asante
GOLD CORPORATION

Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars - unaudited)

For the three and nine months ended October 31, 2021 and 2020

Notice of No Auditor Review of Condensed Interim Consolidated Financial Statements

The management of Asante Gold Corporation is responsible for the preparation of the accompanying unaudited condensed interim consolidated financial statements. The unaudited condensed interim consolidated financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of condensed interim consolidated financial statements and are in accordance with IAS 34 – Interim Financial Reporting.

The Company’s auditor has not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity’s auditor.

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Expressed in Canadian Dollars - unaudited

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	October 31, 2021	January 31, 2021
	Unaudited	Audited
	$	$
Assets		
Current Assets		
Cash	24,421,119	479,098
Receivables	53,643	4,644
Prepaid expenses and deposits	7,012,019	44,054
Marketable securities (Note 6)	6,404,975	-
Total Current Assets	37,891,756	527,796
Non-Current Assets		
Inventories	4,395,888	-
Reclamation bonds (Note 7)	3,466,243	-
Fixed assets (Note 8)	61,930,719	35,358
Staff loans	19,642	19,744
Exploration and evaluation assets (Note 9)	59,998,674	5,733,466
Total Assets	167,702,922	6,316,364
Liabilities and Equity		
Current Liabilities		
Trade and other payables (Note 16)	1,794,135	339,306
Due to related parties (Note 16)	198,014	285,750
Short term loan	-	59,500
Deferred payments (Notes 5 and 10)	69,753,698	-
Current portion of long term debt - related party (Note 16)	1,582,801	-
Current portion of long term debt - other	136,252	-
Total Current Liabilities	73,464,900	684,556
Long Term Liabilities		
Due to related parties	-	1,966,540
Rehabilitation provision (Note 11)	10,339,139	-
Other liabilities	1,449,872	136,252
Total Liabilities	85,253,911	2,787,348
Equity		
Share capital (Note 12)	91,921,520	9,452,035
Reserve for share-based payments (Note 13)	5,335,874	1,392,818
Reserve for warrants (Note 12)	337,806	302,680
Accumulated other comprehensive income	303,871	496,928
Accumulated deficit	(15,450,060)	(8,115,445)
Total Equity	82,449,011	3,529,016
Total Liabilities and Equity	167,702,922	6,316,364

Going concern (Note 2c)
Contingent liabilities (Note 19)
Subsequent events (Note 20)

"Douglas MacQuarrie & Alex Heath"
Signed on behalf of the Board of Directors

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

Expressed in Canadian Dollars - unaudited

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

	For the three months ended October 31,		For the nine months ended October 31,	
	2021	2020	2021	2020
	$	$	$	$
Expenses				
Advertising, trade shows and promotions	157,192	4,287	164,144	16,924
Directors' fees (Note 16)	20,027	16,290	57,978	44,268
Finance charges (Note 10)	2,931,680	-	2,931,680	-
Foreign exchange (gain)/loss	(1,850,287)	(31,075)	(1,785,581)	(31,075)
General office	58,081	2,054	99,918	16,260
Management and consulting fees (Note 16)	644,219	112,915	814,574	187,172
Professional services (Note 16)	215,870	9,739	457,028	41,053
Share-based payments (Notes 13 and 16)	4,031,028	40,823	4,123,560	99,207
Shareholder communications	159,776	2,827	200,317	21,645
Transfer agent and regulatory fees	105,791	2,293	115,976	12,365
Travel	119,587	1,664	155,021	4,248
Net loss for the period	(6,592,964)	(161,817)	(7,334,615)	(412,067)
Other comprehensive income (loss)				
Currency translation adjustment	(45,694)	(41,366)	(193,057)	25,875
Total comprehensive loss for the period	(6,638,658)	(203,183)	(7,527,672)	(386,192)
Loss per common share (basic and diluted)	(0.03)	(0.00)	(0.05)	(0.01)
Weighted average number of common shares outstanding (basic and diluted)	228,412,057	72,608,474	154,498,785	68,208,823

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

Expressed in Canadian Dollars - unaudited

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Number of Shares Issued	Share Capital	Reserve for share-based payment	Reserve for warrants	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
		$	$	$	$	$	$
Balance at January 31, 2020	**64,055,757**	**7,490,847**	**1,247,257**	**177,965**	**(7,442,277)**	**712,604**	**2,186,396**
Common shares and warrants issued for cash	22,507,500	1,936,750	-	-	-	-	1,936,750
Issuance costs	-	(20,762)	-	-	-	-	(20,762)
Finders warrants	-	(7,315)	-	7,315	-	-	-
Allocation to warrants	-	(79,975)	-	79,975	-	-	-
Share based payments	-	-	99,207	-	-	-	99,207
Net loss for the period	-	-	-	-	(412,067)	-	(412,067)
Currency translation adjustment	-	-	-	-	-	25,875	25,875
Balance at October 31, 2020	**86,563,257**	**9,319,545**	**1,346,464**	**265,255**	**(7,854,344)**	**738,479**	**3,815,399**
Balance at January 31, 2021	87,921,909	9,452,035	1,392,818	302,680	(8,115,445)	496,928	3,529,016
Common shares and warrants issued for cash	153,417,957	81,666,265	-	-	-	-	81,666,265
Issuance costs	-	(2,857,632)	-	134,706	-	-	(2,722,926)
Finders shares	3,211,216	2,518,314	-	-	-	-	2,518,314
Finders warrants	-	134,706	-	-	-	-	134,706
Options exercised	2,411,348	478,409	(180,504)	-	-	-	297,905
Warrants exercised	5,768,951	529,423	-	(99,580)	-	-	429,843
Share based payments	-	-	4,123,560	-	-	-	4,123,560
Net loss for the period	-	-	-	-	(7,334,615)	-	(7,334,615)
Currency translation adjustment	-	-	-	-	-	(193,057)	(193,057)
Balance at October 31, 2021	**252,731,381**	**91,921,520**	**5,335,874**	**337,806**	**(15,450,060)**	**303,871**	**82,449,011**

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

Expressed in Canadian Dollars - unaudited

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the nine months ended October 31, 2021	2020
	$	$
Cash flows used in operating activities		
Net loss for the period	(7,334,615)	(412,067)
Items not affecting cash		
Finance charges	2,931,680	-
Share-based payments	4,123,560	99,207
Changes in non-cash working capital items		
Prepaid expenses and deposits	(6,725,137)	(38,116)
Receivables	(48,999)	(4,802)
Trade and other payables	394,637	(99,940)
Staff loans	102	(15,000)
Due to related parties	(93,445)	200,126
	(6,752,217)	(270,592)
Cash flows used in investing activities		
Cash acquired from Mensin acquisition	598,908	-
Investment in fixed assets	(3,879,363)	(2,163)
Investment in marketable securities	(6,404,975)	-
Investment in exploration and evaluation assets	(2,162,150)	(212,833)
Cash paid for Mensin acquisition	(37,966,876)	-
	(49,814,456)	(214,996)
Cash flows from financing activities		
Shares and warrants issued for cash	81,666,265	1,936,750
Issuance costs	(69,906)	(20,762)
Warrants exercised	429,843	-
Options exercised	297,905	-
Repayment of short term loan	(59,500)	-
Due to other parties - settlement agreements	(612,082)	(12,818)
Due to related parties - settlement agreements	-	(18,057)
	81,652,525	1,885,113
Effect of foreign exchange on cash	(1,143,831)	(25,875)
Total increase in cash	23,942,021	1,373,650
Cash at beginning of the period	479,098	19,707
Cash at end of the period	24,421,119	1,393,357

Supplemental cash flow information (Note 18)

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

1. NATURE OF OPERATIONS

Asante Gold Corporation's business activity is the exploration and evaluation of mineral properties in Ghana, West Africa. Asante Gold Corporation (the "Company" or "Asante") was incorporated under the Canada Business Corporations Act on May 4, 2011, and has continued as a company under the Business Corporations Act of British Columbia. The Company listed on the TSX Venture Exchange on February 28, 2012 under the symbol "ASE" until it listed and commenced trading on the Canadian Securities Exchange ("CSE") on May 28, 2015.

The address of the Company's corporate office and principal place of business is Suite 615, 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6.

The Company is in the process of acquiring, exploring, and developing mineral resource properties in the Republic of Ghana ("Ghana"). To date the Company has no revenue stream, and is considered to be in the exploration – pre development stage.

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

2. BASIS OF PREPARATION

a) Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance and compliance with IAS 34, Interim Financial Reporting ("IAS 34"). The IAS 34 condensed interim consolidated financial statements do not include all of the information required for annual financial statements, and should be read in conjunction with the Company's audited consolidated financial statements for the year ended January 31, 2021 which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on December 29, 2021.

b) Basis of Measurement

These condensed interim consolidated financial statements have been prepared on a historical cost basis except for financial instruments measured at fair value. These condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The condensed interim consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency. The functional currency of the Company's wholly owned subsidiaries is the United States dollar. The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

c) Going Concern of Operations

The Company has not generated revenue from operations. The Company incurred a comprehensive loss of $7,527,672 during the nine months ended October 31, 2021 (October 31, 2020: $386,192) and as of October 31, 2021, the Company's accumulated deficit was $15,450,060 (January 31, 2021: $8,115,445). The Company is intending to raise further financing through project and other non-dilutive financing for current medium-term needs.

2. BASIS OF PREPARATION (CONTINUED)

c) Going Concern of Operations (Continued)

These condensed interim consolidated financial statements have been prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. As the Company is in the exploration/pre development stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties. The Company has to periodically raise funds to continue operations and was successful in raising $7M in April and a further $75M in August 2021. The Company will require additional financing for the upcoming fiscal year in order to maintain its operations and exploration activities. These material uncertainties raise doubt on the Company's ability to continue as a going concern.

These condensed interim consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

The global pandemic outbreak of COVID-19 has had limited impact on the day-to-day activities of the Company thus far, and various exploration programs including geophysics, trenching, auger drilling and diamond drilling have continued. The recent progress globally with the distribution of vaccines is anticipated to have a further mitigating effect, and although the pandemic could continue to impact the volatility of stock markets, including trading prices of the Company's shares and its ability to raise new capital, the most recent capital raise of $75M and the proposed listing on the Ghana Stock Exchange are indicators that operations can continue despite difficult conditions. Nevertheless given the spread of COVID-19 variants, the possibility of a more significant impact on the Company's operations cannot be excluded. Management has given consideration as to the impact of COVID-19 on the Company and concluded that the financial statements appropriately reflect and disclose management's best estimate and uncertainty regarding the impact of COVID-19 on the Company's future operations and financial results.

d) Basis of Consolidation

These condensed interim consolidated financial statements present the results of the Company and its wholly owned subsidiaries: Asante Gold Corporation (GH) Limited, registered in Barbados, ASG Mining Limited, registered in Ghana, Asante Gold Ghana Ltd., registered in Ghana, Mensin (Bibiani) Pty. Ltd., registered in Australia, Mensin Gold Bibiani Limited, registered in Ghana, Noble Mining Ghana Limited, registered in Ghana, and Drilling and Mining Services Limited, registered in Ghana. All intercompany accounts and transactions have been eliminated.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Foreign Currency Transactions

Items included in the condensed interim consolidated financial statements of the Company and its subsidiaries (the "Group") are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The condensed interim consolidated financial statements are presented in Canadian dollars. Foreign currency accounts are translated into Canadian dollars as follows:

At the transaction date, each asset, liability, revenue and expense denominated in a foreign currency is translated into the functional currency by the use of the exchange rate in effect at that date. At the year-end date, monetary assets and liabilities are translated into the functional currency by using the exchange rate in effect at the year-end date and the related translation differences are recognized in net income. Exchange gains and losses arising on the retranslation of monetary financial assets are treated as a separate component of the change in fair value and recognized in net income.

Non-monetary assets and liabilities that are measured at historical cost are translated into the functional currency by using the exchange rate in effect at the date of the initial transaction and are not subsequently restated. Non-monetary assets and liabilities that are measured at fair value or a revalued amount are translated into Canadian dollars by using the exchange rate in effect at the date the value is determined and the related translation differences are recognized in net income (loss) or other comprehensive income (loss) consistent with where the gain or loss on the underlying non-monetary asset or liability has been recognized.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a) Foreign Currency Transactions (Continued)

The financial results and position of foreign operations whose functional currency is different from the presentation currency are translated as follows:

- assets and liabilities are translated at period-end exchange rates prevailing at that reporting date; and
- income and expenses are translated at average exchange rates for the period.

Exchange differences arising on translation of foreign operations are transferred directly to the Company's accumulated other comprehensive income and are recognized in other comprehensive income (loss) in the period.

b) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of inventory includes cost of purchase (purchase price, import duties, transport, handling, and other costs directly attributable to the acquisition of inventories), and other costs incurred in bringing the inventories to their present location and condition. Net realizable value for inventories is the estimated recoverable value in the ordinary course of business. Provisions are made in profit or loss in the period for any difference between book value and net realizable value.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income or loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Estimates have been applied in the following areas:

a) Rehabilitation Provision

The Company assumed certain rehabilitation provisions in connection with the acquisition of Mensin (Note 5). Based upon the prevailing economic environment, assumptions have been made which management believes are reasonable upon which to estimate the future liability. These estimates will take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions from period to period.

Actual rehabilitation costs will ultimately depend on future market prices for the rehabilitation costs which will reflect the market condition at the time the rehabilitation costs are actually incurred. The final cost of the rehabilitation provisions may be higher or lower than currently provided for.

The areas in which the Company has exercised critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the condensed interim consolidated financial statements within the next financial year are discussed below:

b) Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure has been capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off to profit or loss in the period the new information becomes available.

Expressed in Canadian Dollars - unaudited

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

c) Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects or in renewals or extensions of licences which may take considerable periods to effect. Government notice of termination is given 30 days in advance to provide time for any noted deficiencies to be corrected. The Company operates on the basis that title is secure unless notified of cancellation, and to date the Company has not received notice that any of the mineral titles it operates have been cancelled.

d) Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered. Utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

e) Going Concern Assessment

The Company applies judgments in assessing whether material uncertainties exist that would cause significant doubt as to whether the Company could continue to exist as a going concern. The Company will require additional financing for the upcoming fiscal year in order to maintain its operations and exploration activities. These material uncertainties raise doubt on the Company's ability to continue as a going concern (see Note 2).

5. ACQUISITION OF MENSIN (BIBIANI) PTY. LTD. AND MENSIN GOLD BIBIANI LIMITED

In August 2021, the Company completed the acquisition of all of the issued and outstanding common shares of Mensin (Bibiani) Pty. Ltd. ("MB PTY") and its wholly owned subsidiary Mensin Gold Bibiani Limited ("MGBL") (as a group "Mensin") for consideration of US$90M from Resolute Mining Limited ("Resolute"). Pursuant to the agreement, the Company had to make payments of US$30M (paid $37.89M) on closing, US$30M on or before 6 months from closing, and US$30M on or before 12 months from closing. Mensin is an Australian exploration and development company which holds the Bibiani Gold Mine property located in Ghana. The acquisition resulted in Mensin becoming a wholly-owned subsidiary of the Company. In addition, the Company incurred $76,876 in transaction costs relating to the acquisition and these costs were capitalized as part of the acquisition of the exploration and evaluation assets. The acquisition of Mensin has been treated as an acquisition of assets.

The total consideration for the acquisition of the assets and liabilities of Mensin assumed on acquisition was as follows:

		Total
Consideration:		
Cash paid	$	37,890,000
Present value of deferred payments		68,194,338
Transaction costs		76,876
Total consideration	**$**	**106,161,214**
Allocated as follows:		
Cash	$	598,908
Prepaid expenses and deposits		242,828
Inventories		4,479,541
Fixed assets		58,098,000
Exploration and evaluation assets		51,901,733
Reclamation bonds		3,466,243
Trade and other payables		(917,416)
Rehabilitation provision		(10,339,139)
Other liabilities		(1,369,484)
	$	**106,161,214**

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6. MARKETABLE SECURITIES

Marketable securities are comprised of the following:

	October 31, 2021 Shares #	Fair Value $
Roscan Gold Corporation ("Roscan")	22,086,121	6,404,975

In October 2021, the Company subscribed for 22,086,121 common shares of Roscan at a price of $0.29 per share as a strategic investment. As at October 31, 2021, the fair value of each share was $0.29. As a result, there was no change to fair value of marketable securities.

7. RECLAMATION BONDS

Reclamation bonds of $3,466,243 (January 31, 2021 - $Nil) consist of bonds held as security by the government of Ghana, with regards to the Bibiani Property described in Note 9.

8. FIXED ASSETS

	Field tools and equipment	Office furniture and equipment	Vehicles	Mining plant and equipment*	Total
Cost					
Balance, January 31, 2020	3,213	4,780	32,062	-	40,055
Additions	-	-	39,327	-	39,327
Disposals	-	-	(2,287)	-	(2,287)
Currency translation adjustment	-	(1)	(21)	-	(22)
Balance, January 31, 2021	3,213	4,779	69,081	-	77,073
Additions	58,680	1,875	200,773	61,716,035	61,977,363
Currency translation adjustment	(3,674)	(2,593)	(3,716)	(54,387)	(64,370)
Balance, October 31, 2021	58,219	4,061	266,138	61,661,648	61,990,066
Accumulated depreciation					
Balance, January 31, 2020	3,005	4,287	32,062	-	39,354
Amortization	202	477	-	-	679
Currency translation adjustment	6	15	1,662	-	1,683
Balance, January 31, 2021	3,213	4,779	33,724	-	41,716
Amortization	2,385	94	19,686	-	22,165
Currency translation adjustment	(3,232)	(2,579)	1,277	-	(4,534)
Balance, October 31, 2021	2,366	2,294	54,687	-	59,347
Net Amount					
As at January 31, 2021	-	-	35,357	-	35,357
As at October 31, 2021	55,853	1,767	211,451	61,661,648	61,930,719

* The mining plant and equipment was acquired in connection with the acquisition of Mensin (Note 5) and are currently in care and maintenance and therefore, they are not being depreciated.

Expressed in Canadian Dollars - unaudited

9. EXPLORATION AND EVALUATION ASSETS

	Fahiakoba	Betenase	Sraha	Ayiem	Kubi	Bibiani	Total
	$	$	$	$	$	$	$
Balance at January 31, 2020	3,956,563	307,902	888,821	62,862	267,028	-	5,483,176
Acquisition and sustaining fees	9,751	-	-	-	37,435	-	47,186
Drilling	-	-	-	-	27,994	-	27,994
Field expenses	13,993	1,425	2,070	1,629	113,451	-	132,568
General and administrative	61,176	23,785	29,653	23,772	30,199	-	168,585
Geology and geophysics	26,189	1,766	1,721	1,630	49,875	-	81,181
Currency translation adjustment	(143,602)	(10,620)	(31,084)	(2,235)	(19,683)	-	(207,224)
Balance at January 31, 2021	3,924,070	324,258	891,181	87,658	506,299	-	5,733,466
Acquisition and sustaining fees	59,320	2,832	2,832	2,832	2,240	-	70,056
Drilling	-	-	-	-	495,135	-	495,135
Field expenses	3,812	522	522	654	248,185	-	253,695
General and administrative	19,745	19,488	22,059	21,353	21,282	-	103,927
Geology and geophysics	2,746	1,639	873	873	44,686	-	50,817
Currency translation adjustment	(180,498)	11,279	(37,114)	(4,900)	(35,525)	-	(246,758)
Balance at April 30, 2021	3,829,195	360,018	880,353	108,470	1,282,302	-	6,460,338
Acquisition and sustaining fees	-	-	-	-	50,777	-	50,777
Drilling	-	-	-	-	396,946	-	396,946
Field expenses	8,014	3,293	2,189	2,379	239,066	-	254,941
General and administrative	3,716	2,448	2,571	2,395	80,958	-	92,088
Geology and geophysics	4,357	3,110	6,836	1,372	186,072	-	201,747
Currency translation adjustment	55,391	5,309	12,843	1,647	31,589	-	106,779
Balance at July 31, 2021	3,900,673	374,178	904,792	116,263	2,267,710	-	7,563,616
Acquisition and sustaining fees	3	3	849	849	29,907	51,901,733	51,933,344
Drilling	-	-	-	-	222,141	-	222,141
Field expenses	6,510	2,582	2,582	2,771	37,867	50,675	102,987
Assaying testing and analysis	-	-	-	-	11,558	-	11,558
General and administrative	19,394	18,276	18,836	18,402	24,624	12,161	111,693
Geology and geophysics	14,734	14,157	8,528	7,184	11,427	54,994	111,024
Currency translation adjustment	(24,523)	(2,321)	(8,764)	(1,184)	(19,162)	(1,735)	(57,689)
Balance at October 31, 2021	3,916,791	406,875	926,823	144,285	2,586,072	52,017,828	59,998,674

Fahiakoba

In June 2011, the Company entered into a Purchase Agreement with Goknet Mining Company Limited ("Goknet") to acquire the Fahiakoba Concession, in the Ashanti and Central Regions in the Republic of Ghana, whereby the Company acquired a 100% interest in the Fahiakoba Concession (subject to a royalty interest) by paying Goknet the sum of US$51,976 (C$50,630) and by agreeing to expend US$1M over a five year period. This commitment has been met in full. The Company also granted Goknet a 3% net smelter return royalty on production from the Fahiakoba Concession. The prospecting license for this property is in the process of being renewed by Goknet and further exploration will be planned and conducted once the title of the license is renewed and transferred to the Company. Due to the prohibitive transfer costs, final transfer of the title will be effected on discovery of significant resources.

Betenase

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

Expressed in Canadian Dollars - unaudited

9. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Sraha and Ayiem

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

Kubi

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

In December 2016, the Company finalised the agreement with Goknet to close the acquisition of the Kubi Mining Leases, subject to receipt of Government approvals by issuing seven million shares and reserving for future delivery to Goknet a total of 8,000 ounces of gold, and thereafter reserving for Goknet a 2% Net Smelter Return Royalty (the “Kubi NSR”). Royal Gold Inc. of Denver holds a 3% Net Proceeds of Production royalty, and the Ghana Government holds a statutory 10% free carry equity and 5% NSR royalty interest.

The agreement also allows the Company to acquire Goknet’s interests in eight prospecting licences: two adjoining to the west of the Kubi mining leases, and six contiguous licences located on the Asankrangwa Gold Belt (the “Ashanti ll” concessions) 15 km to the south west and along the strike of the Galiano-Goldfields mine. To purchase the licenses the Company will issue up to a maximum of three million shares, pro rata on a license by license basis if, as and when title is registered in the name of the Company. Goknet will retain a 2% Net Smelter Return royalty on each license. The Company is continuing to source funding to develop Kubi.

Bibiani

In August 2021, following the acquisition of MGB PTY (Note 5), through the acquisition of its Ghana subsidiary, MGBL (Note 5), the Company holds title to the Ghanaian gold mine situated in the western region of Ghana.

10. DEFERRED PAYMENTS

In August 2021, the Company acquired Mensin (Note 5) for a total cash consideration of US$90M. Pursuant to the agreement, the Company shall pay US$30M on closing (paid), US$30M on or before 6 months from closing, and US$30M on or before 12 months from closing. As at October 31, 2021, deferred payments of US$60M was measured by discounting the 6-month and 12-month installments using an incremental borrowing rate of 15%.

	$
Recognition of deferred payments	68,194,338
Finance charges	2,931,680
Foreign exchange adjustment	(1,372,320)
At October 31, 2021	69,753,698

The principal payments required under the deferred payments for the next fiscal year are as follows:

February 18, 2022	$ 37,152,000
August 18, 2022	37,152,000

11. REHABILITATION PROVISION

As at October 31, 2021, the Company recorded $10,339,139 (January 31, 2021: $Nil) as a provision for the estimated costs of site reclamation relating to the Bibiani Gold Mine property in connection with the acquisition of Mensin (Note 5).

12. SHARE CAPITAL AND RESERVES

a) Common Shares

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

During the nine months ended October 31, 2021:

In August 2021, the Company issued 106,642,857 common shares at $0.70 per share for gross proceeds of $74.65M in connection with a private placement. In connection with the offering, the Company issued 2,275,714 common shares with a fair value of $2,298,471 as finders' fees and incurred issuance costs of $39,849.

In April 2021, the Company issued 46,775,100 units at $0.15 per unit for gross proceeds of $7,016,265 in connection with a private placement. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share at an exercise price of $0.25 until April 15, 2026. In connection with the offering, the Company issued 935,502 finders units with a fair value of $354,549 comprising one common share and one share purchase warrant and incurred issuance costs of $30,057.

The Company issued 5,768,951 common shares in connection with the exercise of 5,768,951 warrants with a weighted average exercise price of $0.07 for total proceeds of $429,843. As a result, the Company transferred $99,580 representing the fair value of the exercised warrants from reserves to share capital. The Company also issued 2,411,348 common shares in connection with the exercise of 2,411,348 stock options with a weighted average exercise price of $0.12 for total proceeds of $297,905. As a result, the Company transferred $180,504 representing the fair value of the exercised options from reserves to share capital.

During the year ended January 31, 2021:

In October 2020, the Company issued 13,500,000 units at $0.10 per unit in connection with a private placement. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share at an exercise price of $0.22 until October 21, 2022. In connection with the offering, the Company incurred issuance costs of $1,871.

In September 2020, the Company issued 3,017,500 units at $0.10 per unit in connection with a private placement. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share at an exercise price of $0.15 for a period of two years. In connection with the offering, the Company incurred issuance costs of $1,954, paid finders' fees of $7,236, and issued 72,363 finders warrants with a fair value of $3,665.

In August 2020, the Company issued 3,500,000 units at $0.05 per unit in connection with a private placement. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share at an exercise price of $0.06 until August 4, 2022. Each warrant is subject to early conversion should the shares trade at a price equal to or greater than $0.20 for 20 consecutive trading days. The expiry date of the warrants will be 30 days from the date of issue of a news release announcing the early conversion. In connection with the offering, the Company incurred issuance costs of $2,135, paid finders fees of $1,750 and issued 35,000 finders warrants with a fair value of $2,120.

Expressed in Canadian Dollars - unaudited

12. SHARE CAPITAL AND RESERVES (CONTINUED)

a) Common Shares (Continued)

In March 2020, the Company issued 2,490,000 units at $0.05 per unit in connection with a private placement. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share at an exercise price of $0.06 until March 12, 2022. Each warrant is subject to early conversion should the shares trade at a price equal to or greater than $0.20 for 20 consecutive trading days. The expiry date of the warrants will be 30 days from the date of issue of a news release announcing the early conversion. In connection with the offering the Company incurred issuance costs of $1,714, paid finders fees of $4,375 and issued 87,500 finders warrants with a fair value of $1,530.

The Company issued 800,000 common shares in connection with the exercise of 800,000 warrants with an exercise price of $0.08 for total proceeds of $64,000. The Company also issued 558,652 common shares in connection with the exercise of 558,652 stock options with an exercise price of $0.115 for total proceeds of $64,245.

b) Share Purchase Warrants

The following table summarizes warrants and finders warrants issued from February 1, 2020 until October 31, 2021 together with their valuations.

Issuance date	12-Mar-20	5-Aug-20	17-Sep-20	18-Sep-20	22-Oct-20	15-Apr-21
Number of warrants	2,490,000	3,500,000	2,017,500	1,000,000	13,500,000	46,775,100
Allocation of proceeds based on residual fair value	$24,900	$Nil	$Nil	$Nil	$67,500	$Nil
Number of finders warrants	87,500	35,000	72,363	-	-	935,502
Estimated fair market value	$1,530	$2,120	$3,665	-	-	$134,706
Model used to estimate fair value	Black Scholes					
Share price at date of issuance	$0.030	$0.085	$0.090	$0.090	$0.095	$0.235
Exercise price	$0.060	$0.060	$0.150	$0.150	$0.220	$0.250
Risk free interest rate	0.69%	0.41%	0.41%	N/A	N/A	0.24%
Estimated annual volatility	144.8%	133.2%	133.20%	N/A	N/A	125.20%
Expected dividends	$Nil	$Nil	$Nil	N/A	N/A	$Nil
Warrant fair value	$0.010	$Nil	$Nil	$Nil	$0.005	$Nil
Finders warrant fair value	$0.0175	$0.0606	$0.0506	N/A	N/A	$0.1400

A summary of changes of share purchase warrants outstanding as follows:

	Number of warrants	Exercise price
	#	$
Balance at January 31, 2020	5,467,590	
Issued March 12, 2020	2,490,000	0.06
Finders warrants	87,500	0.06
Issued August 5, 2020	3,500,000	0.06
Finders warrants	35,000	0.06
Issued September 17, 2020	2,017,500	0.15
Issued September 18, 2020	1,000,000	0.15
Finders warrants	72,363	0.15
Issued October 22, 2020	13,500,000	0.22
Exercised	(800,000)	0.08
Balance at January 31, 2021	27,369,953	
Issued April 15, 2021	46,775,100	0.25
Finders warrants	935,502	0.25
Exercised	(5,768,951)	0.06 to 0.15
Expired	(261,039)	0.15
Balance at October 31, 2021	69,050,565	

Expressed in Canadian Dollars - unaudited

12. SHARE CAPITAL AND RESERVES (CONTINUED)

b) Share Purchase Warrants (Continued)

Details of share purchase warrants outstanding at October 31, 2021 are as follows:

Number of warrants	Exercise price	Expiry date
#	$	
2,105,100	0.08	September 4, 2022
1,727,500	0.06	March 12, 2022
1,335,000	0.06	August 4, 2022
1,672,363	0.15	September 17, 2022
1,000,000	0.15	September 18, 2022
13,500,000	0.22	October 21, 2022
46,775,100	0.25	April 15, 2023
935,502	0.25	April 15, 2023
69,050,565	0.23	

As at October 31, 2021, the weighted average remaining life of outstanding warrants is 1.28 years.

c) Nature and Purpose of Equity and Reserves

The reserves recorded in equity on the Company's condensed interim consolidated statement of financial position reflect the value of stock option grants and share warrants. 'Reserve for share-based payments' and 'Reserve for warrants' are used to recognize the value of stock option grants and share warrants respectively, prior to exercise. 'Accumulated other comprehensive income' is used to record the cumulative translation adjustments arising from translating foreign operations to the presentation currency. 'Accumulated deficit' is used to record the Company's change in deficit from profit or loss from period to period.

d) Loss Per Share

Outstanding stock options and warrants have been excluded from the calculation of diluted loss per share as the effect would be anti-dilutive. The net effect of applying the treasury-stock method to the weighted average number of common shares outstanding had an anti-dilutive effect for the periods ended October 31, 2021 and 2020.

13. SHARE-BASED PAYMENTS

Stock Options

The Company has an incentive Stock Option Plan ("the Plan") under which non-transferable options to purchase common shares of the Company may be granted to directors, officers, employees or service providers of the Company. The terms of the Plan provide that the Directors have the right to grant options to acquire common shares of the Company at not less than the closing market price of the shares on the day of the grant less any discount allowable under CSE rules, at terms of up to five years. No amounts are paid or payable by the recipient on receipt of the option, and the options granted are not dependent on any performance-based criteria. In accordance with the Plan, options vest immediately upon grant unless otherwise specified by the Directors, with the exception of personnel working in Investor Relations whose options vest 25% every three months until all options are fully vested. Under the plan, the maximum number of shares which may be reserved for issuance is 10% of the number of issued and outstanding common shares.

Expressed in Canadian Dollars - unaudited

13. SHARE-BASED PAYMENTS (CONTINUED)

Stock Options (continued)

The following table summarizes stock options granted from February 1, 2020 until October 31, 2021 together with their valuations.

Grant date	4-Apr-20	7-Jul-20	7-Jul-20	21-Jul-20	18-Aug-20	21-Sep-20
Number of options	200,000	300,000	370,000	500,000	350,000	150,000
Estimated fair value of compensation	$3,680	$6,210	$20,794	$27,700	$22,941	$12,796
Model used to estimate fair value	Black Scholes					
Share price at date of grant	$0.035	$0.060	$0.060	$0.060	$0.070	$0.090
Exercise price	$0.100	$0.100	$0.100	$0.100	$0.100	$0.150
Risk free interest rate	0.41%	0.41%	0.41%	0.41%	0.41%	0.50%
Estimated annual volatility	145.9%	127.3%	175.1%	168.0%	172.6%	182.7%
Expected dividends	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Option fair value	$0.018	$0.021	$0.056	$0.055	$0.066	$0.085

Grant date	21-Sep-20	21-Dec-20	21-Dec-20	3-Mar-21	9-Aug-21
Number of options	100,000	350,000	650,000	1,100,000	6,900,000
Estimated fair value of compensation	$5,085	$39,497	$48,801	$92,532	$4,031,028
Model used to estimate fair value	Black Scholes				
Share price at date of grant	$0.090	$0.115	$0.115	$0.100	$0.680
Exercise price	$0.150	$0.115	$0.115	$0.150	$0.750
Risk free interest rate	0.50%	0.43%	0.23%	0.25%	0.89%
Estimated annual volatility	133.8%	210.0%	132.7%	135.0%	133.0%
Expected dividends	$Nil	$Nil	$Nil	$Nil	$Nil
Option fair value	$0.051	$0.113	$0.075	$0.084	$0.584

A summary of changes of options outstanding as follows:

	Number of options	Exercise price
	#	$
Balance at January 31, 2020	5,540,000	
Granted April 4, 2020	200,000	0.10
Granted July 7, 2020	300,000	0.10
Granted July 7, 2020	370,000	0.10
Granted July 21, 2020	500,000	0.10
Granted August 18, 2020	350,000	0.15
Granted September 21, 2020	100,000	0.15
Granted September 21, 2020	150,000	0.15
Granted December 21,2020	350,000	0.115
Exercised	(558,652)	0.115
Expired/cancelled	(505,000)	0.10 to 0.17
Balance at January 31, 2021	7,446,348	
Granted March 3, 2021	1,100,000	0.15
Granted August 9, 2021	6,900,000	0.75
Exercised	(2,411,348)	0.08 to 0.20
Expired/cancelled	(740,000)	0.17
Balance at October 31, 2021	12,295,000	

Expressed in Canadian Dollars - unaudited

13. SHARE-BASED PAYMENTS (CONTINUED)

Stock Options (continued)

Details of options outstanding at October 31, 2021 are as follows:

Grant date	Expiry date	Exercise price	Number of options	Vested and exercisable
		$	#	#
May 12, 2017	May 12, 2022	0.15	600,000	600,000
June 5, 2018	June 4, 2023	0.10	1,025,000	1,025,000
March 21, 2019	March 20, 2024	0.10	500,000	500,000
August 28, 2019	August 27, 2024	0.10	550,000	550,000
July 7, 2020	July 5, 2025	0.10	370,000	370,000
July 21, 2020	July 20, 2025	0.10	500,000	500,000
August 18, 2020	August 17, 2025	0.10	350,000	350,000
September 21, 2020	September 20, 2025	0.15	150,000	150,000
December 21, 2020	December 20, 2022	0.115	350,000	350,000
March 4, 2021	March 3, 2026	0.15	1,000,000	1,000,000
August 9, 2021	August 8, 2026	0.75	6,900,000	6,900,000
		0.47	12,295,000	12,295,000

As at October 31, 2021, the weighted average remaining life of outstanding stock options is 3.95 years.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash, receivables, marketable securities, reclamation bonds, staff loans, trade and other payables, due to related parties, short term loans, deferred payments, long term debts, and other liabilities. The fair values of these financial instruments approximate their carrying values because of their current nature. All financial instruments carried at fair value were determined using Level 1 inputs. The following fair value hierarchy is applied in determining the fair value of financial instruments:

- Level 1 inputs, which are unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs, which are inputs other than quoted prices which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs, which include management assumptions which cannot be corroborated with observable market data.

The Company's financial instruments are exposed to the following risks:

i) Credit risk:
Credit risk is the unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. With very limited receivables and cash on deposit with sound financial institutions, it is management's opinion that the Company is not exposed to significant credit risks arising from the financial instruments and overall the Company's credit risk has not change significantly from previous year.

ii) Liquidity risk:
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As at October 31, 2021, the Company had cash of $24,421,119 (January 31, 2021: $479,098) and current liabilities totaling $73,464,900 (January 31, 2021: $684,556). Liquidity risk is assessed as high. The Company intends to raise funds from external sources through equity and debt.

iii) Market risk:
Market risk is the risk that changes in market prices such as commodity prices, foreign exchange rates, and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposure within acceptable parameters. The Company does not use derivative instruments to reduce its exposure to market risks.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

iv) Currency risk:
The Company is exposed to financial risk arising from fluctuations in foreign exchange rates and the degree of volatility of these rates. At October 31, 2021, the Company is exposed to currency risk through the following financial instruments denominated in foreign currencies:

	US Dollars	Ghana Cedis
Net Assets/(Liabilities)	$ (53,321,743)	₵ 6,430,434
CAD foreign exchange rate	1.2384	0.2014
CAD equivalent	$ (66,033,646)	$ 1,295,089

A 10% increase in the Canadian dollar against the foreign currency at October 31, 2021 would result in an increase (a decrease) to net income in the amounts shown below, assuming that all other variables remain constant.

	US Dollars	Ghana Cedis
Change in net income	$ (6,603,365)	$ 129,509

The Company is also exposed to foreign currency risk because the Company's exploration and evaluation assets are denominated in United States dollars. A 10% increase in the Canadian dollar against the United States dollar at October 31, 2021 would result in a decrease to other comprehensive income of approximately $6,000,000 arising from the Company's exploration and evaluation assets.

v) Interest rate risk:
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has $Nil in interest bearing debt as of October 31, 2021 (January 31, 2021: $Nil).

vi) Other risks:
As substantially all of the Company's exploration activities are conducted in Ghana, the Company is subject to different considerations and other risks not typically associated with companies operating in North America. These risks relate primarily to those typically associated with developing nations, and include political risk, changes in government's ownership interest, sovereign risk, and greater currency and inflation volatility.

15. CAPITAL RISK MANAGEMENT

The Company includes cash and equity, comprising of issued common shares, reserves for share-based payments and warrants, accumulated other comprehensive income and accumulated deficit, in the definition of capital. The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management and consultants to sustain future development of the business.

The Company's properties are in the exploration and development stage and as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and development and pay for administrative costs, the Company intends to raise additional funds as required.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company. There were no changes to the Company's approach to capital management during the nine months ended October 31, 2021. The Company is not subject to any external covenants.

Expressed in Canadian Dollars - unaudited

16. RELATED PARTY TRANSACTIONS

Key management personnel includes those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Company's Board of Directors and corporate officers and related companies and carried out the following transactions with related parties:

	For the nine months ended October 31,	
	2021	2020
	$	$
Directors' fees	57,978	44,268
Management and consulting fees	298,469	177,092
Professional services	61,000	9,000
Share-based payments	2,351,549	87,918
	2,768,996	318,278

a. As at October 31, 2021, included in due to related parties was $198,014 (January 31, 2021: $285,233) in expense reimbursements, director's fees, and professional service fees.

b. As at October 31, 2021, $Nil (January 31, 2021: $15,000) due to related parties was included in short term loan.

c. As at October 31, 2021, ($12,374) (January 31, 2021: $275,858) was owing to/(from) Goknet Mining Company Limited~~,~~ in respect of loans and advances.

d. As at October 31, 2021, $391,962 (January 31, 2021: $426,499) was owing to MIA Investments Ltd. in respect of loans and advances; $535,500 (January 31, 2021: $614,250) in respect of fees, and $16,602 (January 31, 2021: $61,852) in respect of expense reimbursements.

e. As at October 31, 2021, $655,101 (January 31, 2021: $872,795) was owing to directors and officers in respect of management fees.

These transactions have been entered into in the normal course of operations and are recorded at their exchange amounts, which is the consideration agreed upon by the related parties. Amounts due to related parties are unsecured and non-interest bearing. Long term debt agreements have a repayment date of no later than March 19, 2022, and consequently are reflected as current liabilities.

17. SEGMENTAL REPORTING

The Company is organized into business units based on mineral properties and has one reportable operating segment, being that of acquisition and exploration, development and evaluation activities. The Company's fixed assets and exploration and development and evaluation assets are located in the Republic of Ghana.

Expressed in Canadian Dollars - unaudited

18. SUPPLEMENTAL CASH FLOW INFORMATION

	For the nine months ended October 31, 2021	2020
	$	$
Supplemental cash-flow disclosure:		
Interest	-	-
Income taxes	-	-
Supplemental non-cash disclosure:		
Finders' shares issued	2,518,314	-
Exploration and evaluation assets included in trade and other payables	142,776	205,293
Exploration and evaluation assets included in long term debt	228,343	260,789
Exploration and evaluation assets included in due to related parties	5,709	217,083
Reclassification of stock options exercised	180,504	-
Reclassification of warrants exercised	99,580	-
Reclassification of finders' warrants issued	134,706	-
Depreciation capitalized in exploration and evaluation assets	22,165	-

19. CONTINGENT LIABILITIES

Amounts Potentially payable to historical Bibiani creditors

In June 2014, Mensin Gold Bibiani Limited, Drilling and Mining Services Limited and Noble Mining Ghana Limited (collectively referred to as the “Companies”) entered into court approved Schemes of Arrangement (“Scheme”) with their creditors and employees (“Scheme Creditors”). The Scheme enabled Resolute to secure with the endorsement of the Ghanaian government, ultimate ownership of the Bibiani Gold Mine with protection from those liabilities which had been incurred at a time when the mine was under the control of the prior owner (Noble Mineral Resources Limited). The Scheme set out the timing and amounts of payments that were to be made by the Companies to a Scheme Fund and to a Future Fund, from which funds, payments are to be made to the Scheme Creditors. The Scheme Creditors arise from transactions that occurred prior to the Companies becoming part of the Resolute Group. The Scheme Fund and the Future Fund are effectively administered by representatives of KPMG.

Subject to the issue discussed below regarding two Ghanaian creditors, the implementation of the Scheme had the effect of removing from the Companies’ balance sheets all historical liabilities relating to amounts payable to Scheme Creditors and replacing those liabilities with an obligation to fund the Scheme Fund and Future Fund, as and when necessary. The unconditional obligations to make payments to the Scheme Fund were paid in 2014. In addition to those unconditional obligations to pay into the Scheme Fund, the Scheme imposed following contingent liabilities to provide funding to the Scheme Fund and Future Fund:

1. Payment to the Scheme Fund of US$3.6 million if, following receipt of the Feasibility Study, the Board of Resolute, in its absolute discretion, made a decision to proceed with the development of the Bibiani Gold Mine; and;
2. Payment to a Future Fund of up to US$7.8 million conditional upon the generation of free cashflow from Bibiani mine operations for the period of 5 years from the date that Commercial Production is declared (“Future Cashflow Payment”). Free Cashflow means 25% of effectively, Project Revenue for that year less Permitted Payments for that year, which Permitted Payments include:
    - operational expenses and capital costs paid in connection with the mining operations; and
    - repayment of principal and interest relating to funds advanced to Mensin up to the commencement of mining operations.

The Scheme provided that if Commercial Production had not been achieved by June 2019, then the Bibiani Gold Mine had to be sold and the proceeds applied in the manner set out in the Scheme. On the basis that, in late 2018 it became clear that Commercial Production would not be achieved by June 2019, and in order to avoid the need to sell the Bibiani Gold Mine, an Amended Scheme was proposed to Scheme Creditors, which effectively allowed additional time to commence mining at

19. CONTINGENT LIABILITIES (continued)

Bibiani. In consideration for the Scheme Creditors agreeing to the extended timeframe to commence mining, the Amended Scheme provided that upon the Amended Scheme becoming operative, the payment of US$3.6 million ($4.8 million) referred to at 1 above would be immediately payable (i.e. it would not be dependent upon the decision of the board of Resolute to proceed with the development of Bibiani). At the meetings of Scheme Creditors to consider the Amended Scheme in April 2019, the Scheme Creditors approved the Amended Scheme, which was subsequently approved by the Court and became operative in May 2019. As a consequence, in mid-2019 Resolute paid the sum of US$3.6 million under the Amended Scheme. The obligation to make the Future Cashflow Payment of up to US$7.8 million in the circumstances described at 2 above remains in place under the Amended Scheme.

Notwithstanding the Scheme's approval by the Ghanaian High Court, the Scheme Creditors, and the Ghanaian Minister of Mines, two Ghanaian creditors (being Riasand and Scan minerals) sought to circumvent the operation of the Scheme (and Amended Scheme) and are seeking to enforce a winding up order against Mensin, on the basis of debts incurred prior to implementation of the Scheme. The Company is defending Mensin's right to unencumbered debt free ownership of the Bibiani Gold Mine, which was a key element of the Scheme supported by both Resolute and the Ghanaian government at the time of the Resolute acquisition

The appeal proceedings involving Riasand have been settled on the basis of a payment to Riasand. Orders giving effect to the settlement (including vacating the stayed winding up order) are expected to be made at a hearing in the Ghanaian High Court within the coming months.

20. SUBSEQUENT EVENTS

Subsequent to October 31, 2021, the Company issued 500,000 common shares in connection with the exercise of 500,000 warrants with an exercise price of $0.06 for total proceeds of $30,000. In addition, the Company also issued 300,000 common shares in connection with the exercise of 300,000 stock options with an exercise price of $0.10 for total proceeds of $30,000.