



CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars - unaudited)

For the three months ended April 30, 2022 and 2021

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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CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended April 30, 2022
Expressed in Canadian Dollars - Unaudited

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	April 30, 2022	January 31, 2022
	\$	\$
ASSETS		
Current Assets		
Cash	20,710,952	5,849,478
Receivable	229,621	95,884
Prepaid expenses and deposits	21,471,144	7,738,533
Marketable securities (Note 6)	10,207,212	7,509,281
Total Current Assets	52,618,929	21,193,176
Non-Current Assets		
Inventories	6,608,611	2,052,761
Prepaid expenses	1,287,973	707,006
Reclamation bonds (Note 7)	3,466,243	3,466,243
Plant and equipment (Note 8)	151,626,833	97,500,488
Loans receivable	349,936	113,856
Exploration and evaluation assets (Note 9)	9,991,690	8,517,471
Development properties (Note 10)	93,710,283	93,300,798
Total Assets	319,660,498	226,851,799
LIABILITIES		
Current Liabilities		
Trade and other payables	49,367,325	11,949,338
Due to related parties (Note 18)	1,821,437	495,503
Short term loans - related parties (Note 18)	-	1,483,684
Deferred payments (Note 5 and 11)	37,496,224	74,588,849
Current portion of rehabilitation provision (Note 12)	1,391,909	1,391,909
Current tax liabilities (Note 5)	22,641,942	22,355,201
Other current liabilities (Note 20)	9,977,760	9,851,400
Total Current Liabilities	122,696,597	122,115,884
Long Term Liabilities		
Rehabilitation provision (Note 12)	10,412,567	10,412,567
Other liabilities	1,061,560	487,357
Total Liabilities	134,170,724	133,015,808
Shareholders' Equity		
Share capital (Note 13)	191,407,693	91,923,970
Reserve for share-based payments (Note 14)	19,643,742	5,323,838
Reserve for warrants (Note 13)	389,855	417,286
Accumulated other comprehensive income	436,833	716,229
Accumulated deficit	(38,130,009)	(16,593,315)
Equity attributable to shareholders of the Company	173,748,114	81,788,008
Non-controlling interest (Note 15)	11,741,660	12,047,983
Total Equity	185,489,774	93,835,991
Total Liabilities and Equity	319,660,498	226,851,799
Going concern (Note 2c)		
Subsequent events (Note 22)		

"Alex Heath & Douglas MacQuarrie"

Signed on behalf of the Board of Directors

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

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For the three months ended April 30, 2022
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CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the three months ended
April 30,

	2022	2021
	\$	\$

Expenses		
Advertising, trade shows and promotions	141,864	2,120
Depreciation (Note 8)	3,063,230	18,035
Finance charge (Notes 11)	37,538	-
Foreign exchange loss	407,087	35,002
General office	104,428	11,307
Management and consulting fees (Note 18)	2,749,918	70,893
Professional services (Note 18)	215,474	36,124
Share-based payments (Notes 14 and 18)	14,392,739	92,532
Shareholder communications	164,548	13,836
Transfer agent and regulatory fees	160,812	3,075
Travel	103,310	222
	21,540,948	283,146
Other item		
Unrealized loss on investment (Note 6)	302,069	-
Loss for the period	(21,843,017)	(283,146)
Loss attribute to:		
Shareholders of the Company	(21,536,694)	(283,146)
Non-controlling interest	(306,323)	-
Loss for the period	(21,843,017)	(283,146)
Other comprehensive loss		
Currency translation adjustment - shareholders of the Company	(279,396)	(246,510)
	(279,396)	(246,510)
Total comprehensive loss for the period	(22,122,413)	(529,656)
Comprehensive loss attribute to:		
Shareholders of the Company	(21,816,090)	(529,656)
Non-controlling interest	(306,323)	-
Total comprehensive loss for the period	(22,122,413)	(529,656)
Loss per common share (basic and diluted) attributed to		
Shareholders of the Company	(0.07)	(0.01)
Weighted average number of common shares outstanding (basic and diluted)	294,663,486	96,653,696

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

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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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) \$	Non- Controlling Interest	Total Shareholders' Equity \$
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	46,775,100	7,016,265	-	-	-	-	-	7,016,265
Issuance costs	-	(384,605)	-	-	-	-	-	(384,605)
Finders shares	935,502	219,843	-	-	-	-	-	219,843
Finders warrants	-	-	-	134,706	-	-	-	134,706
Options exercised	241,348	61,643	(25,638)	-	-	-	-	36,005
Warrants exercised	401,451	30,218	-	-	-	-	-	30,218
Share based payments	-	-	92,532	-	-	-	-	92,532
Net loss for the period	-	-	-	-	(283,146)	-	-	(283,146)
Currency translation adjustment	-	-	-	-	-	(246,510)	-	(246,510)
Balance at April 30, 2021	136,275,310	16,395,399	1,459,712	437,386	(8,398,591)	250,418	-	10,144,324
Balance at January 31, 2022	253,691,381	91,923,970	5,323,838	417,286	(16,593,315)	716,229	12,047,983	93,835,991
Common shares issued for Cash	58,431,914	102,255,850	-	-	-	-	-	102,255,850
Issuance costs	-	(3,223,610)	-	-	-	-	-	(3,223,610)
Options exercised	550,000	155,335	(72,835)	-	-	-	-	82,500
Warrants exercised	2,334,167	296,148	-	(27,431)	-	-	-	268,717
Share based payments	-	-	14,392,739	-	-	-	-	14,392,739
Net loss for the period	-	-	-	-	(21,536,694)	-	(306,323)	(21,843,017)
Currency translation adjustment	-	-	-	-	-	(279,396)	-	(279,396)
Balance at April 30, 2022	315,007,462	191,407,693	19,643,742	389,855	(38,130,009)	436,833	11,741,660	185,489,774

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CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended April 30, 2022
Expressed in Canadian Dollars - Unaudited

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the three months ended April 30,	
	2022	2021
	\$	\$
Cash flows used in operating activities		
Loss for the period	(21,843,017)	(283,146)
Items not affecting cash		
Depreciation	3,063,230	-
Finance charge	37,538	-
Foreign exchange	-	35,002
Share-based payments	14,392,739	92,532
Unrealized loss on investment	302,069	-
Changes in non-cash working capital items		
Prepaid expenses and deposits	(14,313,578)	(50,108)
Receivables	(133,737)	(101,150)
Trade and other payables	229,153	441,641
Loan receivable	(236,080)	682
Due to related parties	(157,750)	67,758
	(23,215,283)	203,211
Cash flows used in investing activities		
Purchase of plant and equipment	(19,392,119)	-
Investment in marketable securities	(3,000,000)	-
Investment in exploration and evaluation assets	(1,134,909)	(972,016)
	(23,527,028)	(972,016)
Cash flows from financing activities		
Shares and warrants issued for cash	102,255,850	7,016,265
Issuance costs	(3,223,610)	(30,056)
Warrants exercised	268,717	30,218
Options exercised	82,500	36,005
Repayment of short term loan	-	(59,500)
Other liabilities	574,203	-
Repayment of deferred payments	(38,229,000)	(184,362)
	61,728,660	6,808,570
Effect of foreign exchange on cash	(124,875)	(33,422)
Total increase in cash	14,861,474	6,006,343
Cash at beginning of the period	5,849,478	479,098
Cash at end of the period	20,710,952	6,485,441
Supplemental cash-flow disclosure:		
Interest paid	-	-
Income taxes paid	-	-
Supplemental Non-cash disclosure:		
Exploration and evaluation assets included in trade and other payables	122,462	69,932
Plant and equipment included in trade and other payables	48,881,404	-
Exploration and evaluation assets included in due to related parties	-	202,460
Reclassification of stock options exercised	72,835	-
Reclassification of warrants exercised	27,431	-
Depreciation capitalized in exploration and evaluation assets	14,955	1,614

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended April 30, 2022
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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 is currently listed on the Canadian Securities Exchange ("CSE") under the symbol "ASE".

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 and 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 and development 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 AND GOING CONCERN

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, 2022 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 June 29, 2022.

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 condensed interim 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 \$22,122,413 during the three months ended April 30, 2022 (April 30, 2021: \$529,656) and as of April 30, 2022, the Company's accumulated deficit was \$38,130,009 (January 31, 2022: \$16,593,315). The Company is intending to raise further financing through the further issuance of debt and equity.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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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 and development 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 \$102 million in March 2022. The Company will require additional financing for the upcoming fiscal year in order to maintain its operations, exploration, and development activities. These conditions indicate the existence of a material uncertainty that may cast significant doubt about 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 \$102 million 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

The condensed interim consolidated financial statements include the financial statements of the Company and the following subsidiaries:

Name	Jurisdiction	Percentage owned	
		April 30, 2022	January 31, 2022
Asante Gold Corporation (GH) Limited	Barbados	100%	100%
ASG Mining Limited	Ghana	100%	100%
Asante Gold (Ghana) Ltd.	Ghana	100%	100%
Mensin Bibiani Pty. Ltd	Australia	100%	100%
Mensin Gold Bibiani Ltd	Ghana	90%	90%
Noble Mining Ghana Limited	Ghana	100%	100%
Drilling and Mining Services Limited	Ghana	100%	100%

All intercompany accounts and transactions between the Company and its subsidiaries have been eliminated upon consolidation.

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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 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.

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 (loss) and are recognized in other comprehensive income (loss) in the period.

b) Recent Accounting Pronouncements

The following is a listing of amendments, revisions and new International Financial Reporting Standards issued but not yet effective. The Company is currently assessing the impact of adopting the following standards on the condensed interim consolidated financial statements, as described below:

- **IAS 1 - Presentation of Financial Statements:** On January 23, 2020, the IASB issued an amendment to IAS 1, *Presentation of Financial Statements* providing a more general approach to the classification of liabilities. The amendment clarifies that the classification of liabilities as current or non-current depends on the rights existing at the end of the reporting period as opposed to the expectations of exercising the right for settlement of the liability. The amendments further clarify that settlement refers to the transfer of cash, equity, instruments, other assets, or services to the counterparty. The amendments are effective for annual periods beginning on or after January 1, 2023 and are to be applied retrospectively, with early adoption permitted. The Company is currently assessing the financial impact of the amendment and expects to apply the amendment at the effective date.
- **IAS 16 - Property, Plant and Equipment:** On May 14, 2020, the IASB issued an amendment to IAS 16, *Property, Plant and Equipment* to prohibit deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The proceeds from selling such items, and the cost of producing those items are to be recognized in profit and loss. The amendments are effective for annual periods beginning on or after January 1, 2022 with early adoption permitted. The amendment is to be applied retrospectively only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the earliest period presented in the financial statements in the year in which the amendments are first applied. The amendment is effective for annual periods beginning on or after January 1, 2022 with early adoption permitted. The Company is currently assessing the financial impact of the amendment and expects to apply the amendment at the effective date.

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions that may 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.

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 in future financial years are discussed below:

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.

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.

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 conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern (see Note 2c).

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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5. ACQUISITION OF MENSIN BIBIANI PTY. LTD AND MENSIN GOLD BIBIANI LTD

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 subsidiary Mensin Gold Bibiani Ltd (“MGBL”) (as a group “Mensin”) for consideration of US\$90 million from Resolute Mining Limited (“Resolute”). Pursuant to the agreement, the Company is required to make payments of US\$30 million (paid \$38 million) on closing, US\$30 million on or before 6 months from closing (paid \$38 million), and US\$30 million on or before 12 months from closing. Mensin is an 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, and the Ghanaian government retains a 10% free carried interest in the Bibiani Gold Mine. As a result, the Company recorded a non-controlling interest of \$12,176,810. In addition, the Company incurred \$185,267 in transaction costs relating to the acquisition and these costs were capitalized as part of the acquisition of the development properties. The acquisition of Mensin has been treated as an acquisition of assets.

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	71,516,026
Transaction costs	185,267
Total consideration	\$ 109,591,293
Allocated as follows:	
Cash	\$ 598,908
Prepaid expenses and deposits	242,828
Inventories	2,082,893
Plant and equipment	68,070,702
Development properties	92,069,969
Reclamation bonds	3,466,243
Trade and other payables	(917,416)
Current tax liabilities	(22,355,201)
Other current liabilities	(9,851,400)
Rehabilitation provision	(11,280,339)
Other liabilities	(359,084)
Non-controlling interest	(12,176,810)
	\$ 109,591,293

6. MARKETABLE SECURITIES

Marketable securities are comprised of the following:

	April 30, 2022		January 31, 2022	
	Shares #	Fair Value \$	Shares #	Fair Value \$
Roscan Gold Corporation (“Roscan”)	29,586,121	10,207,212	22,086,121	7,509,281

In October 2021, the Company subscribed for 22,086,121 common shares of Roscan at a price of \$0.29 per share as a strategic investment. In March 2022, the Company subscribed for an additional 7,500,000 common shares of Roscan at a price of \$0.40 per share. During the three months ended April 30, 2022, the Company recorded an unrealized loss on investment of \$302,069 (April 30, 2021 - \$nil).

7. RECLAMATION BONDS

Reclamation bonds of \$3,466,243 (January 31, 2022 - \$3,466,243) consist of bonds held as security by the government of Ghana, with regards to the Bibiani Property described in Note 10.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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8. PLANT AND EQUIPMENT

	Field tools and equipment	Office furniture and equipment	Vehicles	Mining plant and equipment	Total
Cost					
Balance, January 31, 2021	3,213	4,779	69,082	-	77,074
Additions	58,891	1,882	887,797	97,507,371	98,455,941
Disposals	-	-	(35,561)	-	(35,561)
Currency translation adjustment	(2,310)	(2,490)	7,432	214,731	217,364
Balance, January 31, 2022	59,794	4,171	928,750	97,722,102	98,714,817
Additions	-	4,935	2,136	56,499,079	56,506,150
Currency translation adjustment	343	73	5,352	725,331	731,099
Balance, April 30, 2022	60,137	9,179	936,238	154,946,512	155,952,066
Accumulated depreciation					
Balance, January 31, 2021	3,213	4,779	33,724	-	41,716
Depreciation	5,338	188	45,037	1,160,802	1,211,365
Disposal	-	-	(35,561)	-	(35,561)
Currency translation adjustment	(3,131)	(2,515)	(102)	2,557	(3,191)
Balance, January 31, 2022	5,420	2,452	43,098	1,163,359	1,214,329
Depreciation	2,977	95	45,466	3,029,647	3,078,185
Currency translation adjustment	61	15	700	31,943	32,719
Balance, April 30, 2022	8,458	2,562	89,264	4,225,089	4,325,233
Net Amount					
As at January 31, 2022	54,374	1,719	885,652	96,558,743	97,500,488
As at April 30, 2022	51,679	6,617	846,974	150,721,423	151,626,833

9. EXPLORATION AND EVALUATION ASSETS

	Fahiakoba	Betanase	Sraha	Ayiem	Kubi	Other	Total
	\$	\$	\$	\$	\$	\$	\$
Balance at January 31, 2021	3,924,070	324,258	891,181	87,658	506,299	-	5,733,466
Acquisition and sustaining fees	59,323	2,835	3,681	3,681	82,924	-	152,444
Drilling	-	-	-	-	1,114,222	-	1,114,222
Field expenses	25,374	12,631	11,484	12,299	548,106	-	609,894
Assaying testing and analysis	-	-	-	-	11,558	-	11,558
General and administrative	88,990	85,466	88,512	87,298	164,900	-	515,166
Geology and geophysics	52,510	49,958	41,200	34,473	416,566	-	594,707
Currency translation adjustment	(43,267)	25,641	(7,618)	(195)	(188,547)	-	(213,986)
Balance at January 31, 2022	4,107,000	500,789	1,028,440	225,214	2,656,028	-	8,517,471
Acquisition and sustaining fees	696,630	-	-	-	-	-	696,630
Field expenses	4,244	3,579	3,747	3,845	90,731	2,127	108,273
General and administrative	37,816	36,692	37,076	37,076	18,514	-	167,174
Geology and geophysics	8,295	11,543	3,346	3,525	145,280	2,604	174,593
Currency translation adjustment	57,999	(6,205)	1,088	(10,452)	285,032	87	327,549
Balance at April 30, 2022	4,911,984	546,398	1,073,697	259,208	3,195,585	4,818	9,991,690

9. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

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\$1 million 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. The Ghanaian Government will retain a 10% free carried interest in the mining lease once it has been granted.

Betenase

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

Sraha and Ayiem

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

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 granting Goknet a 2% Net Smelter Return Royalty (the “Kubi NSR”). Royal Gold Inc. holds a 3% Net Proceeds of Production royalty. The Minister of Lands and Natural Resources approved the transfer of the Kubi Mining Lease to Asante Gold (Ghana) Limited in April 2022. The Ghanaian Government retains a 10% free carried interest in the mining lease.

The agreement also grants the Company the option 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 II” concessions) 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.

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10. DEVELOPMENT PROPERTIES

	Bibiani
	\$
Balance at January 31, 2021	-
Acquisition costs	92,069,969
General and administrative	1,230,829
Balance at January 31, 2022	93,300,798
General and administrative	409,485
Balance at April 30, 2022	93,710,283

Bibiani

In August 2021, following the acquisition of Mensin (Note 5), the Company holds a 90% interest to the Bibiani gold mine situated in the western region of Ghana. The Ghanaian Government retains the remaining 10% free carried interest in the mining operations.

11. DEFERRED PAYMENTS

Pursuant to the acquisition of Mensin, the Company shall pay US\$30 million on closing (paid), US\$30 million on or before 6 months from closing (paid), and US\$30 million on or before 12 months from closing (Note 5). As at April 30, 2022, deferred payments of US\$30 million were measured by discounting the 12-month installment using an incremental borrowing rate of 8%.

	\$
Recognition of deferred payments	71,516,026
Finance charges	2,545,464
Foreign exchange adjustment	527,359
At January 31, 2022	74,588,849
Repayment of deferred payment	(38,229,000)
Finance charges	846,852
Foreign exchange adjustment	289,523
At April 30, 2022	37,496,224

The principal payment required under the deferred payments for the current fiscal is as follows:

August 18, 2022	\$ 38,376,000
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12. REHABILITATION PROVISION

As at April 30, 2022, the Company recorded a long term portion of \$10,412,567 (January 31, 2022: \$10,412,567) and a current portion of \$1,391,909 (January 31, 2022: \$1,391,909) as a provision for the estimated costs of site reclamation relating to the Bibiani Gold Mine property (Note 5). The rehabilitation provision estimates the cost at an annual inflation rate of 7.48%, which is discounted at a rate of 2.53%.

	\$
Balance, January 31, 2021	-
Initial recognition of rehabilitation provision	11,280,339
Changes in estimate	524,137
	11,804,476
Less: current portion	(1,391,909)
Balance, January 31, 2022 and April 30, 2022	10,412,567

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13. SHARE CAPITAL AND RESERVES

a) Common Shares

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

During the three months ended April 30, 2022:

In March 2022, the Company issued 58,431,914 common shares at \$1.75 per share for gross proceeds of \$102 million in connection with a private placement. In connection with the financing, the Company paid finders' fees of \$3.2 million and incurred issuance costs of \$22,411.

The Company issued 2,334,167 common shares in connection with the exercise of 2,334,167 warrants with a weighted average exercise price of \$0.12 for total proceeds of \$268,717. As a result, the Company transferred \$27,431 representing the fair value of the exercised warrants from reserves to share capital. The Company also issued 550,000 common shares in connection with the exercise of 550,000 stock options with an exercise price of \$0.15 for total proceeds of \$82,500. As a result, the Company transferred \$72,835 representing the fair value of the exercised options from reserves to share capital.

During the year ended January 31, 2022:

In August 2021, the Company issued 106,642,857 common shares at \$0.70 per share for gross proceeds of \$75 million 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, 2023. In connection with the offering, the Company issued 935,502 finders units with a fair value of \$354,549 with the same terms as the financing and incurred issuance costs of \$30,057.

The Company issued 6,428,951 common shares in connection with the exercise of 6,428,951 warrants with a weighted average exercise price of \$0.07 for total proceeds of \$469,443. As a result, the Company transferred \$20,100 representing the fair value of the exercised warrants from reserves to share capital. The Company also issued 2,711,348 common shares in connection with the exercise of 2,711,348 stock options with a weighted average exercise price of \$0.12 for total proceeds of \$327,905. As a result, the Company transferred \$192,834 representing the fair value of the exercised options from reserves to share capital.

b) Share Purchase Warrants

The following table summarizes warrants and finders warrants issued from February 1, 2021 until April 30, 2022 together with their valuations.

Issuance date	15-Apr-21
Number of warrants	46,775,100
Allocation of proceeds based on residual fair value	\$nil
Number of finders warrants	935,502
Estimated fair market value	\$134,706
Model used to estimate fair value	Black Scholes
Share price at date of issuance	\$0.235
Exercise price	\$0.250
Risk free interest rate	0.24%
Estimated annual volatility	125.20%
Expected dividends	\$nil
Warrant fair value	\$nil
Finders warrant fair value	\$0.1400

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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13. SHARE CAPITAL AND RESERVES (CONTINUED)

b) Share Purchase Warrants (continued)

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

	Number of warrants	Exercise price
	#	\$
Balance at January 31, 2021	27,369,953	
Issued April 15, 2021	46,775,100	0.25
Finders warrants	935,502	0.25
Exercised	(6,428,951)	0.06 to 0.15
Expired	(261,039)	0.15
Balance at January 31, 2022	68,390,565	
Exercise	(2,334,167)	0.06 to 0.25
Balance at April 30, 2022	66,056,398	

Details of share purchase warrants outstanding at April 30, 2022 is as follows:

Number of warrants	Exercise price	Expiry date
#	\$	
835,000	0.06	August 4, 2022
2,005,100	0.08	September 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
46,108,433	0.25	April 15, 2023
935,502	0.25	April 15, 2023
66,056,398	0.23	

As at April 30, 2022, the weighted average remaining life of outstanding warrants is 0.81 years.

c) Nature and Purpose of Equity and Reserves

The reserves recorded in equity on the Company's consolidated statement of financial position reflect the value of stock options granted 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, warrants, DSUs and RSUs 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 three months ended April 30, 2022 and 2021.

14. SHARE-BASED PAYMENTS

a) Stock Options

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

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14. SHARE-BASED PAYMENTS (CONTINUED)

a) Stock Options (continued)

The following table summarizes stock options granted from February 1, 2021 until April 30, 2022 together with their valuations.

Grant date	4-Mar-21	9-Aug-21	17-Feb-22	17-Feb-22	7-Mar-22	21-Mar-22
Number of options	1,100,000	6,900,000	5,739,340	1,300,000	500,000	1,000,000
Estimated fair value of compensation	\$92,532	\$4,031,028	\$9,077,451	\$1,604,763	\$719,311	\$1,477,956
Model used to estimate fair value	Black Scholes					
Share price at date of grant	\$0.115	\$0.100	\$1.70	\$1.70	\$1.55	\$1.59
Exercise price	\$0.115	\$0.150	\$1.75	\$1.75	\$1.75	\$1.75
Risk free interest rate	0.23%	0.25%	1.79%	1.57%	2.42%	\$2.42
Estimated annual volatility	132.7%	135.0%	161%	155%	161%	\$161
Expected dividends	\$nil	\$nil	\$nil	\$nil	\$nil	\$nil
Option fair value	\$0.075	\$0.084	\$1.582	\$1.234	\$1.439	\$1.478

A summary of changes to stock options outstanding is as follows:

	Number of options	Exercise price
	#	\$
Balance at January 31, 2021	7,446,348	
Granted March 4, 2021	1,100,000	0.15
Granted August 9, 2021	6,900,000	0.75
Exercised	(2,711,348)	0.08 to 0.20
Expired/cancelled	(740,000)	0.17
Balance at January 31, 2022	11,995,000	
Granted February 17, 2022	7,039,340	1.75
Granted March 7, 2022	500,000	1.75
Granted March 21, 2022	1,000,000	1.75
Exercised	(550,000)	0.15
Balance at April 30, 2022	19,984,340	

Details of stock options outstanding at April 30, 2022 is as follows:

Grant date	Expiry date	Exercise price	Number of options	Vested and exercisable
		\$	#	#
May 12, 2017	May 12, 2022	0.15	* 300,000	300,000
June 5, 2018	June 4, 2023	0.10	825,000	825,000
March 21, 2019	March 20, 2024	0.10	500,000	500,000
August 28, 2019	August 27, 2024	0.10	450,000	450,000
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, 2025	0.115	350,000	350,000
March 4, 2021	March 3, 2026	0.15	750,000	750,000
August 9, 2021	August 8, 2026	0.75	6,900,000	6,900,000
February 17, 2022	February 17, 2027	1.75	5,739,340	1,147,868
February 17, 2022	February 17, 2024	1.75	1,300,000	260,000
March 7, 2022	March 7, 2027	1.75	500,000	100,000
March 21, 2022	March 21, 2027	1.75	1,000,000	250,000
		1.03	19,984,340	13,202,868

*300,000 expired unexercised subsequent to April 30, 2022.

As at April 30, 2022, the weighted average remaining life of outstanding stock options is 3.96 years.

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14. SHARE-BASED PAYMENTS (CONTINUED)

b) Restricted Share Units

In February 2022, the Company granted 1,515,760 RSUs with a fair value of \$2,576,792 to certain officers and consultants of the Company. 1,287,160 RSUs vest as follows: 1/3 on the first anniversary, 1/3 on the second anniversary, and 1/3 on the third anniversary and 228,600 RSUs vested immediately. During the three months ended April 30, 2022, the Company expensed a total of \$651,864 (April 30, 2021: \$nil) as share-based payments for values of RSUs vested.

	Number of RSUs
Outstanding at January 31, 2021 and 2022	-
Granted	1,515,760
Outstanding at April 30, 2022	1,515,760

c) Deferred Share Units

In February 2022, the Company granted 4,285,900 DSUs with a fair value of \$7,286,030 to certain directors of the Company. These DSUs vested immediately. During the three months ended April 30, 2022, the Company expensed a total of \$7,286,030 (April 30, 2021: \$nil) as share-based payments for values of DSUs vested.

	Number of DSUs
Outstanding at January 31, 2021 and 2022	-
Granted	4,285,900
Outstanding at April 30, 2022	4,285,900

15. NON-CONTROLLING INTEREST

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

	\$
Balance, January 31, 2020 and 2021	-
Initial recognition of non-controlling interest of Mensin (Note 5)	12,176,810
Changes in the proportion held by non-controlling interest	(129,182)
Currency translation adjustments	355
Balance, January 31, 2022	12,047,983
Changes in the proportion held by non-controlling interest	(306,323)
Balance, April 30, 2022	11,741,660

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash, receivables, marketable securities, reclamation bonds, loans receivable, trade and other payables, due to related parties, deferred payments, other current liabilities, short 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.

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16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

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 April 30, 2022, the Company had cash of \$20,710,952 (January 31, 2022: \$5,849,478) and current liabilities totaling \$122,696,597 (January 31, 2022: \$122,115,884). Liquidity risk is assessed as high. The Company has lowered the liquidity risk through the March 2022 financing of \$102 million and intends to continue to raise funds through equity and debt.
- iii) **Market risk:**
 Market risk is the risk that changes in market prices such as 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.
- 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 April 30, 2022, the Company is exposed to currency risk through the following financial instruments denominated in foreign currencies:

	US Dollars	Ghana Cedis
Net Assets/(Liabilities)	\$ (76,196,471)	¢ 4,661,661
CAD foreign exchange rate	1.2792	0.1683
CAD equivalent	\$ (97,470,526)	\$ 784,418

A 10% increase in the Canadian dollar against the foreign currency at April 30, 2022 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	\$ (9,747,100)	\$ 78,400

The Company is also exposed to foreign currency risk because the Company's exploration and evaluation assets and property and equipment are denominated in United States dollars. A 10% increase in the Canadian dollar against the United States dollar at April 30, 2022 would result in a decrease to other comprehensive income of approximately \$9,235,000 arising from the Company's exploration and evaluation assets and development properties.

- 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 April 30, 2022 (January 31, 2022: \$nil).
- vi) **Commodity price risk:**
 The ability of the Company to explore and develop its exploration and evaluation assets and development properties and the future profitability of the Company is directly related to the price of gold and other base metals. The Company monitors these metal prices to determine the appropriate course of action to be taken.
- vii) **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.

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17. 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 financing 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 period ended April 30, 2022. The Company is not subject to any external covenants.

18. 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 three months ended	
	April 30,	
	2022	2021
	\$	\$
Management and consulting fees	2,233,770	55,083
Professional services	106,440	16,000
Share-based payments	10,640,464	14,721
	12,980,674	85,804

- a) As at April 30, 2022, included in due to related parties was \$1,821,437 (January 31, 2022: \$495,503) in expense reimbursements, director's fees, and professional service fees.
- b) As at April 30, 2022, \$nil (January 31, 2022: \$1,483,684) due to related parties was included in short term loans.

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.

19. SEGMENTAL REPORTING

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

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20. OTHER CURRENT LIABILITIES

Amounts payable to historical Bibiani creditors

In June 2014, Mensin Gold Bibiani Ltd, 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:
 - a) operational expenses and capital costs paid in connection with the mining operations; and
 - b) 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 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.

In May 2022, Scheme Creditors unanimously voted to accept payments of claims of approximately US\$7.8 million and to wind up the Scheme and the Company paid the accepted claims of the Scheme. As at April 30, 2022, the Company recorded the other current liabilities balance of \$9,977,760 (January 31, 2022: \$9,851,400) to reflect the payments made during May 2022 in full and final settlement of the Scheme and Amended Scheme.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended April 30, 2022
Expressed in Canadian Dollars - unaudited

21. PROPOSED TRANSACTION

In April 2022, the Company entered into a share purchase agreement with Kinross Gold Corporation (“Kinross”) to acquire a 90% interest in the Chirano Gold mine (“Chirano”) for a total consideration of US\$225 million (the “Chirano Acquisition”). The Ghanaian government retains the remaining 10% interest in Chirano.

The upfront consideration for the Chirano Acquisition to be comprised of US\$115 million in cash and US\$50 million in common shares of Asante (“Asante Shares”) based on the 30-day volume-weighted average price of the Asante Shares prior to closing of the Chirano Acquisition (“Closing”) and provided the issuance of the Asante Shares will not result in Kinross exceeding a 9.9% share ownership in Asante. Kinross will also receive total deferred payments of US\$60 million in cash, with 50% payable on the first anniversary of Closing and the balance payable on the second anniversary of Closing. If the 9.9% share ownership limit of the Company is exceeded, the remainder of the US\$50 million in share consideration will be paid by increasing the deferred cash payments in equal portions. Kinross has agreed that it will hold its Asante Shares for at least 12 months following the Closing.

The Government of Ghana has issued a Letter of No Objection to the change of control of Chirano and the transaction is not subject to a financing condition. The closing of the Chirano Acquisition has been temporarily delayed pending resolution of certain outstanding administrative matters.

22. SUBSEQUENT EVENTS

- a) In May 2022, under a finders’ fee agreement with Indussi Resources Public Limited, the Company acknowledged Indussi’s prior interest in the Chirano Acquisition. Indussi also owns prospecting licences near the Chirano mining lease. It was agreed between the parties that Indussi will assign its interest in the Chirano Acquisition and further sell to the Company the Indussi owned prospecting licences together with further Indussi owned options over additional prospecting licences.

In consideration for the assignment of the Chirano interest and sale of properties and property options, it was agreed on closing of the Chirano Acquisition to issue to Indussi a finder’s fee consisting of US\$1 million in cash, 5,000,000 common shares in the capital of the Company and a 2% net smelter returns royalty over the Indussi prospecting licences to be transferred to the Company.

Indussi has two common directors with the Company and the conflicting interest was declared. Accordingly, the Board appointed a Special Committee of Independent Directors to assess and negotiate the purchase of the Indussi interests. The Special Committee found the purchase of the Indussi interests and the finder’s fee payable to be fair and to the benefit of the Company’s shareholders. The Board, excluding the conflicted directors, approved the transaction.

- b) In May 2022, Scheme Creditors unanimously voted to accept payments of claims of approximately US\$7.8 million and to wind up the Scheme and the Company made payments of the accepted claims of the Scheme. (Note 20)
- c) Subsequent to April 30, 2022, the Company issued 30,000 common shares in connection with the exercise of 30,000 warrants with a weighted average exercise price of \$0.08 for total proceeds of \$2,400. Also, 300,000 stock options expired unexercised.