liabilities, and nil (2022: $2,215,585) in third party royalties included in current accounts payable, that are contingent upon the achievement of the gold sales forecast of 95,000 to 100,000 ounces for the year ending December 31, 2024.

The Company carried out upgrades to the Segilola Processing Plant in Q3 and Q4 of 2023, including the upgrade of the elution circuit. This was done to ensure more efficient gold recoveries for the remainder of the mine life. During this period, there was a significant accumulation of gold-in-circuit of over 11,000 ounces, with a market value at December 31, 2023, of approximately $23 million. Following the period and the completion of the upgrades, the Company expects to drawdown this gold in circuit during the course of 2024.

Table 8.1: Working Capital

	Unit	December 31, 2023	September 30, 2023[1]	June 30, 2023[1]	March 31, 2023[1]	December 31, 2022[1]
Current Assets						
Cash	$	7,839,757	8,264,796	11,149,491	4,505,071	6,688,037
Inventory	$	41,770,046	47,576,396	37,862,168	36,336,108	32,499,224
Amounts receivable, prepaid expenses, advances and deposits	$	7,930,772	10,276,196	8,612,279	8,461,572	10,697,365
Total Current Assets for Working Capital	$	57,540,575	66,117,388	39,822,730	49,302,751	49,884,626
Current Liabilities						
Accounts Payable and accrued liabilities	$	74,773,828	69,964,009	59,595,451	60,555,348	56,337,289
Deferred income	$	11,838,898	-	865,173	-	6,581,743
Lease Liabilities	$	4,820,353	4,813,352	4,819,439	4,815,512	4,811,991
Gold Stream Liability	$	12,343,232	10,686,862	9,319,784	9,979,413	10,187,630
Loan and other borrowings	$	23,247,692	23,757,835	20,235,386	11,790,796	888,141
	$	127,024,003	109,222,058	94,835,233	87,141,069	78,806,794
less: Current Liabilities contingent upon future gold sales	$	(12,343,232)	(10,686,862)	(9,355,262)	(10,785,214)	(12,403,215)
Working capital deficit	$	(57,140,196)	(32,417,808)	(45,657,241)	(27,053,104)	(16,518,953)

1 The inventory balances have been restated in connection with the restatement of the financial statements. Refer to note 25 of the financial statements for further details.

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, 2023	September 30, 2023[1]	June 30, 2023[1]	March 31, 2023[1]	December 31, 2022[1]
Current						
Plant spares and consumables		8,681,433	8,185,909	7,072,420	9,146,279	4,751,922
Gold ore in stockpile		20,768,112	30,218,334	26,535,360	25,097,817	23,569,801
Gold in CIL		8,405,429	9,025,408	4,254,388	2,092,012	956,864
Gold dore[2]		3,915,072	146,745	-	-	3,220,637
	$	41,770,046	47,576,396	37,862,168	36,336,108	32,499,224
Non-current						
Gold ore in stockpile		15,891,089	-	-	-	-
	$	15,891,089	-	-	-	-

1 The inventory balances have been restated in connection with the restatement of the financial statements. Refer to note 25 of the financial statements for further details.

2 Gold dore is valued at cost ($889/oz), which comprises production cost, depreciation and amortization.

8.3 Liquidity and Capital Resources

The Company has generated positive operating cash flow during Q4 2023, and the year ended December 31, 2023, 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, 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, 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, 2023			December 31, 2022		
		Measured at amortized cost	Measured at fair value through profit and loss	Total	Measured at amortized cost	Measured at fair value through profit and loss	Total
Assets							
Cash and cash equivalents	$	7,839,757	-	7,839,757	6,688,037	-	6,688,037
Amounts receivable	$	280,731	-	280,731	220,442	-	220,442
Total assets	**$**	**8,120,488**	**-**	**8,120,488**	**6,908,479**	**-**	**6,908,479**
Liabilities							
Accounts payable and accrued liabilities	$	74,773,828	-	74,773,828	54,121,704	2,215,585	56,337,289
Loans and borrowings	$	23,766,046	-	23,766,046	28,142,654	-	28,142,654
Gold stream liability	$	-	20,042,997	20,042,997	-	25,039,765	25,039,765
Lease liabilities	$	11,490,070	-	11,490,070	15,409,285	-	15,409,285
Total liabilities	**$**	**110,029,944**	**20,042,997**	**130,072,941**	**97,673,643**	**27,255,350**	**124,928,993**

9.4 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Group's holdings of cash. The Group's cash is held in business accounts and are available on demand.

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

The following tables summarize the Group's significant remaining contractual maturities for financial liabilities at December 31, 2023, and December 31, 2022. The tables show projected cashflows including interest payments.

Table 9.4: Contractual maturity analysis

Contractual maturity analysis as at December 31, 2023

	Less than 3 months $	3 – 12 Months $	1 – 5 Year $	Longer than 5 years $	Total $
Accounts payable and accrued liabilities	63,950,634	10,823,194	-	-	74,773,828
Lease liabilities	1,213,678	3,236,476	7,282,070	-	11,732,224
Gold Stream Liability	3,484,102	10,553,647	9,317,278	-	23,355,027
Loans and borrowings	9,182,048	18,253,920	932,379	-	28,368,347
	77,830,462	**42,867,237**	**17,531,728**	**-**	**138,229,426**

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**

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 11 of the 2023 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 2023, 78% of the Group's cash balances were invested in AA rated financial institutions (2022: 93%), 1% in AA- rated financial institutions (2022: 1%), 1% in A+ rated financial institutions (2022: 1%), 17% in A- rated financial institutions (2022: nil) and 3% in B rated institutions (2022: 4%).

The Group sells Its gold to large international organizations 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 2023 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 Group'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 Group does not enter into currency derivative financial instruments to manage its exposure, the Group 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 10, and the secured loan as disclosed in Note 11 of the 2023 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, 2023.

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 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- IFRS 17 Insurance Contracts
- Amendments to IAS 1 Presentation of Financial Statements
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Amendments to IAS 12 Income Taxes

13.2 Future accounting pronouncements

At the date of authorization 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.

Amendments to IFRS 16	Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7	Supplier Finance Arrangements

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 656,064,724 common shares issued and outstanding stock options to purchase a total of 14,040,000 common shares.

Authorized Common Shares

Table 14.1: Common shares issued

	December 31, 2023	December 31, 2022
Common shares issued	656,064,724	644,696,185

Warrants

There were no warrants that were outstanding at December 31, 2023, and as at the date of this report.

During the quarter ended December 31, 2023, no warrants were issued.

Stock Options

The number of stock options that were outstanding and the remaining contractual lives of the options at December 31, 2023, were as follows.

Table 14.2: Options outstanding

Exercise Price	Number Outstanding	Weighted Average Remaining Contractual Life	Expiry Date
C$0.200	14,040,000	1.05	January 16, 2025
Total	14,040,000		

The Company has previously granted employees, consultants, directors and officers share purchase options. These options were granted pursuant to the Company’s stock option plan. No new options have been granted in 2023.

During the year ended December 31, 2023, the following options were exercised:

- 1,500,000 options exercised at a price of CAD$0.145 per share on June 5, 2023;
- 9,118,539 options exercised at a price of CAD$0.145 per share on June 14, 2023; and,
- 750,000 options exercised at a price of CAD$0.14 per share on September 28, 2023

15 RISKS AND UNCERTAINTIES

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

An investment in the securities of the Group is highly speculative and involves numerous and significant risks. The primary risk factors affecting the Group 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 Group'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 Group'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 Group 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 Group will compete with other interests, many of which have greater financial resources than the Group 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 Group not receiving an adequate return on invested capital.

15.2 Production Risk

The Group's ability to meet development and production schedules, and cost estimates for the Segilola Gold Mine cannot be assured. The Group 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 Group. The Group'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 Group'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 Group cannot give any assurance that it will achieve its production estimates. The Group's failure to achieve its production estimates could have a material and adverse effect on the Group'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 labor; 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 Group'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 Group'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 Group'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 Group 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 Group 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 Group's mineral properties and any of the Group'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 Group 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 Group. Changes, if any, in mining or investment policies or shifts in political attitude in the countries in which the Group holds property interests in the future may adversely affect the Group'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 Group'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 Group 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 Group'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 Group.

15.6 Permitting

The Group'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 Group believes it has received the necessary permits for the current operations. Prior to any development on any properties, the Group must receive permits from appropriate governmental authorities. There can be no assurance that the Group 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 Group. Any material adverse development affecting the progress of the Properties, particularly the Segilola Property, will have a material adverse effect on the Group's financial condition and results of operations.

If the Group 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 Group'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 Group's operations. Environmental hazards may exist on the properties in which the Group holds interests from time to time which are unknown to the Group, 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 Group's operations. To the extent such approvals are required and not obtained, the Group 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 Group 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 Group's earnings and cash flows. Certain of the Group'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 Group's results of operations, financial condition and liquidity could be materially adversely affected.

15.9 Insurance and Uninsured Risks

The Group's business is subject to a number of risks and hazards, 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 Group's properties or the properties of others, delays, monetary losses and possible legal liability.

The Group currently only maintains nominal liability insurance. The Group 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 Group or to other companies in the mineral exploration industry on acceptable terms. The Group might also become subject to liability for pollution or other hazards which may not be insured against or which the Group may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Group 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 Group's operations, financial condition and results of operations.

Management of the Group 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 Group 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 Group. As a result of this competition, the Group may be unable to acquire or maintain attractive mineral exploration properties on terms it considers acceptable or at all. Consequently, the Group's operations and financial condition could be materially adversely affected.

15.12 Additional Capital

The development of the Group'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 Group'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 Group.

15.13 Gold Price

The Group 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 Group'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 Group'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 Group'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 Group.

The Group 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 Group'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 Group 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 Group 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 Group 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 Group may be unable to find adequate replacement services on a timely basis or at all.

The Group 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 Group in its activities.

Any of the foregoing may have a material adverse effect on the results of operations or the financial condition of the Group. 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 Group.

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 Group may experience difficulties in sourcing and retaining the services of suitably qualified and/or experienced sub-contractors, and the Group 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 Group'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 Group’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 Group’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 Group’s business may be limited if investment banks with research capabilities do not continue to follow the Group; lessening in trading volume and general market interest in the Group’s securities may affect an investor’s ability to trade significant numbers of Common Shares; the size of the Group’s public float may limit the ability of some institutions to invest in the Group’s securities; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Group’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 Group’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 Group 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 Group's ability to raise capital through future sales of Common Shares.

15.19 Conflict of Interest

Certain of the directors and officers of the Group 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 Group 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 Group 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.

17 COMPANY MINERAL RESOURCE ESTIMATES

Segilola Gold Project, Nigeria

Segilola Probable Reserve Estimate

Method	Category	Tonnage (kt)	Grade (g/t gold)	Contained Metal ('000 oz gold)
Open Cut	Probable	4,007	4.02	518

Segilola Resource Estimate

	Open Pit (>0.30g/t)			Potential underground (>2.5g/t)		
Category	Tonnes (kt)	Grade (g/t AU)	Gold (koz)	Tonnes (kt)	Grade (g/t Au)	Gold (koz)
Indicated	3,700	4.5	532	386	6.1	76
Inferred	32	2.5	3	411	5.0	65

Douta Gold Project, Senegal

The 2023 MRE encompasses the Makosa, Makosa Tail and Sambara zones, which are collectively named the Douta Resource.

The MRE has been estimated by an independent consultant and is reported at a cut-off grade of 0.5g/t Au within optimised shells using a gold price of US$2,000.

Classification	Tonnes (Mt)	Grade (g/tAu)	Contained Gold (k ounces)	Thor Interest
Indicated	21.2	1.3	875	70%
Inferred	24.1	1.2	909	70%

Douta Gold Project Total Classified Mineral Resource Estimate Summary, March 2023 (reported at cut-off grade of 0.5g/t Au)

- Open Pit Mineral Resources are reported in situ at a cut-off grade of 0.50 g/t Au. An optimised Whittle shell (US$2,000) was used to constrain the resources.
- The Mineral Resource is considered to have reasonable prospects for economic extraction by open pit mining methods above a 0.50 g/t Au and within an optimised pit shell.
- Cut-off grade varied from 0.45 g/t to 0.48 g/t in a pit shell based on mining costs, metallurgical recovery, milling costs and G&A costs.
- Resource is reported as in-situ and no metallurgical or mining recovery factors have been applied.
- Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
- Totals may not add exactly due to rounding.
- The statement used the terminology, definitions and guidelines given in the CIM Standards on Mineral resources and Mineral Reserves (May 2014) as required by NI 43-101.
- Bulk density is assigned according to weathering profile with a weighted average of 2.78.
- The resource estimate was prepared by Mr. Kevin Selingue, Principal Geologist of MineralMind, Australia in accordance with NI 43-101. Mr. Selingue is an independent qualified person ("QP") as defined by NI 43-101.