

Sanu Gold Corp.

Condensed Consolidated Interim Financial Statements
For the three months ended September 30, 2022 and 2021
(Expressed in Canadian Dollars – unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

SANU GOLD CORP.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian Dollars)

	September 30, 2022 (unaudited)	June 30, 2022
ASSETS		
Current assets		
Cash	\$ 1,153,977	\$ 3,315,343
Receivables	36,418	10,190
Prepaid expenses	142,528	19,871
	1,332,923	3,345,404
Exploration and evaluation asset (Note 3)	6,547,088	5,378,926
TOTAL ASSETS	\$ 7,880,011	\$ 8,724,330
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Note 4)	\$ 102,445	\$ 155,324
TOTAL LIABILITIES	102,445	155,324
SHAREHOLDERS' EQUITY		
Share capital (Note 6)	9,337,155	2,740,876
Subscriptions received (Note 6)	-	3,265,053
Special warrants (Note 6)	-	3,331,226
Reserve (Note 7)	257,315	165,064
Accumulated deficit	(1,816,904)	(933,213)
TOTAL SHAREHOLDERS' EQUITY	7,777,566	8,569,006
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 7,880,011	\$ 8,724,330

Nature of operations and going concern (Note 1)

These financial statements were authorized for issue by the Board of Directors on November 25, 2022. They are signed on behalf of the Board of Directors by:

"Martin Pawlitschek"
Director

"Vince Sorace"
Director

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

SANU GOLD CORP.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars - unaudited)

	For the Three Months Ended	
	September 30, 2022	September 30, 2021
EXPENSES		
Consulting fees (Note 8)	\$ 324,290	\$ -
Professional fees	16,254	7,838
Office expenses	105,944	289
Investor relations	74,553	-
Transfer agent and filing fees	107,611	5,250
Stock-based compensation (Note 7)	92,251	-
Foreign exchange loss	162,788	-
Interest income	-	(3,665)
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	\$ 883,691	\$ 9,845
Basic and diluted loss per share for the year	\$ 0.02	\$ 0.00
Weighted average number of common shares outstanding	55,908,924	21,548,371

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

SANU GOLD CORP.
Condensed Consolidated Interim Statements of Cash Flow
(Expressed in Canadian Dollars - unaudited)

	For the Three Months Ended	
	September 30, 2022	September 30, 2021
Cash flows provided from (used in):		
OPERATING ACTIVITIES		
Net loss for the year	\$ (883,691)	\$ (9,845)
Adjustments for items not affecting cash:		
Interest income	-	-
Stock-based compensation	92,251	-
Net change in non-cash working capital items:		
Receivables and prepaid expenses	(148,885)	-
Accounts payable and accrued liabilities	(52,879)	(69,272)
Net cash flows provided by (used in) operating activities	(993,204)	(79,117)
INVESTING ACTIVITIES		
Cash received on acquisition of Gainde (Note 5)	-	-
Loan advanced to Gainde (Note 5)	-	(343,691)
Exploration and evaluation assets	(1,168,162)	-
Net cash flows used in investing activities	(1,168,162)	(343,691)
FINANCING ACTIVITIES		
Proceeds from issuance of common shares	-	192,350
Proceeds from issuance of subscription receipts	-	-
Proceeds from issuance of special warrants	-	-
(Repayment of) proceeds from loan	-	-
Net cash flows provided by financing activities	-	192,350
Net increase (decrease) in cash	(2,161,366)	(230,458)
Cash, beginning of year	3,315,343	694,113
Cash, end of year	\$ 1,153,977	\$ 463,655
Cash paid for:		
Interest	\$ -	\$ -
Income taxes	\$ -	\$ -

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

SANU GOLD CORP.**Condensed Consolidated Interim Statements of Changes in Shareholders' Equity**

(Expressed in Canadian Dollars)

	Number of shares	Share capital	Subscriptions received	Special warrants received	Reserve	Accumulated deficit	Total
Balance at June 30, 2021	14,725,001	\$ 416,001	\$ 402,525	\$ -	\$ -	\$ (37,729)	\$ 780,797
Common shares issued for private placements (Note 6)	6,975,000	694,875	(402,525)	-	-	-	292,350
Net loss for the year	-	-	-	-	-	(9,845)	(9,845)
Balance at September 30, 2021	21,700,001	\$ 1,110,876	\$ -	\$ -	\$ -	\$ (47,574)	\$ 1,063,302
Balance at June 30, 2022	38,000,001	\$ 2,740,876	\$ 3,265,053	\$ 3,331,226	\$ 165,064	\$ (933,213)	\$ 8,569,006
Common shares issued for private placements (Note 6)	9,875,000	3,265,053	(3,265,053)	-	-	-	-
Warrants and Special warrants converted	10,466,000	3,331,226	-	(3,331,226)	-	-	-
Stock-based compensation	-	-	-	-	92,251	-	92,251
Net loss for the year	-	-	-	-	-	(883,691)	(883,691)
Balance at September 30, 2022	58,341,001	\$ 9,337,155	\$ -	\$ -	\$ 257,315	\$ (1,816,904)	\$ 7,777,566

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

SANU GOLD CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended September 30, 2022 and 2021

(Expressed in Canadian Dollars - unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

Sanu Gold Corp. (the "Company") was incorporated under the British Columbia Business Corporations Act on September 25, 2018. The head office of the Company is located at Suite 907 – 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3 and the registered and records office of the Company is located at Suite 2200 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and settle its liabilities in the normal course of business. At September 30, 2022, the Company had cash of \$1,153,977 (June 30, 2022 - \$3,315,343) and its current assets exceed its current liabilities by \$1,230,478 (June 30, 2022 – \$3,190,080). The Company currently has no active business and is not generating any revenues. It has incurred losses and negative cash flows from operations since inception and had an accumulated deficit of \$1,816,904 as at September 30, 2022 (June 30, 2022 - \$933,213). Whether and when the Company can obtain profitability and positive cash flows from operations is uncertain. These uncertainties cast significant doubt on the ability of the Company to continue as a going concern.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its exploration activities and general and administrative costs in the next twelve months and in the future. These consolidated financial statements do not give effect to the required adjustments to the carrying amounts and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed, and therefore these condensed consolidated interim financial statements should be read in conjunction with the Company's June 30, 2022 audited annual financial statements and the notes to such financial statements.

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss ("FVTPL"), which are stated at their fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These condensed consolidated interim financial statements are based on the IFRS issued and effective as of September 30, 2022, the date these condensed consolidated interim financial statements were authorized for issuance by the Company's Board of Directors, and follow the same accounting policies and methods of computation as the most recent annual financial statements.

Significant accounting judgments

The critical judgments, apart from those involving estimations, that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements are as follows

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

The key assumptions management has made about the future and other major sources of estimation uncertainty at the date of the statement of financial position that have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

SANU GOLD CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended September 30, 2022 and 2021

(Expressed in Canadian Dollars - unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Significant accounting judgments and key sources of estimation uncertainty

Income taxes

The Company recognizes deferred tax assets for deductible temporary differences, unused tax losses and other income tax deductions only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and other income tax deductions can be utilized. In assessing the probability of realizing the income tax benefits of deductible temporary differences, unused tax losses and other income tax deductions, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities.

The likelihood that tax positions taken will be sustained upon examination by applicable tax authorities is assessed based on individual facts and circumstances of the relevant tax position evaluated in light of all available evidence.

As at June 30, 2022 and 2021, the Company has not recognized any deferred tax assets for deductible temporary differences. Changes in any of the above-mentioned estimates can materially affect the amount of income tax assets recognized. In addition, where applicable tax laws and regulations are either unclear or subject to varying interpretations, changes in these estimates can occur that materially affect the amounts of income tax assets recognized. The Company reassesses unrecognized income tax assets at the end of each reporting period.

Valuation of stock-based compensation

The Company uses the Black-Scholes option pricing model for valuation of stock-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Recoverability of the carrying value of exploration and evaluation assets

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. If, after exploration and evaluation expenditures are capitalized, information becomes available suggesting that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount the Company carries out an impairment test at the cash-generating unit ("CGU"), or group of CGUs, level in the year the new information becomes available. If indicators of impairment exist, the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

b) New accounting standards and interpretations

The Company did not adopt any new accounting standards or interpretations.

3. EXPLORATION AND EVALUATION ASSETS

On October 21, 2021, the Company acquired 100% of the issued and outstanding shares of Gainde Gold SARL ("Gainde"). The acquisition occurred by way of a share exchange on the basis of 163,000 common shares of the Company for each one Gainde share, for a total of 16,300,000 common shares of the Company (Note 8). The common shares were recorded at a fair value of \$0.10 per common share, for a total fair value of \$1,630,000.

Gainde is focusing its exploration activities on precious metals in Guinea, West Africa. Gainde holds its interest in three precious metals projects in Guinea through three separate Technical and Financial Partnership Agreements ("TFPA"); the Bantambaye Project, the Daina Project and the Diguifara Project.

The Company accounted for the purchase of Gainde as an asset acquisition as it did not meet the definition of a business under IFRS 3, "Business Combinations". The following table summarizes the total consideration, the fair value of the acquired identifiable assets and liabilities assumed as of the date of the acquisition:

SANU GOLD CORP.**Notes to the Condensed Consolidated Interim Financial Statements****For the three months ended September 30, 2022 and 2021**

(Expressed in Canadian Dollars - unaudited)

3. EXPLORATION AND EVALUATION ASSETS (Continued)

Share consideration (16,300,000 common shares at \$0.10)	\$	1,630,000
Net assets acquired:		
Cash		81,350
Accounts payable		(122,168)
Loan payable		(631,427)
Exploration and evaluation assets		2,302,245
Net assets acquired	\$	1,630,000

In August 2022 Company earned into and acquired an initial 51% interest in each of the Daina, Diguifara and Bantabaye Gold Exploration Permits (the "Permits") in Guinea, West Africa by acquiring a 51% interest in the Guinean partner companies that hold the Permits, under the terms of the underlying agreements, as described in the Company's final prospectus dated June 21, 2022.

Costs incurred with respect to the properties are as follows:

	Bantabaye		Diguifara		Daina		Total
Acquisition Costs							
Balance, June 30, 2021	\$	-	\$	-	\$	-	-
Additions		767,415		767,415		767,415	2,302,245
Balance, June 30, 2022	\$	767,415	\$	767,415	\$	767,415	\$ 2,302,245
Additions		-		-		-	-
Balance, September 30, 2022		\$767,415		\$767,415		\$767,415	\$ 2,302,245
Deferred Exploration Costs							
Balance, June 30, 2021	\$	-	\$	-	\$	-	-
Additions		895,916		1,028,373		1,152,392	3,076,681
Balance, June 30, 2022		895,916		1,028,373		1,152,392	3,076,681
Consulting		743		743		1,859	3,345
Drilling		-		-		257,025	257,025
Geochemistry		-		-		60,124	60,124
Other costs		177,783		196,431		473,456	847,669
Balance, September 30, 2022	\$	1,074,442	\$	1,225,547	\$	1,944,855	\$ 4,244,843
Total, June 30, 2022	\$	1,663,331	\$	1,795,788	\$	1,919,807	\$ 5,378,926
Total, September 30, 2022	\$	1,841,856	\$	1,992,962	\$	2,712,270	\$ 6,547,088

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

At September 30, 2022 and June 30, 2022, the Company's accounts payable and accrued liabilities are composed of the following:

	September 30, 2022		June 30, 2022	
Accounts payable (Note 8)	\$	83,615	\$	67,126
Accrued liabilities		18,830		88,198
Total	\$	102,445	\$	155,324

SANU GOLD CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended September 30, 2022 and 2021

(Expressed in Canadian Dollars - unaudited)

5. LOAN PAYABLE

At September 30, 2022 the Company had \$Nil (June 30, 2022 - \$Nil) of loans payable to an arm's length party.

During the year ended June 30, 2021, the Company received loans of \$100,000, \$25,000, and \$1,500 from an arm's length party that was unsecured, non-interest bearing, and with no fixed terms of repayment.

On June 24, 2021, the \$25,000 loan was settled through the issuance of 500,000 common shares at a cost of \$0.05 per share, as part of the June 24, 2021 private placement (Note 6).

On July 2, 2021, \$100,000 of the loan was settled through the issuance of 1,000,000 common shares at a cost of \$0.10 per share, as part of the July 2, 2021 private placement (Note 6). The remaining \$3,500 of the loan was repaid on November 25, 2021.

6. SHARE CAPITAL

As of September 30, 2022, the Company had 58,341,001 common shares outstanding (June 30, 2022 – 38,000,001).

Share issuance

Three months ended September 30, 2022:

On July 12, 2022, the outstanding subscription receipts and special warrants were converted into 20,341,000 common shares.

Three months ended September 30, 2021:

On July 2, 2021, the Company issued 6,975,000 common shares at a price of \$0.10 per common share, for gross proceeds of \$697,500, of which \$402,525 was received during the year ended June 30, 2021 and \$100,000 was issued in settlement of a loan payable. In connection with the financing, the Company incurred share issuance costs of \$2,625.

On October 21, 2021, the Company issued 16,300,000 common shares with a fair value of \$1,630,000, in connection with the acquisition of Gainde (Note 5).

Escrow

At September 30, 2022, there were 10,160,550 shares in escrow (June 30, 2022 – 10,689,500). There was an initial 10% release of these shares on July 12, 2022, a further 15% of the shares are released every 6 months.

Subscription receipts

On December 8, 2021, the Company completed a private placement subscription receipt financing by issuing 9,875,000 subscription receipts at a price of \$0.33 per subscription receipt, for aggregate proceeds of \$3,265,053. Each Subscription Receipt was converted into one common share of the Company upon filing of a final long form prospectus of the Company on July 12, 2022 with certain provincial securities regulatory authorities in Canada in order to qualify the distribution of the common shares underlying the Subscription Receipts.

Special warrants

On December 8, 2021, the Company completed a special warrant financing by issuing 10,125,000 special warrants at a price of \$0.33 per special warrant, for aggregate proceeds of \$3,341,250. In connection with the financing, the Company incurred costs of \$48,510. Each special warrant is convertible into one common share of the Company on the date that is the earlier of (i) the date which is four months and one day following the closing of the Special Warrant Offering; and (ii) the second business day after the date on which a receipt for the Company's final long form prospectus is issued by the British Columbia Securities Commission (the "BCSC").

On January 7, 2022, the Company completed an additional crowdfunding special warrant financing by issuing 191,000 special warrants at a price of \$0.33 per special warrant, for aggregate proceeds of \$63,030. In connection with the financing, the Company incurred costs of \$24,544. Each special warrant is convertible into one common share of the Company (i) at any time, at the discretion of the Company (ii) the date on which a receipt for the Company's final long form prospectus is issued by the BCSC, or (iii) on that date that is 18 months from the date of issuance of the special warrants. In connection with the special warrant financing, the Company

SANU GOLD CORP.**Notes to the Condensed Consolidated Interim Financial Statements****For the three months ended September 30, 2022 and 2021**

(Expressed in Canadian Dollars - unaudited)

6. SHARE CAPITAL (Continued)

issued 150,000 compensation warrants at a price of \$0.33 per warrant to Vested Technology Corp valued at \$49,500.

On July 12, 2022 the outstanding subscription special warrants were converted into common shares.

A continuity schedule of the Company's outstanding special warrants for the three months ended September 30, 2022 and 2021 is as follows:

	September 30, 2022	June 30, 2022
	Number outstanding	Number outstanding
Outstanding, beginning of period	10,466,000	-
Granted	-	10,466,000
Exercised	(10,466,000)	-
Outstanding, end of period	-	10,466,000

7. RESERVE

The Company has a stock option plan whereby a maximum of 10% of the issued and outstanding common shares of the Company may be reserved for issuance pursuant to the exercise of stock options. The terms of the granted options are fixed by the Board of Directors and are not to exceed ten years. The exercise price of options are determined by the Board of Directors, but shall not be less than the closing price of the Company's common shares on the day preceding the day on which the options are granted, less any discount permitted by the Exchange. Options granted under the plan may vest immediately on grant, or over a period as determined by the Board of Directors or, in respect of options granted for investor relations services, as prescribed by Exchange policy

On November 8, 2021, the Company granted 3,700,000 stock options to officers, directors and consultants. Each stock option is exercisable into one common share of the Company at a price of \$0.10 per common share for five years, vesting 25% every six months. The fair value of the stock options was determined to be \$276,233 using the Black-Scholes Option Pricing Model using the following assumptions: risk-free rate of 1.56%, expected life of 5 years, volatility factor of 100% and dividend yield of Nil.

On August 16, 2022, the company granted 1,570,000 stock options to officers, directors and consultants. Each stock option is exercisable into one common share of the Company at a price of \$0.37 per common share for five years, vesting 25% every six months. The fair value of the stock options was determined to be \$426,336 using the Black-Scholes Option Pricing Model using the following assumptions: risk-free rate of 3.34%, expected life of 5 years, volatility factor of 100% and dividend yield of Nil.

During the three months ended September 30, 2022, the Company recognized \$92,251 (2021 - \$Nil) in stock-based compensation expense for vested stock options.

SANU GOLD CORP.**Notes to the Condensed Consolidated Interim Financial Statements****For the three months ended September 30, 2022 and 2021**

(Expressed in Canadian Dollars - unaudited)

7. RESERVE (Continued)

A continuity schedule of the Company's outstanding stock options as at September 30, 2022 and June 30, 2022 is as follows:

	September 30, 2022		June 30, 2022	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
Outstanding, beginning of Period/year	3,700,000	\$ 0.10	-	\$ -
Granted	1,570,000	0.37	3,700,000	0.10
Outstanding, end of period/year	5,270,000	\$ 0.18	3,700,000	\$ -
Exercisable, end of period/year	925,000	\$ 0.10	925,000	\$ 0.10

At September 30, 2022, the Company had outstanding stock options exercisable to acquire common shares of the Company as follows:

Expiry date	Options outstanding	Options exercisable	Exercise price	Weighted average remaining contractual life (in years)
November 8, 2026	3,700,000	925,000	\$ 0.10	4.11
August 16, 2027	1,570,000	-	\$ 0.37	4.88

8. RELATED PARTY TRANSACTIONS

Key management personnel include 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 consist of members of the Board and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

Key management compensation is as follows:

	September 30, 2022	September 30, 2021
Consulting fees	\$ 134,518	\$ -
Stock-based compensation	60,164	-
	\$ 194,682	\$ -

As at September 30, 2022, the Company had \$Nil (June 30, 2022 - \$968) prepaid expenses to a director, which has been included in prepaid expenses. The amount is unsecured, non-interest bearing with no set terms of repayment.

As at September 30, 2022, the Company had \$32,795 (June 30, 2022 - \$31,320) payable to a company with a common director and to a director of the company, which have been included in accounts payable and accrued liabilities (Note 4). The amounts are unsecured, non-interest bearing with no set terms of repayment. These transactions are in the normal course of the operations on normal commercial terms and conditions, which is the amount of consideration established and agreed to by the related parties.

SANU GOLD CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended September 30, 2022 and 2021

(Expressed in Canadian Dollars - unaudited)

9. MANAGEMENT OF CAPITAL

The Company considers its capital to be comprised of shareholders' equity. The Board does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. In order to carry out the planned activities and pay for administrative costs, the Company may attempt to raise additional amounts of capital through the issuance of shares. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management since incorporation. The Company is not subject to external capital requirements.

10. FINANCIAL INSTRUMENTS

a) Categories of financial instruments and fair value measurements

The Company's financial assets and liabilities are classified as follows:

	September 30, 2022	June 30, 2022
Financial assets:		
<i>Fair value through profit and loss</i>		
Cash	\$ 1,153,977	\$ 3,315,343
<i>Amortised cost</i>		
Receivables	36,418	10,190
Financial liabilities:		
<i>Amortized cost</i>		
Accounts payable	\$ 83,615	\$ 67,126

The fair values of the Company's cash and cash equivalents and accounts payable approximate their carrying amounts due to the short-term nature of these instruments.

IFRS 7 *Financial Instruments: Disclosures* establishes a fair value hierarchy that reflects the significance of inputs used in measuring fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At September 30, 2022, the Company's cash was recognized at fair value belonging in Level 1 of the fair value hierarchy. The Company had no financial assets measured and recognized on the statement of financial position at fair value belonging in Level 2 or 3 of the fair value hierarchy.

b) Management of financial risks

The Company's financial instruments expose the Company to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. At September 30, 2022 and 2021, the Company was exposed to credit risk on its cash and receivables. The Company's maximum exposure to credit risk is the carrying amount of its cash and receivables.

The Company's cash is held with a high credit quality financial institution in Canada; Management considers its exposure to credit risk on cash and receivables to be low as at September 30, 2022 and 2021.

SANU GOLD CORP.**Notes to the Condensed Consolidated Interim Financial Statements****For the three months ended September 30, 2022 and 2021**

(Expressed in Canadian Dollars - unaudited)

10. FINANCIAL INSTRUMENTS (continued)**b) Management of financial risks (continued)****Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining adequate cash and managing its capital and expenditures.

At September 30, 2022, the Company had cash of \$1,153,977 (June 30, 2022 - \$3,315,343) and accounts payable and accrued liabilities of \$102,445 (June 30, 2022 - \$155,324) with contractual maturities of less than one year. The Company had sufficient cash to meet its current liabilities at September 30, 2022. The Company assessed its liquidity risk as low as at September 30, 2022.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk at September 30, 2022.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies. As at September 30, 2022 and June 30, 2022 the Company had exposure to foreign currency risk through the following assets and liabilities denominated in West African CFA Franc (XOF) (2021 – no exposure).

September 30, 2022	
	XOF
Cash and cash equivalents	6,949,042
Accounts payable and accrued liabilities	(32,531,484)
Net	(25,582,442)
Canadian dollar equivalent	(52,425)

June 30, 2022	
	XOF
Cash and cash equivalents	8,579,445
Accounts payable and accrued liabilities	(31,912,793)
Net	(23,333,348)
Canadian dollar equivalent	(47,918)

Based on the above net exposures a 5% change in the Canadian Dollar/XOF exchange rate would impact the Company's net loss by \$2,700 (June 30, 2022 - \$2,500 impact). As at September 30, 2022 and June 30, 2022 the Company has not hedged its exposure to currency fluctuations. The Company assessed its financial currency risk as low as at September 30, 2022.

11. SEGMENT DISCLOSURES

The Company operates in a single operating segment. All of the Company's long-term assets are located in Guinea.