



**SAMA RESOURCES INC.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2022**

**AS OF NOVEMBER 16, 2022**

**TSX-V: SME**

**INDEX**

<b>SCOPE OF MD&amp;A AND NOTICE TO INVESTORS.....</b>	<b>2</b>
<b>FORWARD LOOKING STATEMENTS.....</b>	<b>2</b>
<b>COMPANY OVERVIEW .....</b>	<b>3</b>
<b>HIGHLIGHTS .....</b>	<b>3</b>
<b>OVERALL PERFORMANCE.....</b>	<b>3</b>
<b>MINERAL PROPERTY PORTFOLIO.....</b>	<b>5</b>
<b>NICKEL MARKETS ANALYSIS.....</b>	<b>27</b>
<b>TRANSACTIONS WITH RELATED PARTIES .....</b>	<b>34</b>
<b>OUTSTANDING SHARE DATA.....</b>	<b>35</b>
<b>OFF-BALANCE SHEET ARRANGEMENTS.....</b>	<b>35</b>
<b>CONFLICTS OF INTEREST .....</b>	<b>35</b>
<b>CRITICAL ACCOUNTING POLICIES .....</b>	<b>35</b>
<b>ESTIMATES, JUDGMENTS AND ASSUMPTIONS .....</b>	<b>36</b>
<b>RISKS RELATED TO FINANCIAL INSTRUMENTS.....</b>	<b>36</b>
<b>RISKS AND UNCERTAINTIES.....</b>	<b>36</b>

# **SAMA RESOURCES INC.**

Management's discussion and analysis for the third quarter ending September 30, 2022

---

## **SCOPE OF MD&A AND NOTICE TO INVESTORS**

This management's discussion and analysis of financial position and results of operations ("MD&A") is prepared as of November 16, 2022 and complements the unaudited interim condensed consolidated financial statements of Sama Resources Inc. (the "Company"), for the third quarter ended September 30, 2022 which are compared to the third quarter ended September 30, 2021.

The unaudited interim condensed consolidated financial statements include the parent company Sama Resources Inc. ("Sama") and its wholly owned subsidiaries Sama Resources Quebec Inc. ("SRQ »), Sama Resources Liberia Inc. ("SRL") and Sama Resources Development Inc. ("SRDI") as well as Sama Nickel Corporation ("SNC"), Sama Nickel Côte d'Ivoire SARL ("Sama CI") and Société Minière du Tonkpi SARL ("SMT") owned at 70% (since August 27, 2021) all referred as the Company.

The interim condensed consolidated financial statements and related notes have been prepared in accordance with IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board. They do not contain all the information required to be disclosed in annual financial statements. Certain information and notes usually provided in the annual financial statements have been omitted or condensed when not deemed essential to the understanding of the interim financial information of the Company. Therefore, this MD&A should be read in conjunction with the information contained in the annual audited consolidated financial statements of the Company and the notes thereto for the year ended December 31, 2021. All financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") and all amounts are in Canadian dollars unless otherwise indicated.

Management of the Company is responsible for the preparation and presentation of the unaudited interim condensed consolidated financial statements and notes thereto, MD&A and other information contained in this MD&A. Additionally, it is management's responsibility to ensure the Company complies with the laws and regulations applicable to its activities.

The unaudited interim condensed consolidated financial statements and the MD&A have been reviewed by the audit committee and approved by the Company's Board of Directors on November 16, 2022. These documents and more information about the Company are available on SEDAR at [www.sedar.com](http://www.sedar.com).

## **FORWARD LOOKING STATEMENTS**

Certain statements made in this MD&A are forward-looking statements or information. The Company is hereby providing cautionary statements identifying important factors that could cause the Company's actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In making these forward-looking statements, the Company has assumed that the current market will continue and grow and that the risks listed below will not adversely impact the business of the Company. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond the control of the Company that could influence actual results are summarized below under the heading "Risks and Uncertainties".

Further, unless otherwise noted, any forward-looking statement speaks only as of the date of this MD&A, and, except as required by applicable law, the Company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of the Company, or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement.

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

---

## COMPANY OVERVIEW

Sama is a Canadian-based mineral exploration and development business with activities in West Africa and in Canada. Sama was incorporated on July 11, 2006, under the *Business Corporations Act* (British Columbia). On May 13, 2013, the Company continued its jurisdiction of incorporation from British Columbia into the federal jurisdiction of Canada under the *Canada Business Corporations Act*. The Company's head office is located at #132 – 1320 Graham Blvd., Mont-Royal, Quebec, Canada, H3P 3C8. The Company's common shares are listed on the TSX-V under the trading symbol "SME.V".

Based on the information available to date, the Company has not yet determined whether its mineral properties contain economically recoverable reserves. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete exploration and development programs and, ultimately, upon future profitable production.

## HIGHLIGHTS

- On May 17, 2022, the Company announced that it has entered into Share Purchase Agreements with various purchasers to sell 5,625,000 shares of SRG Mining Inc. ("SRG"), for an aggregate purchase price of CDN\$3,937,500. The Transaction closed on May 17, 2022.
- On May 26, 2022, the Company announced drilling results for holes drilled at Grata including GR-06B, GR-06C, GR-08 and GR-11.
- On May 26, 2022, the Company announced the termination of the previously announced agreement with Seahawk Gold Corp. to complete an acquisition of the Company's subsidiary, Sama Resources Development Corp. The termination was agreed to by both Sama and Seahawk.
- On June 1, 2022, the Company announced that it has entered into a Share Purchase Agreement with a purchaser to sell 4,000,000 shares of SRG, for an aggregate purchase price of CDN\$2,800,000. The Transaction closed on June 1, 2022.
- On September 7, 2022, the Company announced drilling results from our 2021-22 drilling campaign at the Grata prospect. Assay results for hole GR-12 and GR-19b include 14.10m at 0.86% Ni, 1.49% Cu and 1.38 gpt Pd within a larger interval of 128m at 0.30% Ni, 0.35% Cu & 0.47 gpt Pd.
- On October 26, 2022, the Company announced drilling results for 3 holes from our 2021-22 drilling campaign at the Grata prospect. Hole GR-21 returning a combined 191.70 m of mineralized material including 11.85 m grading 0.82% Ni, 0.68% Cu and 0.99 gpt of Pd and 108.20 m at 0.32% Ni, 0.38% Cu and 0.50 gpt Pd. Hole GR-22 intersected a combined 49.15 m of mineralized material including 4.55 m at 0.82% Ni, 0.73% Cu and 0.92 gpt Pd. Hole GR-25 intersected a combined 179.85 m including 37.40 m at 0.24% Ni, 0.45% Cu and 0.54 gpt Pd and 116.95 m at 0.23% Ni, 0.23% Cu and 0.32 gpt Pd.
- On November 8, 2022, the Company announced assay results from 2 additional drill holes from the 2021-22 drilling campaign at the Grata Nickel–Copper–Palladium prospect. Hole GR-24 returned a combined 69 m of mineralized material including 40.60 m grading 0.22% Ni, 0.32% Cu and 0.41 gpt of Pd. Hole GR-25 intersected a combined 179.85 m including 37.40 m at 0.24% Ni, 0.45% Cu and 0.54 gpt Pd and 116.95 m at 0.23% Ni, 0.23% Cu and 0.32 gpt Pd.

## OVERALL PERFORMANCE

At the beginning of April 2021, the Company launched a 5,000m drilling program at the Samapleu, Grata and Yepleu prospects as part of its work program for 2021. The Company confirmed excellent results using the Typhoon™ system at Samapleu and Yepleu from DHTeM completed in November 2020.

In April 2021, the Company launched a reinterpretation of the 2013 small grid Heli-HTEM which returned new anomalous areas in the vicinity of the Samapleu Main and Extensions 1 sectors as well as a couple of other areas including the Grata property (PR604). In September 2021, the Company announced the discovery of a new mineralized sector located 5 km East of Samapleu deposit with hole GR-03 returning a sequence of 310 m of pyroxenite and gabbro

## SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

---

part of the Yacouba mafic-ultramafic complex with a combined 147 m of sulphide mineralization including a combined 56m grading 0.39%Ni, 0.45% Cu and 0.33 g/t Pd. T. Since January 2022, the Company announced results for 25 holes out of 45 drilled to date. **Table 4** is summarizing all significant results. Assays results for 17 holes are still pending

Back in 2018, the Company and IVNE have selected the Yepleu area for the Phase 1 of the Typhoon ground survey for its high quality HTEM response as well as the prospective geological setting. It is at the Yepleu area that the Company made the first discovery of nickel-copper sulphide mineralization at surface in West Africa with material grading up to 1.39% nickel and 2.26% copper sulphide (tested using a hand-held Niton XRF analyzer) (see *Company's Press Release dated June 6, 2013*). The Yepleu area is located 18 kilometers southwest of the Samapleu nickel-copper deposit.

The 2021-22 sequence of holes at Yepleu aimed at testing downhole EM targets (DHTEM) along a mineralized trend and horizon striking more than 4,500 m (**Figures 4 & 5**). The mineralized horizon starts near surface and reach a depth of more than 850 m toward the south-southwest. The horizon appears to be open at depth. The very strong conductive target at 850 m from surface defined by the Typhoon remains to be drilled as hole YE2020-03 intercepted the edge of the system. The mineralization encountered in YE2020-03 has yet explained by itself the high conductivity target (20,000 conductivity thickness ("CT")) defined by the DHTEM. In the first half of 2022, the Company made several attempts at placing wedges from the YE2021-05 which was aiming at testing the 20,000 CT target, unfortunately, wedging failed to modify adequately the hole trajectories. The Company have temporarily postponed wedging the 2021-05.

Dr David Evens, an imminent specialist of nickel-copper magmatic deposits visited the project in Côte d'Ivoire from October 17 to 26 in 2020 and was back to site in April, July and August 2022. Dr Evens was mandated by IVNE and Sama for a thorough review of the geology associated with Sama's Ni-Cu discoveries and to comments on possible indicators that can be used in our exploration strategy at finding larges accumulations of high-grade Ni-Cu-PGE materials.

In March 2021, the Company formalized, finalized and executed the earn-in and joint venture agreement (the "Agreement") with IVNE, previously announced on October 23, 2017. Under the Agreement, IVNE may acquire a total of up to a 60% interest in Sama's Ivory Coast projects, including the Samapleu, Bounta and Yepleu projects, by funding exploration expenses through total investments of up to \$25,000,000.

Sama gained a greater understanding of the entire Yacouba magmatic system through additional academic research performed in the last few years. At Samapleu and at the newly discovered Grata sectors, the Company is searching for massive sulphide veins and lenses that could have accumulated in traps and embayment's at depth along the feeder system of the large Yacouba intrusive complex. At Yepleu, Sama is searching for the same types of accumulations as at Samapleu but within a more dynamic magmatic system. Yepleu is considered to be the centre of the intrusive feeder system with evidence of multiple magma injections generating a large volume of host rock assimilation.

The Company has completed more than 81,165 m of drilling since 2010 until August 2022 out of which 65 holes for 16,286 m were drilled in 2022. The Company delivered a positive Preliminary Economic Assessment for the Samapleu deposits in May 2020. The 2022 exploration program as defined by the joint IVNE-Sama technical committee is aiming at revising mineral resources for the combined Samapleu-Grata as well as at Yepleu. The Company intent of performing DHTEM on every hole drilled.

### Samapleu technical Study

In June 2018, the Company gave to DRA Met-Chem, an engineering group based in Montreal, the mandate to continue technical study on the current open cast amenable resource defined by the Company. Geotechnical investigation was launched in early August 2018, by two geotechnical engineers from DMeng Group (Kingston, Ontario) visiting the Samapleu project. In October 2018, DRA's Geological Qualify Person ("QP") visited the project site. In October 2019, two representatives of DRA visited Abidjan, San-Pedro port as well as the project site. On May 27, 2020, the Company announced results for the positive preliminary economic assessment.

It is the intention to update mineral resources in 2023 including both sectors: Samapleu and Grata.

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

## MINERAL PROPERTY PORTFOLIO

The exploration programs and technical disclosure for the Company are designed by Marc-Antoine Audet, P. Geo, PhD, President and Chief Executive Officer of the Company who is a 'qualified person' ("QP"), as defined by National Instrument 43-101, Standards for Disclosure for Mineral Projects ("NI 43-101").

### IVORY COAST NICKEL PROJECTS

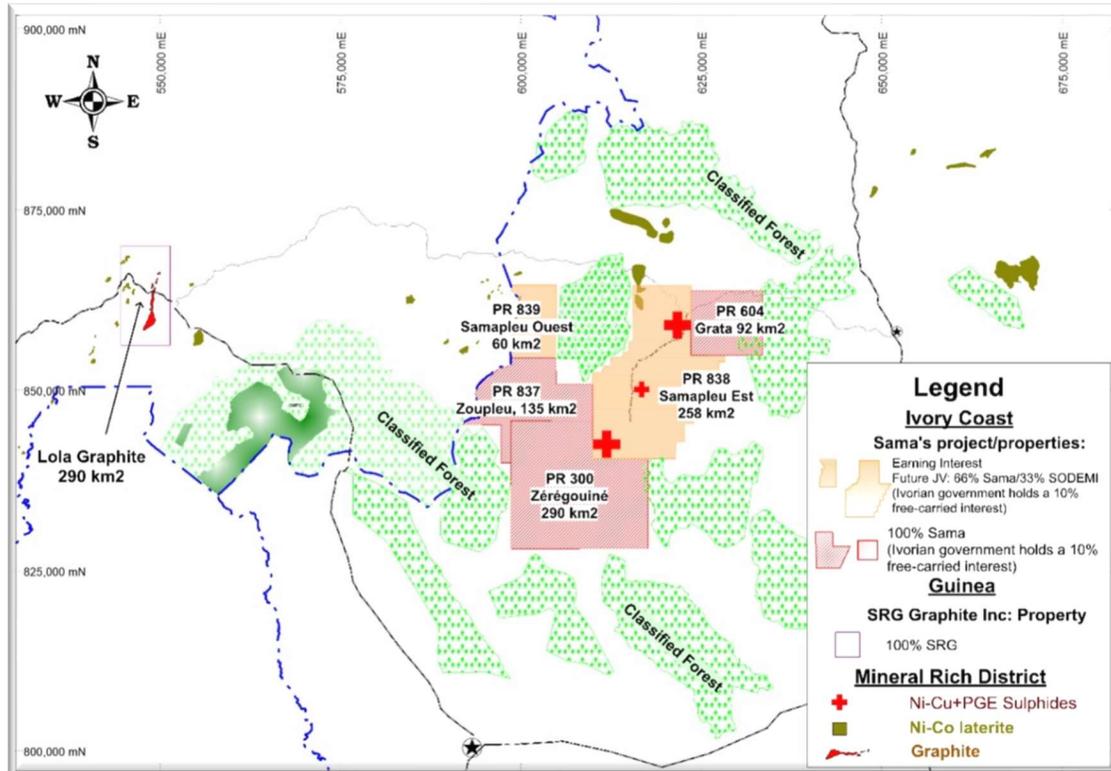


Figure 1: Sama Resources exploration permits in Ivory Coast.

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

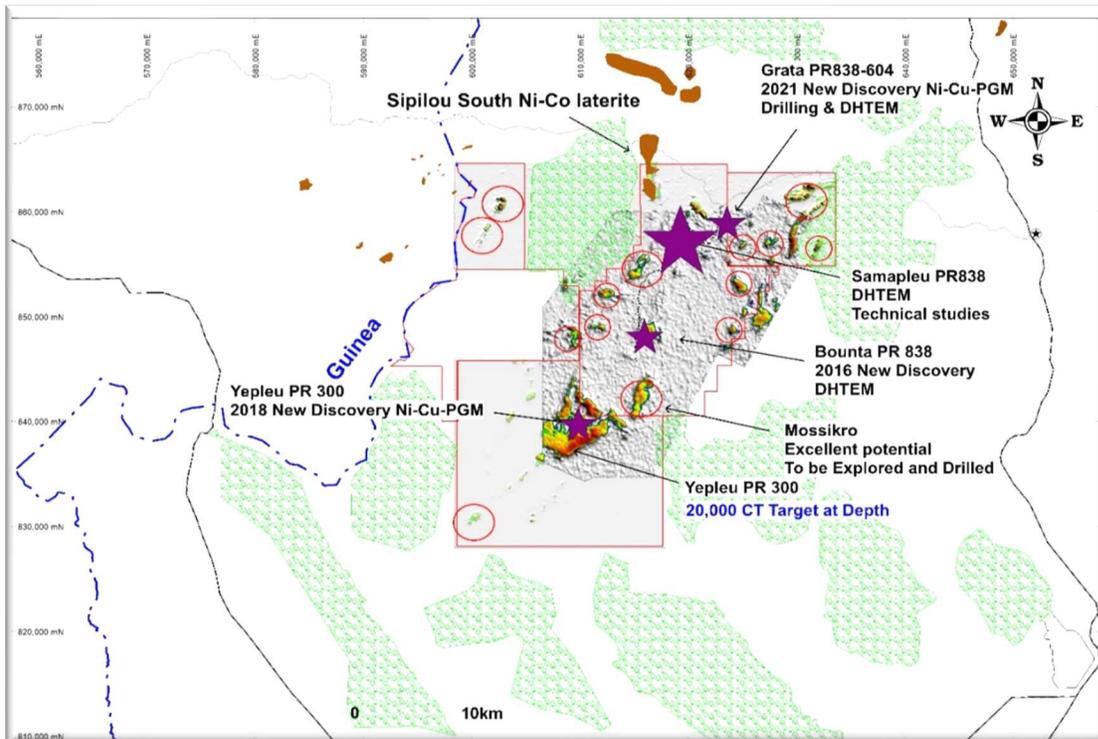


Figure 2: Samapleu, Zéréguiné, Zoupleu and Grata Exploration Permits showing 2013-18 Airborne EM targets remaining to be explored.

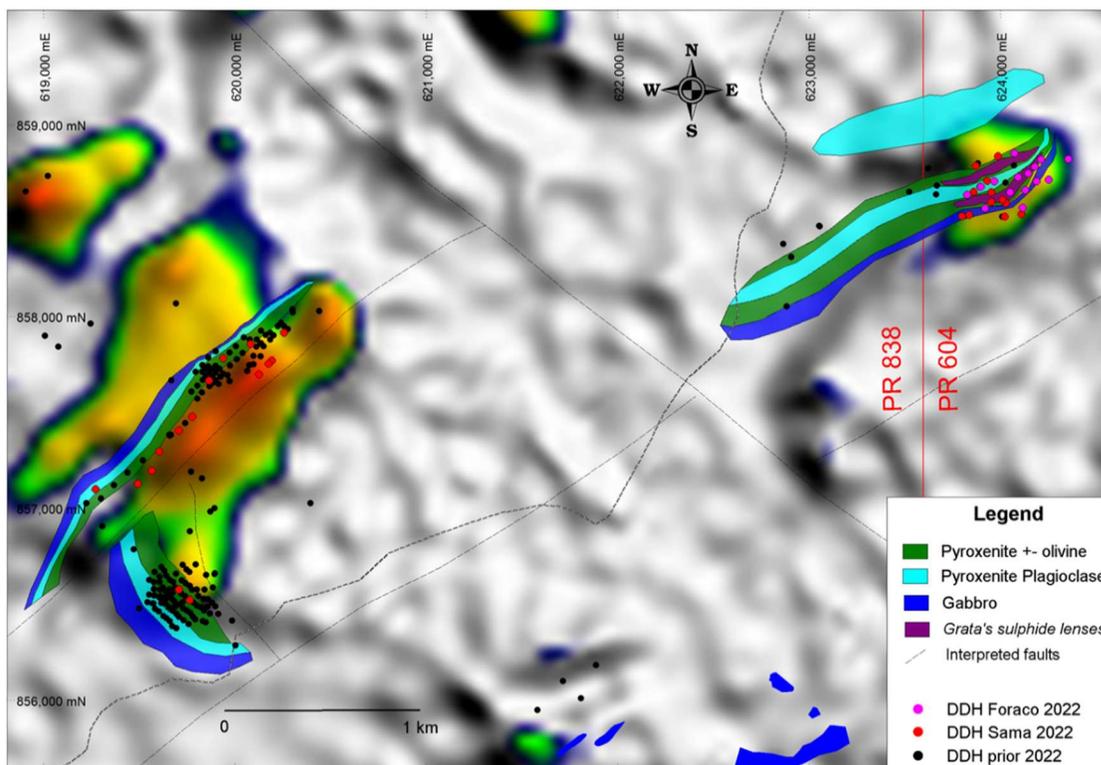


Figure 3: Newly discovered sector at Grata property located 5 km East of Samapleu. A total of 45 holes for 14,995m were drilled at Grata since the discovery in June 2021.

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

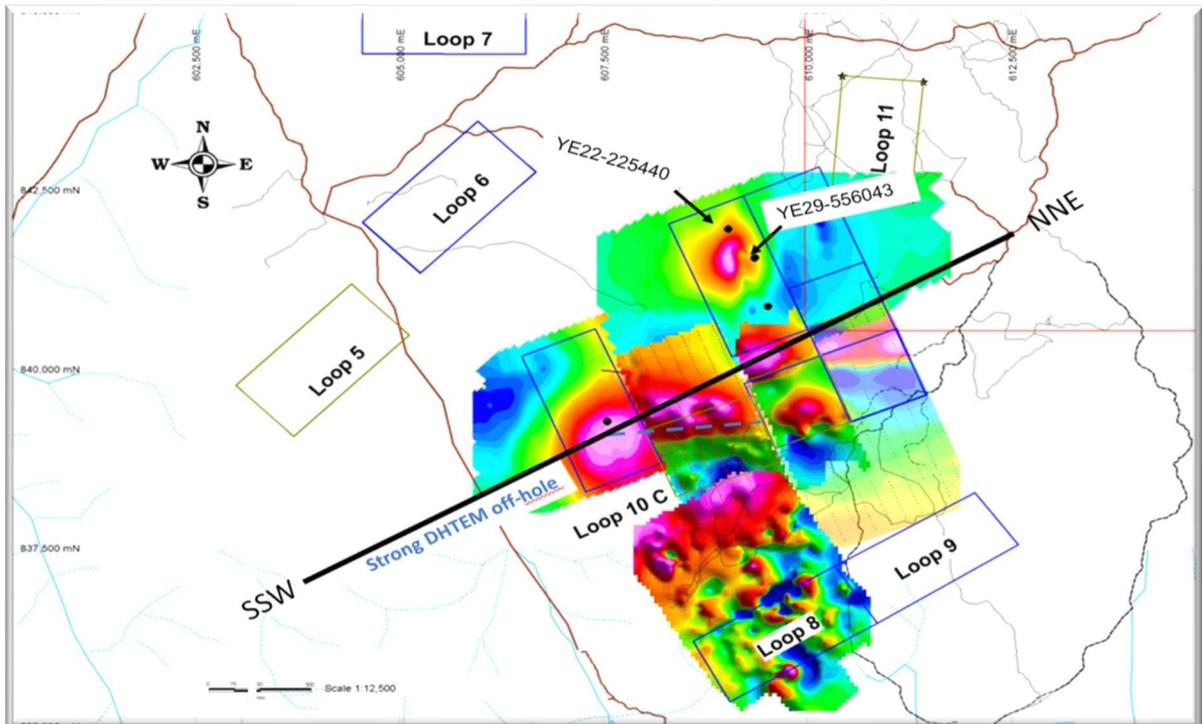


Figure 4: Surface map at the Yepleu prospect showing Typhoon EM results for the area surrounding the loops 10 series. The cross-section SSW-NNE is shown on figure 5 below.

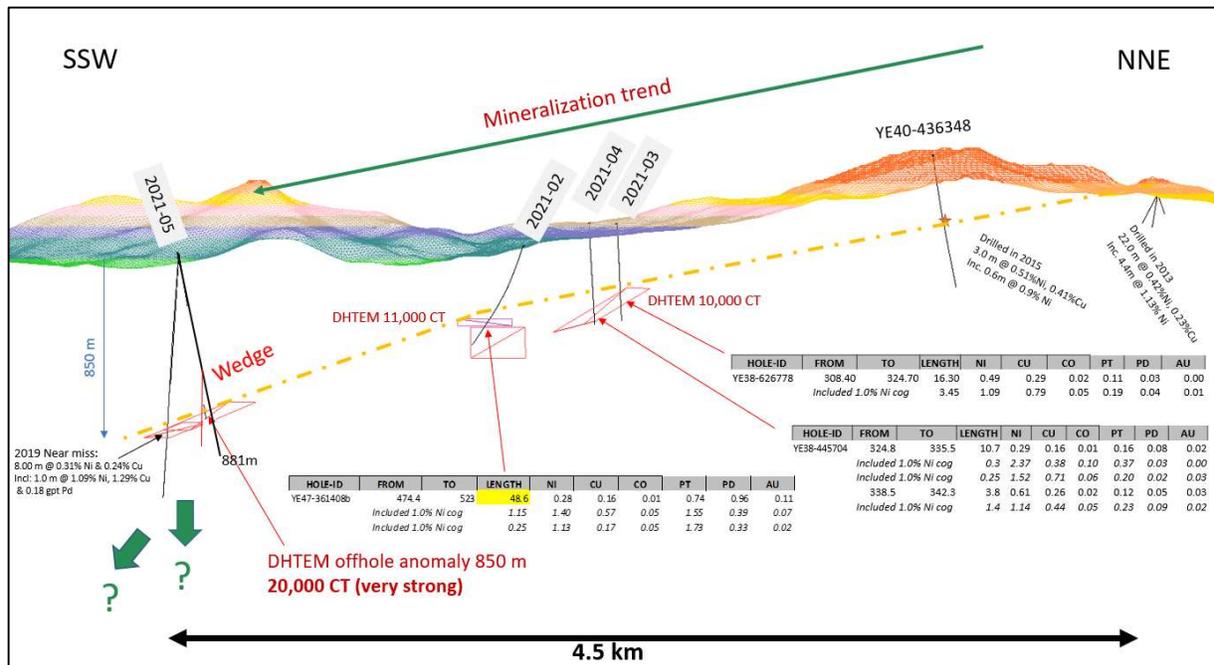


Figure 5: Targets at the Yepleu sector showing the mineralized trend and results from the three first boreholes drilled at Yepleu in 2021. Several attempts at placing wedges at 2021-05 which is aiming at testing the 20,000 CT target, failed to modify the hole trajectories. The Company have temporarily postponed wedging the 2021-05.

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

## Samapleu Property (PR 838 & 839)

SNC entered into a Syndicate Agreement ("SA") with SODEMI, a parastatal organization, under which SNC is responsible to finance, on behalf of the SA, exploration work programs during the exploration phase through completion of a Bankable Feasibility Study ("BFS") on the exploration permits Samapleu East (PR838) and Samapleu West (PR839) held by SODEMI. SODEMI will not contribute to work conducted under the SA.

Both PRs expire on June 17, 2023, with possible renewal periods totaling up to 12 years. In accordance with both PRs, SNC agreed to complete an exploration program evaluated at F CFA 2,315,000,000 for PR838 (approximately \$4,752,227 as at September 30, 2022) and F CFA 760,000,000 for PR839 (approximately \$1,560,126 as at September 30, 2022) before the term of the exploration permits.

Upon completion of the BFS, the Advisory Committee ("AC"), which consists of two SNC representatives and two SODEMI representatives, will conclude on the feasibility of the project. If the AC decides to proceed with the project, an Exploitation Entity ("EE") will be established whereby future funding will be split between SNC and SODEMI at 66.7% and 33.3%, respectively. The EE will reimburse SODEMI for all costs associated with previous exploration work conducted until January 15, 2009 up to a maximum of F CFA 834,999,457 (approximately \$1,714,085 as at September 30, 2022) and will reimburse SNC for costs associated with exploration work conducted between the Effective Date and the approval of the BFS subject to the approval of the AC which represents a total amount of \$25,017,968 as at September 30, 2022.

The ownership of the EE shall be allocated as follows:

SNC	60%
SODEMI	30%
Ivory Coast Government	10%
	100%

The Samapleu Property is subject to a 1% net smelter return royalty.

**Table 1:** Highlight table of high-grade drill intercepts previously reported.

Hole-ID	From m	To m	Interval m	Ni %	Cu %	Pd gr/t	Date of News Release
<b>Samapleu Deposits</b>							
SM44-454256	16.05	97.40	81.35	0.58	0.41	0.55	May 12, 2021
	107.50	111.70	4.20	0.65	0.62	0.66	
<b>including</b>	<b>83.80</b>	<b>93.50</b>	<b>9.70</b>	<b>2.78</b>	<b>1.43</b>	<b>2.37</b>	
SM34-459218	64.10	117.05	52.95	0.43	0.30	0.52	Jan 27, 2020
<b>including</b>	<b>108.00</b>	<b>112.60</b>	<b>4.60</b>	<b>2.01</b>	<b>0.94</b>	<b>2.57</b>	
SM44-565203	70.50	104.90	34.40	0.39	0.33	0.77	June 27, 2018
<b>including</b>	<b>70.50</b>	<b>78.50</b>	<b>8.00</b>	<b>0.77</b>	<b>0.86</b>	<b>1.67</b>	
SM44-454255	12.30	103.55	91.25	0.66	0.65	0.77	June 27, 2018
<b>including</b>	<b>87.50</b>	<b>99.35</b>	<b>11.85</b>	<b>2.72</b>	<b>2.36</b>	<b>2.91</b>	
SM25-159493	25.50	157.40	131.90	0.26	0.15	0.61	Dec 17, 2017
<b>including</b>	<b>87.00</b>	<b>93.35</b>	<b>6.35</b>	<b>0.92</b>	<b>0.61</b>	<b>1.69</b>	
SM25-073652	58.50	128.50	70.00	0.32	0.26	0.52	Dec 17, 2017
<b>including</b>	<b>73.20</b>	<b>81.40</b>	<b>8.20</b>	<b>0.73</b>	<b>0.90</b>	<b>1.27</b>	
SM44-428267	15	68.9	53.9	0.96	0.76	0.74	April 20, 2015
<b>including</b>	<b>57.65</b>	<b>60.55</b>	<b>2.9</b>	<b>4.45</b>	<b>2.2</b>	<b>3.08</b>	
<b>including</b>	<b>62.9</b>	<b>68</b>	<b>5.1</b>	<b>3.87</b>	<b>2.56</b>	<b>2.83</b>	

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

SM25-133537	30	63	33	0.38	0.31	0.63	April 20, 2015
<b>including</b>	<b>32.45</b>	<b>36.65</b>	<b>4.2</b>	<b>1.13</b>	<b>1.03</b>	<b>1.75</b>	
SM44-683140	347	495.85	149	0.3	0.29	0.42	August 12, 2014
<b>including</b>	<b>347</b>	<b>356.2</b>	<b>9.2</b>	<b>0.46</b>	<b>1.12</b>	<b>1.11</b>	
SM44-693140b	513.2	604.4	91.2	0.25	0.17	0.24	August 12, 2014
<b>including</b>	<b>513.95</b>	<b>514.25</b>	<b>0.3</b>	<b>0.19</b>	<b>6.55</b>	<b>1.99</b>	
<b>including</b>	<b>594.15</b>	<b>597.55</b>	<b>3.4</b>	<b>1.12</b>	<b>0.5</b>	<b>1.61</b>	
SM44-494350b	11	64	53	0.52	0.5	0.31	February 16, 2012
<b>including</b>	<b>29.2</b>	<b>34.8</b>	<b>5.6</b>	<b>1.91</b>	<b>1.71</b>	<b>0.94</b>	
SM44-450250b	33.5	92.9	59.4	0.89	0.86	0.81	June 20, 2011
<b>including</b>	<b>85.25</b>	<b>91.9</b>	<b>6.65</b>	<b>3.8</b>	<b>2.92</b>	<b>3.09</b>	
SM44-492354	10	61	51	0.72	0.61	0.45	January 10, 2011
<b>including</b>	<b>36</b>	<b>46</b>	<b>10</b>	<b>1.76</b>	<b>1.3</b>	<b>1</b>	
<b>including</b>	<b>24</b>	<b>29</b>	<b>5</b>	<b>1.32</b>	<b>1.18</b>	<b>0.75</b>	
SM44-450250	13.5	102.8	89.3	0.66	0.64	0.58	May 31, 2010
<b>including</b>	<b>86.6</b>	<b>101.6</b>	<b>17</b>	<b>1.99</b>	<b>1.96</b>	<b>1.49</b>	
SM25-112519	22	144	122	0.44	0.32	0.94	
<b>including</b>	<b>84.9</b>	<b>95.9</b>	<b>11</b>	<b>1.89</b>	<b>0.78</b>	<b>2.84</b>	
SM24-661614	67.3	244	176.7	0.26	0.2	0.49	June 26, 2010
<b>including</b>	<b>162</b>	<b>170.6</b>	<b>8.6</b>	<b>1.02</b>	<b>0.95</b>	<b>1.51</b>	



Figure 6: Hole SM44-428267 intersected 54 m of mineralized pyroxenite, grading 0.96% nickel, 0.76% copper and 0.74 gpt palladium, including a combined 8.0 m of massive sulphide grading 4.08% nickel, 2.43% copper & 2.92 gpt palladium at the Samapleu Main deposit.



*Figure 7: High grade Ni-Cu massive sulfide mineralization (SM44-454265) showing sharp contacts with the mineralized pyroxenite host.*

#### Samapleu Nickel-Copper Type Mineralization

Since 2009, the Company's regional exploration work highlights the prospective potential of the entire Sama's prospective areas. In addition to the Samapleu Main deposit and the nickel-cobalt rich laterite Sipilou South deposit, there were several mineralized sectors that have been identified within the PR 838 (formerly old PR123) area, including the Company's discovered Samapleu Extension 1 deposit, the Yorodougou and Bounta occurrences, as well as numerous massive chromite showings, all part of the newly discovered Yacouba Layered Complex.

The Samapleu deposits mineralization and geological characteristics are typical of a layered Pipe like intrusion or conduit-hosted nickel deposits. These rare types of intrusions host the world's largest nickel-copper deposits such as: Jinchuan (515 million tons ("Mt") at 1.06% nickel), Voisey Bay (137Mt at 1.68% nickel), Kabanga (52Mt at 2.65% nickel), Eagle (4.5Mt at 3.33% nickel), Eagle Nest (20Mt at 1.68% nickel), Kalatongke (24Mt at 0.68% nickel), and N'komati (2.8Mt at 2.08% nickel).

The Yacouba's mafic and ultramafic hosts were intruded within the older gneissic assemblage of the West Africa's craton. It is interesting to note that the age (2.1Ga) of the Yacouba Layered Complex is almost the same as that of the large and mineral rich South-African Bushveld complex (host of the Ivanhoe's large Flatreef palladium-Nickel deposit and numerous other chromite+ Platinoid Group Elements deposits as well as the nearby N'Komati nickel-copper-palladium deposit).

Samapleu deposits are typical magmatic Nickel-Copper- Platinum group elements ("PGE") deposits with common metallurgical characteristics. Nickel and copper mineralization (pentlandite, chalcopyrite, combined with pyrrhotite, rarely pyrite) correspond to sulphide disseminations ranging from trace to 40% and semi-massive to massive (40% to 100% sulphides - **Figures 6 & 7**) sulphide rich lenses commonly spatially associated with a strong brecciated texture in mostly pyroxenites.

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

The semi-massive and massive sulfide veins display a number of characteristics suggesting that they are part of a larger mineralizing system:

1. Extreme variations in nickel/copper ratio indicative of fractionation of sulphides.
2. Association with varied textured and brecciated facies.
3. Presence of an unusual texture called loop texture. Large pyrrhotite crystals (5 centimeters in diameter) are rimmed by smaller chalcopyrite and pentlandite that define a loop that encloses the pyrrhotite. These textures are seen at Norilsk and Voiseys Bay nickel-copper-PGE deposits.
4. Abundant sulfide inclusions (globules) within pyroxene crystals indicating that sulfur (S) saturation took place before pyroxene crystallization (at depth).

It is to be noted that the mineralization is open at depth at the Samapleu deposits and remains mostly untested below 200 m from the surface. The mineralization is also open along strike at the Samapleu Extension 1 as per recent drilling outlined. The Company's regional compilation and exploration work highlights the highly prospective potential of the whole area surrounding these known intersections, including the Yepleu discovery located 18 kilometers SW in the PR 300 (**Figure 1**) and numerous prospective targets/zones with Sama's property package.

In the past years, the Company completed a 13,500 line-kilometer airborne magnetometer and radiometric survey over the Samapleu Property in 2012; a 3,900 line-kilometer of airborne helicopter time domain electromagnetic and magnetic survey ("HTEM") in 2013; a 60 line-kilometer of InfiNITEM ground geophysical survey over Samapleu Main and Extension 1 deposits and the Yepleu Complex in 2013 and an additional 2,889 line-kilometer of airborne helicopter time domain electromagnetic and magnetic survey ("HTEM") in 2018. More than 30 priority targets representing a potential for additional nickel-copper-platinum group elements mineralization have been outlined. Strong conductors were identified at the Samapleu Main and Samapleu Extension 1 deposits as well as along a corridor of more than 40 km oriented north-east (**Figure 2**).

In 2013, the Company purchased its first Cortech track mounted CSD1300G wire line drill rig. A second drill rig was purchased in 2014 and was sold in 2016. A secondhand Boart Longyear DB525 drill rig was purchased in 2019 replacement of the drill rig sold in 2016. A new drilling rig (Cortech 3000) has been purchased and arrived on site in February 2020. This new rig is able to reach depth in excess of 1,500 m. **Table 2** summarizes drilling programs since July 2010.

**Table 2:** Drilling programs from July 2010 to November 2022.

Area	Drilling Contractor		Sama Drilling		Total length (m)
	Borehole	(m)	Borehole	(m)	
<b>Ivory coast</b>					
Main Deposit	89	12,322	21	6,739	19,061
Samapleu Extension 1	59	9,096	50	10,761	19,857
Yepleu	6	4,993	47	12,222	17,215
Bounta			2	933	933
Sipilou Sud Laterite	80	2,688	55	1,818	4,506
Grata	18	5,704	30	10,132	15,836
Regional	22	3,116	1	642	3,758
<b>Total Cdl 2010-2022</b>	<b>274</b>	<b>37,919</b>	<b>206</b>	<b>43,246</b>	<b>81,165</b>

Near surface exploration at the Samapleu Project (< 150 m deep) returned centrally located massive sulphide vein stock works encased in a thick halo of disseminated sulphide. Tenors of up to 4-5% Ni and 6-8% Cu, respectively, were obtained in massive sulphide material.

## SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

Hole SM44-693140 intercepted a continuous mineralized zone of 149 m grading 0.30% nickel 0.29% copper, 0.04% cobalt, 0.42 grams per ton ("gpt") palladium. The interval started 347 m from surface and included several semi-massive high grade sulphide lenses, including a 30 m combined interval grading 0.50% nickel, 0.89% copper and 0.83 gpt palladium within intercepts of up to 2.06% nickel and 1.54% nickel.

In July and August 2022, the Company drilled 600 m at Samapleu Main to collect fresh mineralized material for additional metallurgical testing materials.

At Samapleu, the Company is searching for massive sulphide veins and lenses that could have accumulated in traps and embayments at depth along the feeder system of the large Yacouba intrusive complex.

### Samapleu Extension 1 Deposit

The Samapleu Extension 1 deposit was discovered by Sama Group in June 2010 and is located 1.3 km north of the Samapleu Main deposit. The surface expression of the ultramafic-mafic geological host of the Samapleu Extension 1. Samapleu Extension 1 is approximately 2,000 m long by 50 m to 200 m wide and is still open in both directions. The ultramafic-mafic host is oriented northeast-southwest.

Seventy-eight boreholes totaling 11,557 m were drilled since 2010 at the Samapleu Extension 1 deposit. Borehole SM24-112519 returned 122.0 m grading 0.44% nickel and 0.32% copper and 0.94 gpt of palladium, including 11.0 m @ 1.88% nickel, 0.78% copper and 2.84 gpt palladium; borehole SM25-080542 returned 38.5 m at 0.46% nickel and 0.50% copper and 0.85 gpt palladium and 0.12 gpt platinum; and borehole SM25-039587 returned 129.2 m at 0.26% nickel and 0.17% copper, including 0.41 gpt palladium and 0.06 gpt platinum.

In January and February 2018, Geotech Ltd., completed a 2,889 line-kilometer HTEM survey over the Samapleu and Yepleu areas (PR 300). The HTEM Survey was flown over the area at 200-meter line spacing, using their Versatile Time-Domain Electromagnetic geophysical system. The survey was completed in February 2018.

Between May and August 2022, the Company drilled 13 holes for 2,679 m at Samapleu Extension 1 for infill resource drilling and to collect fresh mineralized material for additional metallurgical testing materials (**Figure 3**).

### **Mineral Resource update May 27, 2020**

On December 22, 2015, the Company filed a revised NI43-101 compliant mineral resource estimate on the Samapleu Property. The revised mineral resource estimate includes an indicated mineral resource of 14.1 Mt grading 0.24% nickel and 0.20% copper and containing 74.5 Milb of nickel and 61.2 Milb of copper, together with an inferred mineral resource of 26.5 Mt grading 0.24% nickel and 0.18% copper and containing 134 Milb of nickel and 107.2 Milb of copper (**Table 3**).

The engineering group DRA/Met-Chem is working on a technical study for a possible open pit operation at Samapleu. The processing treatment will include concentration via flotation process with further processing to nickel and iron powders using CVMR's processing technology. On May 27, 2020, the Company announced the positive preliminary economic assessment for the development of the Samapleu nickel-copper surface mineralization. The study includes a revised mineral resource using all boreholes drilled to date at the Samapleu deposit.

The Company is currently investigating the possibility to fast tracking detailed technical studies for a possible open pit type of exploitation.

**Table 3:** Samapleu Project Mineral Resources Summary (Cut-Off Grade of 0.1% NiEq), May 2020.

Category	Resources (Mt)	NiEq (%)	Ni (%)
Measured <sup>1,2,3</sup>	-	-	-
Indicated <sup>1,2,3</sup>	33.18	0.269	0.238
<b>Meas. + Ind.</b>	<b>33.18</b>	<b>0.269</b>	<b>0.238</b>
Inferred <sup>1,2,3,4</sup>	17.78	0.248	0.224
1. Mineral Resources are exclusive of Mineral Reserves			

## SAMA RESOURCES INC.

### Management's discussion and analysis for the third quarter ending September 30, 2022

2. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources estimated will be converted into Mineral Reserves. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues
3. The CIM definitions were followed for the classification of Indicated and Inferred Mineral Resources.
4. The quantity and grade of reported Inferred Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as an Indicated or Measured Mineral Resource. It is reasonably expected that a portion of Inferred Mineral Resources could be upgraded with continued exploration.

#### Samapleu Preliminary Economic assessment: Highlights

- Average annual production of 3,900 tons ("t") of carbonyl nickel powder, 8,400 t of carbonyl iron powder and 14,100 t of copper concentrate over a 20-year mine life
- Capital costs of \$282 million ("M") including contingency of \$37 M
- Operational costs of \$ 2,062/t products and @22.51/t milled
- Pre-tax Net Present Value ("NPV") at 8% discount rate of \$615M and internal rate of return ("IRR") of 32.5%
- After-tax NPV at 8% discount rate of \$391M and after-tax IRR of 27.2%

During the nine-month period ended September 30, 2022, an amount of \$848,119 was capitalized on the Samapleu Property, resulting in a total capitalized exploration and evaluation expenditures of \$25,017,968 so far.

#### Estimated expenditures:

The Company's estimated expenditures for the next twelve months is \$850,000.

#### **Zérégouiné Property (PR 300)**

Sama CI owns the exploration permit No. 300 ("PR300") which covers 290 square kilometers of property in Ivory Coast and expired on December 17, 2021. In accordance with PR300, Sama CI was required to complete an exploration program before the term of the exploration permit. This exploration program was completed on time and on September 20, 2021, Sama CI filed the required documentation with the Department of Mines in Côte d'Ivoire, for the exceptional renewal of PR300 which should expire on December 18, 2023. As of today, there is no indication that the exploration permit will not be granted. However, a whole or partial impairment of the value of the PR300 will be required should Sama CI fail to obtain the exploration permit.

#### Yepleu Occurrence

On June 6, 2013, the Company announced the discovery of mineralized surface outcrops grading up to 1.39% nickel and 2.26% copper (tested using a hand-held Niton XRF analyzer) located 18 km southwest of the Samapleu nickel-copper deposit.

The occurrence, named Yepleu, covers an area of 24 km<sup>2</sup> in the NE corner of the Zérégouiné Exploration Permit. Outcrops with up to 25% disseminated sulphide mineralization in mafic and ultramafic rocks and strong mineralization are seen at surface along a NW-SE strike length of 1.7 km, with some of them showing continuous mineralized horizon of up to 25 m in strike length.

The sector shows a strong HTEM conductivity covering an area of 6 km by 4 km with extension to the SW over more than 17 km (**Figure 2**).

The disseminated mineralization is typically characterised by fine isolated grains to large granular aggregates of nickel, copper and iron sulphides. Sulphide phases observed so far include pyrrhotite, chalcopyrite, pentlandite and minor pyrite. Pentlandite occurs as inclusions in pyrrhotite. Disseminated sulphide occurs as fine grains of 0.5 to 1 millimetre in diameter, showing a high ratio of pyrrhotite versus chalcopyrite. Sulphide veinlets and fine filaments are also present. Composite grains of sulphide material are dominant, forming sulphide masses of odd shapes ranging from a few millimetres up to several centimetres in any one dimension. The semi-massive mineralization lenses show between 30% to 70% sulphide minerals.

## SAMA RESOURCES INC.

### Management's discussion and analysis for the third quarter ending September 30, 2022

---

Both HTEM surveys (2013 and 2018) have covered 100% of the property surface area and have identified that the geological host of the newly discovered Yepleu nickel-copper-palladium mineralization extends to the entire length along an axe-oriented NE-SW for more than 17 km long. Numerous surface gossans and mineralized grab samples including the 8.4%Cu (Niton XRF analyzer) are present at surface. The 2018 HTEM survey outlined several new prospective sectors parallel to those already known (**Figure 2**).

The Company performed a first phase of Typhoon survey in August 2018 and began the phase 2 Typhoon survey on April 1, 2019. Five holes for 4,191 m were drilled by Capital Drilling in the first half of 2019 and have intersected new mineralization at the Yepleu Sector 1.

The hole YE29-556043 returned results with a combined 5.2 m of semi-massive sulfides grading 1.16% nickel, 0.62% copper, 0.24 gpt palladium and 0.21 gpt platinum (using a cut-off-grade of 0.8% nickel) within a larger interval of 37 m of disseminated sulphide mineralization grading 0.41% nickel, 0.31% copper, 0.23 gpt palladium and 0.17 gpt platinum. A second hole drilled at the Yepleu Sector 1 as follow-up on the mineralized zone intersected on the first deep hole (YE29-556043) returned a mineralized zone of 54 m of disseminated to semi-massive and massive sulfide material from 585 m to 639 m from the surface. Assays results are pending.

Two additional holes were drilled subsequently as follow-up on the mineralized zone intersected on the first deep hole. Hole YE29-553044 returned a mineralized zone of 54 meters of disseminated to semi-massive and massive sulfide material from 585 m to 639 m from the surface. The second hole, YE22-225440 intersected 30 meters of disseminated to semi-massive and massive sulphide, including 1.7 m of massive sulphide (> 70% sulphide).

The Company's discovered mineralization at 600 m at depth at the Sector 1 within the Yepleu license and within the newly discovered Yacouba Intrusive Complex (dated as the same age as the Bushveld Complex in RSA (2.1 Ga) which host the large nickel-palladium Platreef deposit) is another evidence that the Yacouba intrusion system has the potential to host a significant amount of high-grade nickel-copper-cobalt and palladium in reservoirs and pods that are yet to be discovered. Sama's have outlined a strike length for the Yacouba Intrusive Complex of more than 66 km. The Yepleu area appears to be the center of the intrusion from where it seems to have "radiated" in all directions. This observation suggests that the Yepleu area is as proximal as we can get to the hot spot (**Figure 8**).

From March to August 2021, the Company drilled three holes at the Yepleu prospect testing electromagnetic targets defined using DHTEM. A fourth hole is ongoing aiming at the strong 20,000CT target (**Figure 5**).

At the Yepleu mineralized zone, hole YE-19 returned 45m of disseminated and semi-massive sulphide mineralization including 1.15m @ 1.40% Ni. Hole YE-20 drilled 600 m to the north-northeast returned 16m @ 0.49%Ni including 4.25 m @ 1.01% Ni.

Following the completion of hole YE-23 in mid-2021, which aimed at testing the strong electromagnetic conductor target with a 20,000 CT, the Company decided to perform a wedge from the YE-23 hole. The wedged hole is aiming at the center of the 20,000 CT target. However, due to delays in obtaining equipment, heavy rains during the last four months of 2021 and delay cause by Covid-19, the start of the wedging operation is now planned for the end of May 2022.

The Company is currently executing 13 holes drilling program for evaluating mineral resources along surface mineralized zone trending NW-SE (**Figure 9**).

Yepleu is the center of the intrusive feeder system with evidence of multiple magma injections generating a large volume of host rock assimilation.

At Yepleu and Grata, all newly intersected mineralization is characterized by aggregates of the nickel, copper and iron sulphides – pentlandite, chalcopyrite and pyrrhotite, respectively. Pentlandite occurs together with pyrrhotite, while the chalcopyrite is either mixed with the pentlandite and pyrrhotite or occurs as millimetric to centimetric sulphide veins/accumulations. The textures of the sulphide mineralization vary from disseminated to semi-massive and massive.

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

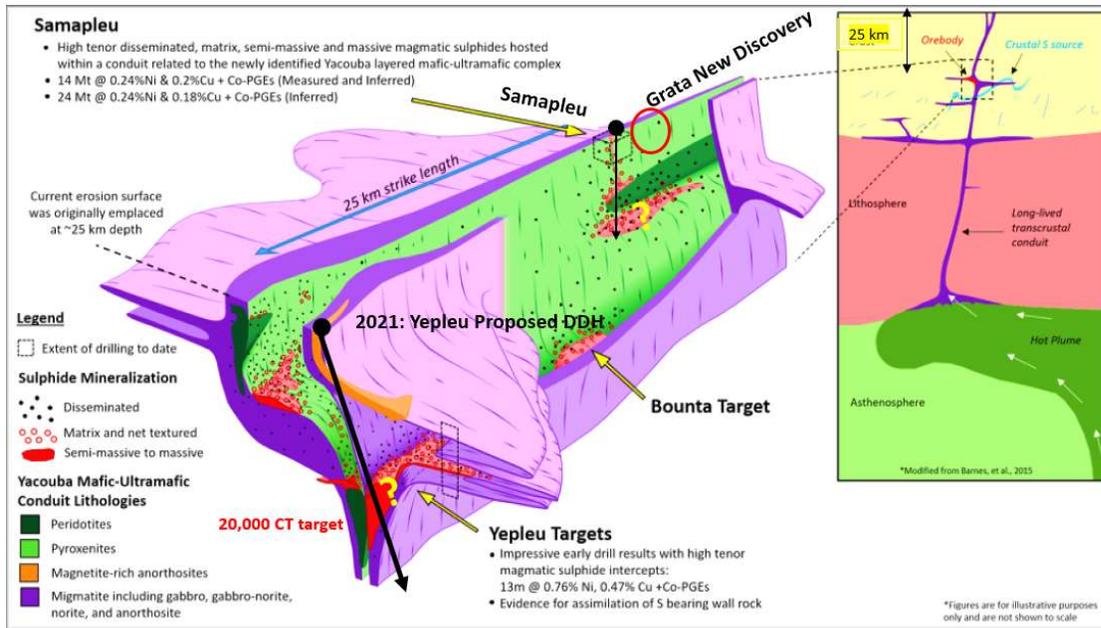


Figure 8: Schematic visualization of the Yacouba intrusive complex showing proposed targets at Samapleu, Grata and Yepleu.

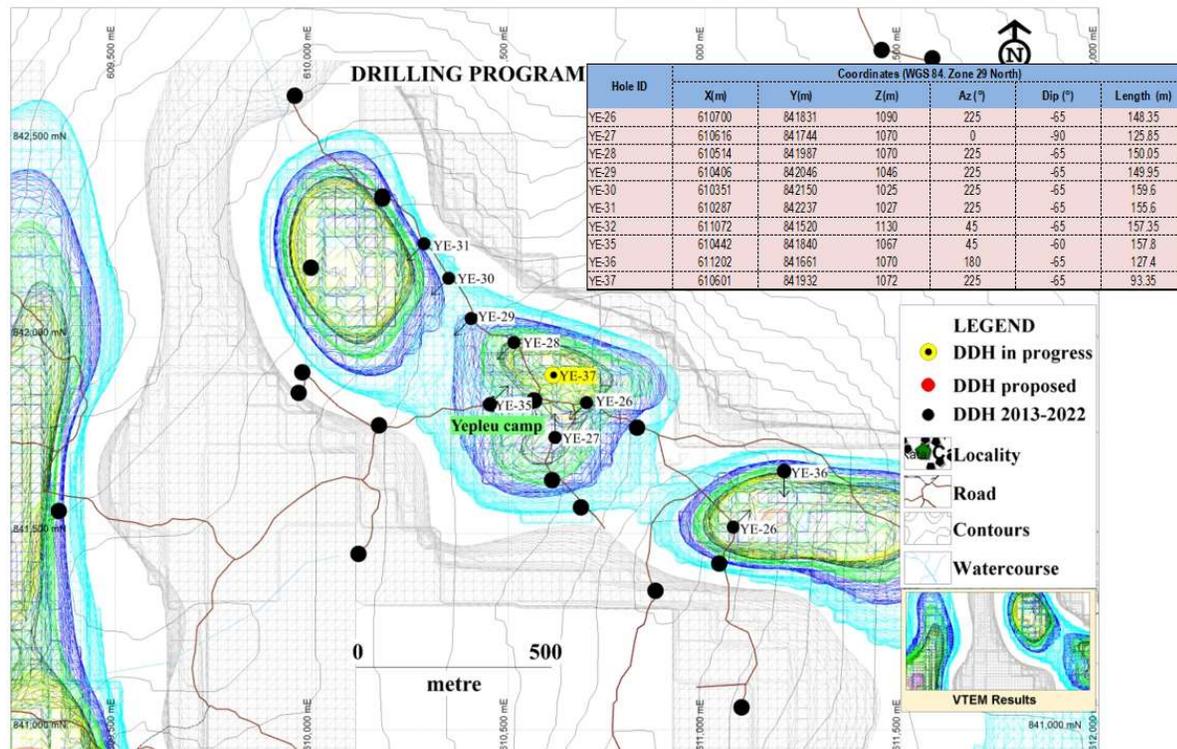


Figure 9: A 10 holes drilling program was designed at Yepleu for evaluating mineral resources along surface mineralized zone trending NW-SE. The program was completed by mid-July 2022.

The Company have drilled 10 holes for 1,425 m at the Yepleu occurrence (Figure 9) for resource definition. Several attempts to at placing wedges for the deep hole aiming at testing the 20,000 CT target failed to modify the hole trajectories. The Company have temporarily postponed the deep hole.

# SAMA RESOURCES INC.

## Management's discussion and analysis for the third quarter ending September 30, 2022

---

During the nine-month period ended September 30, 2022, an amount of \$291,104 was capitalized at the Zéréguiné Property, resulting in total capitalized exploration and evaluation expenditures of \$9,486,383 so far.

### Estimated expenditures:

The Company's doesn't expect to incur expenditures for the next twelve months due to budgetary constraints.

### **Grata property (PR 604)**

Sama CI owns the exploration permit No. 604 ("PR604") which covers 92 square kilometers of property in Ivory Coast and expires on December 7, 2022. In accordance with PR604, Sama CI agreed to complete an exploration program evaluated at F CFA 1,018,000,000 (\$2,089,748 as at September 30, 2022) before the term of the exploration permit. The Grata Property is 100% owned by Sama CI and is located adjacent to the north-eastern boundary of the Samapleu Property.

The property is located adjacent to the north-eastern boundary of the former Samapleu exploration permit. Sama believes that ultramafic sequences of the recently outlined large Yacouba Layered Complex which hosts the Samapleu Nickel-Copper-Palladium deposits, are extending within the Grata Permit and as such represent a prime target for nickel-copper-palladium mineralization.

In September 2021, Sama announced the Grata discovery located 5 km east of the Samapleu deposit.

The discovery hole, GR-03, drilled in June 2021, returned a 310 m sequence of pyroxenite and gabbro containing a 147 m interval of disseminated sulfides and several intersections of semi-massive sulphide mineralization. The second hole GR-04 confirmed the width of the mineralized zone, with a 141 m mineralized intersection including 6.40 m and 6.60 m intervals grading 1.05% Ni, 1.28% Cu & 0.48 gpt Pd and 0.73% Ni, 0.38% Cu & 0.30 gpt Pd respectively.

Hole GR-05 returned 117 m @ 0.29% Ni, 0.31% Cu & 0.42 gpt Pd. Hole GR-06 includes 14.10 m at 0.86% Ni, 1.49% Cu and 1.38 gpt Pb within a larger interval of 128m at 0.30% Ni, 0.35% Cu & 0.47 gpt Pd. Hole GR-07 returned 22m at 0.41% Ni, 0.28% Cu and 0.43 gpt Pd. All measurements are core length.

Three holes were drilled from the GR-06 location in order to better understand the geometry of the mineralized zones. Hole GR-06B returned 60.15 m at 0.36% Ni, 0.40% Cu, 0.53 g/t Pd including 7.70m at 1.28%Ni, 1.45% Cu and 1.92 g/t Pd and hole GR-06C: returned 116.15 m at 0.26% Ni, 0.25% Cu, 0.62 g/t Pd including 9.05m at 0.81%Ni, 0.84% Cu and 1.03 g/t Pd. Results for hole GR-06D is still pending.

Hole GR-08: returned 297.64m at 0.24% Ni, 0.20% Cu, 0.23 g/t Pd including 2.85m @ 1.68%Ni, 1.28% Cu and 1.12 g/t Pd, 4.25m @ 0.82%Ni, 0.55% Cu and 0.56 g/t Pd and 2.65m @ 1.47%Ni, 1.82% Cu and 1.19 g/t Pd. Hole GR-11: returned 212 m at 0.28% Ni, 0.30% Cu & 0.32 g/t Pd including 8.20m @ 0.84% Ni, 1.10% Cu & 1.24 g/t Pd and several small massif and semi-massive stringers scattered along the mineral interval.

**Table 4:** Summary results of 2021-22 drilling program at Grata using a cut-of-grade of 0.1% nickel:

- GR-03 intersected 147 m at 0.26% Ni, 0.29% Cu and 0.25 gpt Pd including 56.00 m at 0.39% Ni, 0.45% Cu and 0.33 gpt Pd
- GR-04 intersected 141 m at 0.38% Ni and 0.37% Cu including 6.40 m grading 1.05% Ni, 1.28% Cu and 0.48 gpt Pd including 6.60 m grading 0.73% Ni, 0.38% Cu and 0.30 gpt Pd
- GR-05 intersected 117 m at 0.29% Ni, 0.31% Cu & 0.42 gpt Pd
- GR-06 intersected 128 m at 0.30% Ni, 0.35% Cu & 0.47 gpt Pd including 14.00m @ 0.86% Ni, 1.49% Cu & 1.38 gpt Pd
- GR-06B intersected 60 m at 0.36% Ni, 0.40% Cu, 0.53 gpt Pd including 7.70m at 1.28%Ni, 1.45% Cu and 1.92 gpt Pd
- GR-06C intersected 116 m at 0.26% Ni, 0.25% Cu, 0.62 gpt Pd including 9.05m at 0.81%Ni, 0.84% Cu and 1.03 gpt Pd
- GR-07 intersected 22 m at 0.41% Ni, 0.28% Cu & 0.43 gpt Pd
- GR-08 intersected 298 m at 0.24% Ni, 0.20% Cu, 0.23 gpt Pd including: including 2.85 m at 1.68%Ni, 1.28% Cu and 1.12 gpt Pd including 4.25 m at 0.82%Ni, 0.55% Cu and 0.56 gpt Pd including 2.65 m at 1.47%Ni, 1.82% Cu and 1.19 gpt Pd

## SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

---

- GR-11 intersected 212 m at 0.28% Ni, 0.30% Cu & 0.32 gpt Pd including 8.20m at 0.84% Ni, 1.10% Cu & 1.24 gpt Pd numerous narrow massive and semi-massive stringers
- GR-12 intersected 239 m at 0.30% Ni including 8.50 m at 0.86% Ni, 0.79% Cu and 1.0 gpt Pd
- GR-15 intercepted 199 m at 0.30% Ni, 0.30% Cu including 3.40 m at 1.48% Ni, 1.85% Cu and 2.11 gpt Pd and a combined of 12.10 m at 0.83% Ni, 0.82% Cu and 0.79 gpt Pd
- GR-17 intercepted 303 m at 0.28% Ni, 0.28% Cu including 8.10 m at 1.00% Ni, 0.81% Cu and 1.13 gpt Pd
- GR-18 intercepted 146 m at 0.17% Ni, 0.13% Cu including 0.95 m at 1.01% Ni, 1.14% Cu and 0.78 gpt Pd
- GR-19 intercepted 233 m at 0.19% Ni, 0.17% Cu including 3.25 m at 0.98% Ni, 0.90% Cu and 1.61 gpt Pd
- GR-21 intercepted 198 m at 0.27% Ni, 0.29% Cu including 11.85 m at 0.82% Ni, 0.68% Cu and 0.99 gpt Pd including 3.80 m at 0.84% Ni, 1.00% Cu and 1.03 gpt Pd including 3.65 m at 0.62% Ni, 2.05% Cu and 1.30 gpt Pd
- GR-22 intercepted 51 m at 0.25% Ni, 0.32% Cu including 4.55 m at 0.82% Ni, 0.73% Cu and 0.92 gpt Pd
- GR-25 intercepted 180 m at 0.22% Ni, 0.26% Cu including 1.15 m at 1.24% Ni, 1.31% Cu and 1.62 gpt Pd

**Figures 3 and 10** are showing hole locations and a cross section at the Grata occurrence.

A 5,000 m drilling contract was awarded to Foraco-Foremi an Ivorian drilling contractor for supplying 2 drilling rigs to the Grata project starting June 1, 2022. By August 2, 2022, Foraco drilled 18 holes for 5,840 m and was demobilized.

The mineralization at Grata is similar in composition to the Samapleu deposit but shows a larger proportion of chalcopyrite and therefore a higher copper to nickel ratio.

The Company is looking at increasing mineral resources at Samapleu and Grata for a future surface mining operation as well as searching for massive sulphide veins and lenses that could have accumulated at depth in traps and embayments along the feeder system of the Yacouba Intrusive Complex

During the nine-month period ended September 30, 2022, an amount of \$2,820,147 was capitalized at the Grata Property, resulting in total capitalized exploration and evaluation expenditures of \$4,247,061 so far.

### Estimated expenditures:

The Company's estimated expenditures for the next twelve months is \$320,000.

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

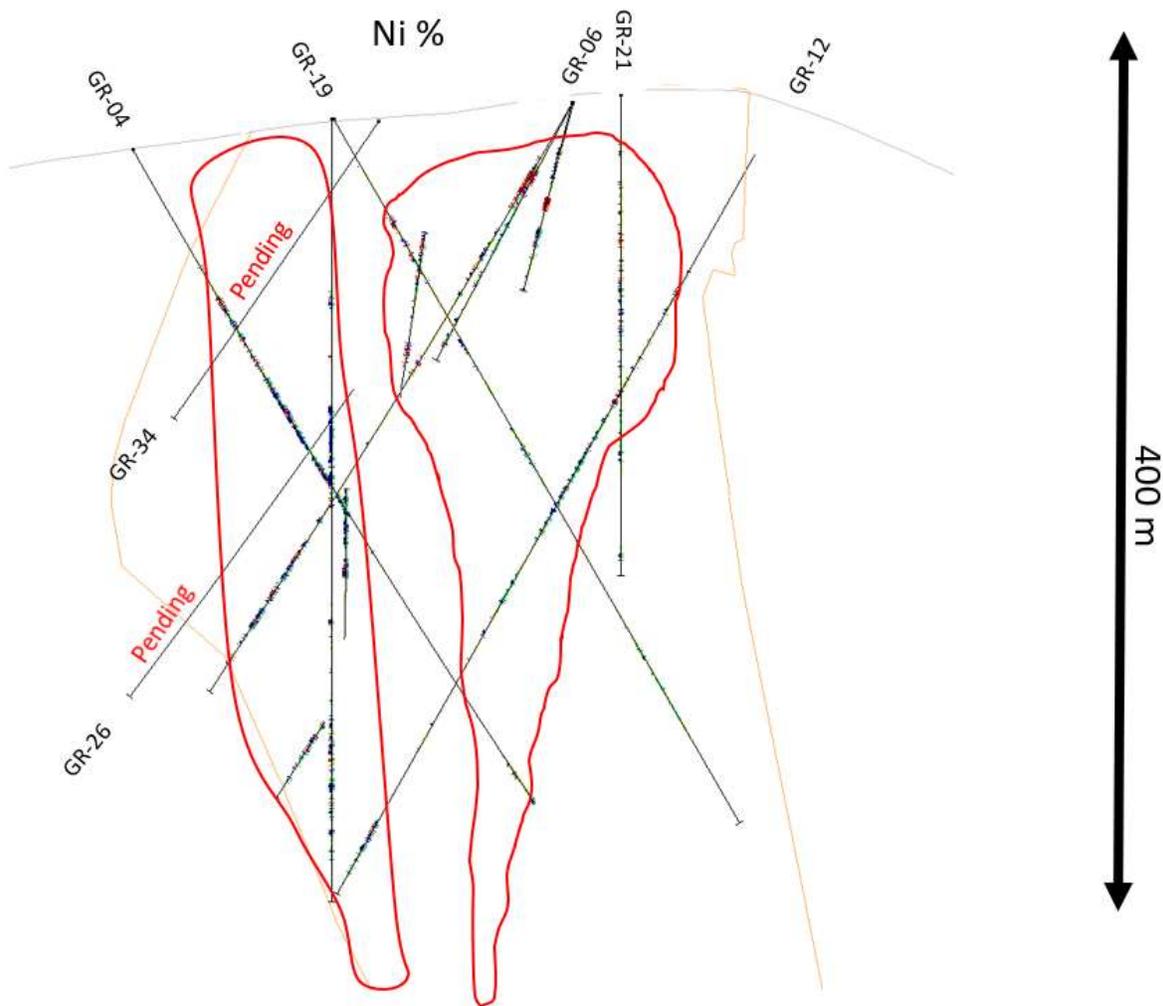


Figure 10: Vertical section at the Grata occurrence showing sub-vertical mineralization zones.

## Zoupleu (PR 837)

SMT owns the exploration permit No. 837 ("PR837") which covers 135 square kilometers of property in Ivory Coast and expires on June 17, 2023. In accordance with PR837, SMT agreed to complete an exploration program evaluated at F CFA 1,120,000,000 (approximately \$2,299,134 as at September 30, 2022) before the term of the exploration permit.

The Zoupleu Property is 100% owned by SMT and is located adjacent to the western edges of both Samapleu East and West properties (Figure 1). Although, the area needs to be flown with a Helicopter Electromagnetic survey there are indications of good EM targets located in the south-east corner of the property (Figure 2).

During the nine-month period ended September 30, 2022, \$2,491 was capitalized at the Zoupleu Property, resulting in total capitalized exploration and evaluation expenditures of \$5,245 so far.

### Estimated expenditures:

The Company's estimated expenditures for the next twelve months is \$250,000.

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

---

## LIBERIA GOLD PROJECTS

In January 2021, SRL was granted with three exploration permits for gold in Liberia (**Figures 11 & 12**).

The **Zwedru South** property (MEL9001921), which covers 312.85 km<sup>2</sup> and expires on January 9, 2024, is located 40 km south of the town of Zwedru and close to the road linking Zwedru to Greenville. Significant alluvial and saprolite artisanal gold mining activity were identified in the surroundings.

The **St-John River Gold** property (MEL9001821), which covers 174.51 km<sup>2</sup> and expires on January 9, 2024, is located 90 km NE of Buchanan and close to the railway linking Buchanan and Mont-Nimba. Significant alluvial and saprolite artisanal gold mining activity were identified in the surroundings.

The **Nuon** property (MEL9001721), which covers 259.13 km<sup>2</sup> and expires on January 10, 2024, is 260 km east of Monrovia and 20 km from Zwedru town and next to the border with the Côte d'Ivoire. Significant alluvial and saprolite artisanal gold mining activity identified at the Barteh Jam, Nico, Middle East and Mambo mining camps. Barteh Jam and Mambo camps respectively being two of the largest in Liberia. The area was poorly worked previously but still confirming numerous gold areas north of the proposed area. The amphibolite schists are hosting several nickel and copper occurrences/indices as defined by the USGS. Historical drilling results reported in the area are as follow (**Figure 12**):

*Historical drilling results reported in the area:*

- 2.6m @ 5.43g/t Au, incl. 1.1m @ 11.2g/t Au;
- 4.0m @ 12.7g/t Au, incl. 1.0m @ 49.0g/t Au;
- 3.0m @ 4.51g/t Au, incl. 1.4m @ 7.42g/t Au;
- 1.0m @ 19.9g/t Au;
- 3.0m @ 11.7g/t Au;
- 3.0m @ 4.9g/t Au;
- 16.0m @ 1.16g/t Au, incl. 1.0m @ 5.62g/t Au;
- 3.0m @ 2.69g/t Au;
- 4.0m @ 2.64g/t Au;
- 1.0m @ 8.80g/t Au.

Liberia is underlain by the West African Craton, which has remained stable since about 1.7 Ga. The craton consists of two major basement domains.

- Reguibat Shield (in the north and around Mauritania)
- Man Shield (3.0–2.5 Ga) which underlies most of Liberia, and much of Sierra Leone, eastern Guinea and the western edge of Côte d'Ivoire.

The two shields are separated by the Taodeni basin of Proterozoic to Palaeozoic age, while the Man Shield lies to the west of the Proterozoic Birimian Belts.

Gold in Liberia is concentrated in both; the Archean craton and the Birimian greenstone belts. Trends & Structures cross-cutting into Ivory Coast. More than 600 Gold occurrences outlined by USGS in the 80's (**Figure 12**).

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022



Figure 11: SRL's three exploration permits.

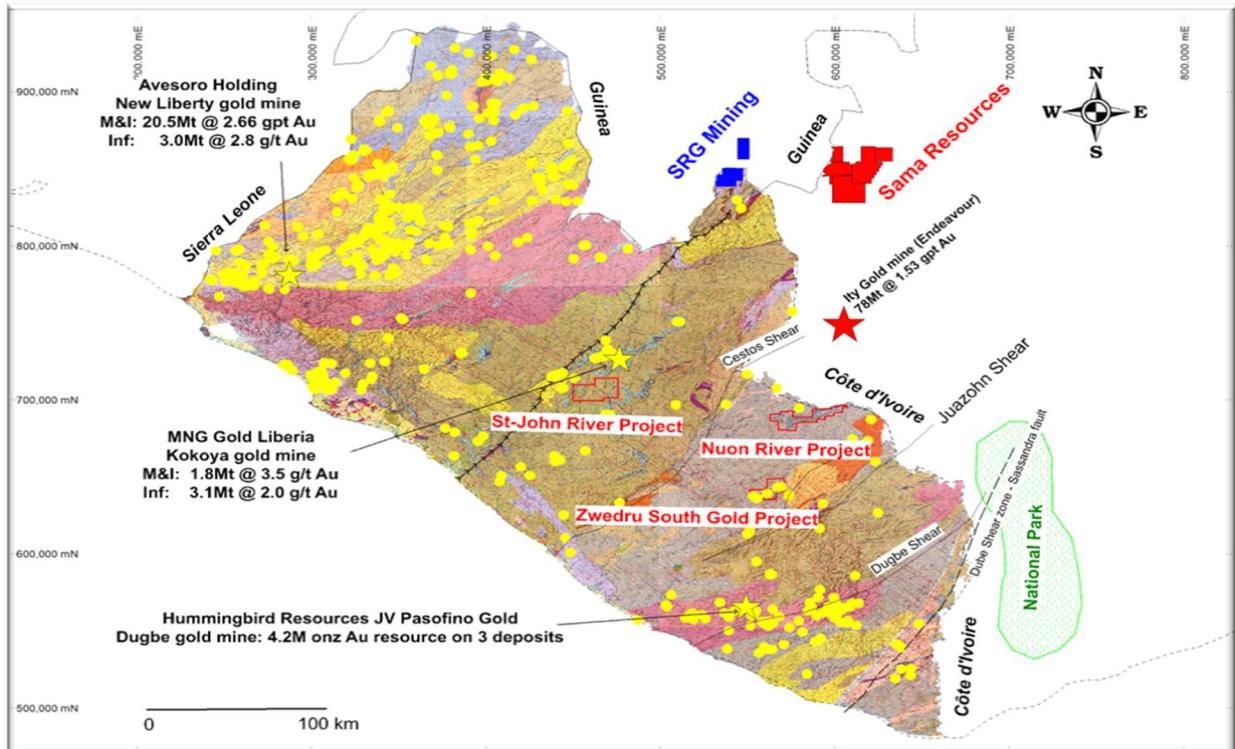


Figure 12: SRL's three exploration permits together with the +600 gold occurrences and nickel showings in Liberia.

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

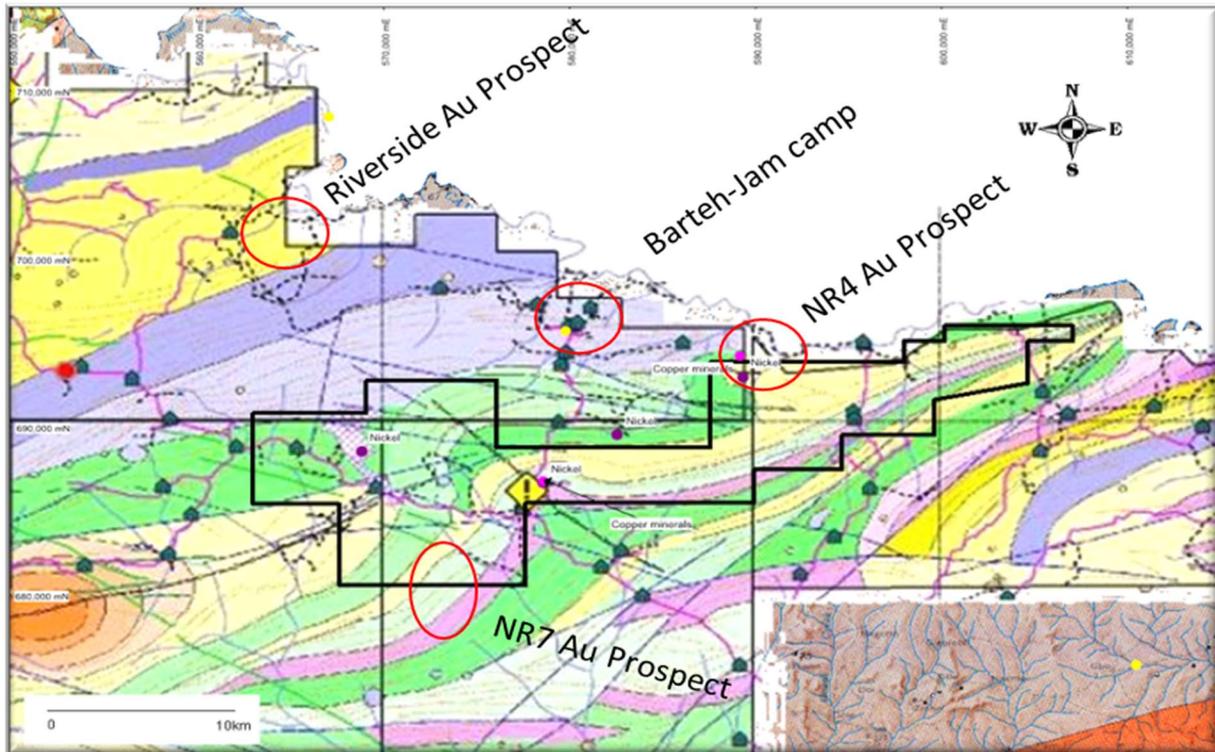


Figure 13: Nuon exploration permit showing previous exploration works and potential areas.

During the nine-month period ended September 30, 2022, an amount of \$171,646 was capitalized on the three exploration permits, resulting in a total capitalized exploration and evaluation expenditures of \$282,748 so far.

### Estimated expenditures:

The Company's estimated expenditures for the next twelve months is \$300,000.

## **PROVINCE OF QUEBEC, CANADA PROJECT**

### **LAC BRULÉ NI-CU PROJECT**

The Company, through his full owned subsidiary Sama Resources Québec Inc (SRQ) launched the Lac Brulé Ni-Cu and the Lac Brennan projects by acquiring 401 exploration claims in the Nivernais and Esgriseilles Townships and 42 claims in the Dauphine Township (project Lac Brennan) all in the Province of Québec. The 401 claims at the Lac Brulé project surround the initial 19 claims owned by Dr. Audet (May 2020).

Dr. Audet (Ph.D. Geology) became aware of the potential of the entire area following a compilation for base metal performed in late 80's while working for Falconbridge. On the eastern edge of the large deformation pattern outlined by the regional magnetism (**Figure 14**) site the small Renzy Ni-Cu mine. The Renzy Ni-Cu mine operated from 1969 to 1972 selling Ni & Cu concentrate to Falconbridge in Sudbury, Ontario.

As a part of the ongoing exploration program, SRQ commissioned Helios UAV to complete a high-resolution magnetic and radiometric survey over the eastern part of the Lac Brulé property. The UAV survey took place from July 14 through August 3, 2021 and included the acquisition of 609 line-km of magnetic data and of 335 line-km of radiometric data.

## SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

---

SRQ also commissioned Xcalibur Multiphysics (MPH) Canada Inc. for a HELITEM<sup>2</sup> electromagnetic survey supplemented by a high-sensitivity cesium magnetometer. One block of claims (390 claims) was flown between December 5 and December 14, 2021. The survey coverage consisted of 1,374 km of traverse lines flown with a spacing of 200 and 100 metres ("m") and 119 km of tie lines with a 2000 m spacing.

On March 16, 2022, the Company announced the completion and interpretation of a the Xcalibur's HELITEM<sup>2</sup> electromagnetic and magnetic helicopter geophysical survey of 1,494 line-km (**Figure 19**).

Detailed Interpretation and targets modeling will be performed by M. Joel Simard, P. Geol./Geoph based in St-Donat, Quebec province, Canada.

The 2022's field season started in May and will terminate at the end of August. Two grids were cut (North and Gossan grids, **Figure 19**). Detailed geological mapping was done over the two grids with the help of Professor Picard. Ground geophysical surveys are currently ongoing with Geophysique TMC from Val d'Or, Qc, Canada. The northern grid was covered with Induced Polarisation ('IP') while the gossan grid is currently surveyed with Electromagnetic ("EM" Fluxgate B-Field Fixe loop). Detailed compilation will be available in September.

No historical prospecting or ground exploration had been reported from the Lac Brulé area prior to SRQ. However, Government regional magnetic and gravity maps covering the area, as part of coverage of the entire Quebec province, as well as data from stream and lake sediment sampling programs covering the entire province, are available on the SIGEOM website. In 2021, Fiordland Resource completed a VTEM survey at their Lac Renzi property with good correlation with the mine site while identifying good EM responses in a so-called Renzi Shear zone. The Company finalised an HELITEM survey in December 2021 at our Lac Brulé project returning several highly prospective sectors (**Figure 14**).

The past-producing Renzi nickel-copper mine is the closest mining activity with historical information available. The Renzi mine is located 48 km east-southeast of the Lac Brulé property. The Company is targeting possible accumulations of Ni and Cu mineralization at Lac Brulé that could be of similar nature to that at the Renzi mine and at other well-known Ni-Cu deposits in Québec and Labrador (ie: Voysey Bay Ni-Cu-PGM deposit).

The UAV magnetic survey covered the east-central part of the Lac Brulé property with north-south oriented lines at 100 m spacing (see **Figures 16 & 17**) for a total of 609-line km. The aim was to use the survey to assist with structural and geological mapping, and in particular to delineate the mafic/ultramafic units that host mineralization at the gossan.

The survey maps show a high density of strong magnetic anomalies that are interpreted as the signature of mafic and ultramafic formations. The gossan zone is situated in the vicinity of these anomalies, emphasizing the favorable environment for base metals mineralization.

The discovery zone, where the gossans have been identified, is situated in the vicinity of strong magnetic anomalies in the south-central part of the block that was flown (**Figure 16 & 17**). This gossan zone lies along a localized northwest to north-northwest trending discontinuity (fault) where the magnetic units appear locally demagnetized. Demagnetization is potentially indicative of alteration caused by the upwelling of hydrothermal fluids along the fault. This structural control may emphasize other favorable locations to search for precious and base metals mineralization.

The delineation of linear discontinuities over the survey area was achieved by using a program from the Centre for Exploration Targeting (CET), a joint initiative between Curtin University and the University of Western Australia (**Figure 18**). The CET method enhances discontinuities within aeromagnetic datasets that usually correspond with, and can reveal, lithological boundaries, faults, and dykes/intrusions critical to understanding the geology of an area.

### December 2021, geophysical HELITEM<sup>2</sup> electromagnetic survey

As a follow-up on the new gossan discovered in May 2021, SRQ commissioned Xcalibur Multiphysics (MPH) Canada Inc. for a HELITEM<sup>2</sup> electromagnetic survey supplemented by a high-sensitivity cesium magnetometer. One block of claims (390 claims) was flown between December 5 and December 14, 2021. The survey coverage consisted of 1,374 km of traverse lines flown with a spacing of 200 and 100 m and 119 km of tie lines with a 2000 m spacing.

Figure 17 shows Xcalibur's final compilation outlining two main sectors; the Gossan Zone and the North Zone. Highest Conductivity Grade and CTP, outlined by the late off-time channel/gates, are located next to the discovered gossan.

The HELITEM<sup>2</sup> system is composed of a 40 m cable to which is attached the transmitter loop. The receiver platform and the receiver coil are located at the centre of the 35 m diameter transmitter loop approximately 0.1 m above the

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

centre of the transmitter plane. The real time navigation GPS antenna is on the tail boom of the helicopter. The barometric altimeter, radar altimeter, laser altimeter, video camera and data recorder are all installed in the helicopter. GPS antennae are attached to the transmitter loop to give positional information and transmitter orientation.

The 2022 summer program included geological mapping and sampling at the Lac Brulé property.

A total of 50 line-km of ground Electromagnetic (EM) or Induced Polarisation (IP) geophysical survey at Lac Brulé.

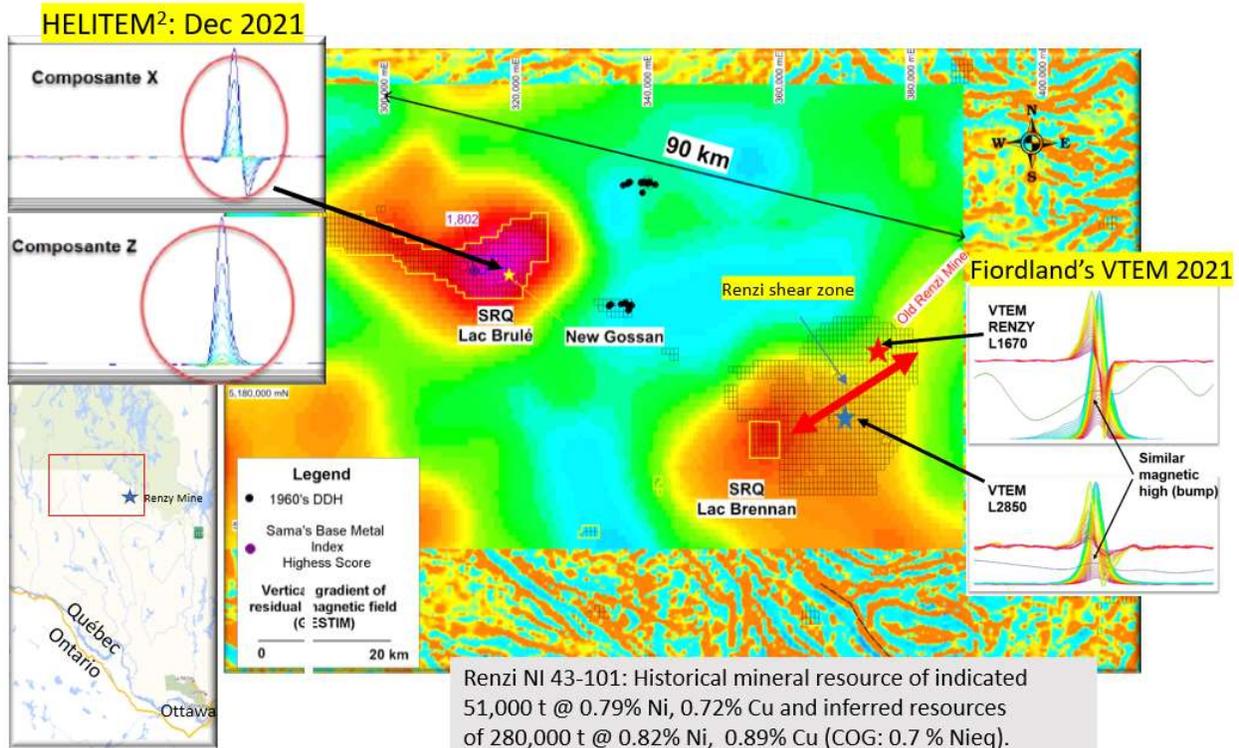


Figure 14: Lac Brulé Ni-Cu project. Exploration claims forming 1 large block and a smaller block of 16 claims called Lac Brennan south-west of the old Renzy Mine. The vertical gradient of gravity anomaly and the first derivative of the gradient magnetometer is shown in background.

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022



Figure 15: Dr Audet at the discovered surface gossan at the Lac Brulé project.

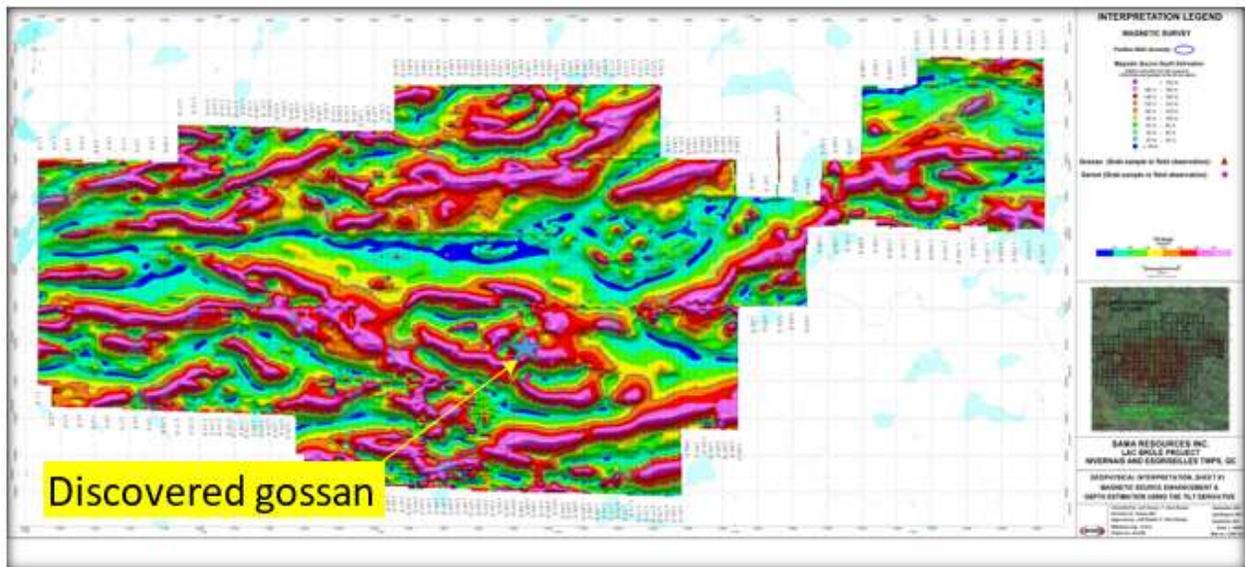


Figure 16: Using the tilt derivative filter, the positive magnetic anomalies were delineated regardless of their relative amplitude. In the survey area, the calculated depths range from sub-outcropping to slightly more than 1500 m, with a mean value of 60 m.

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

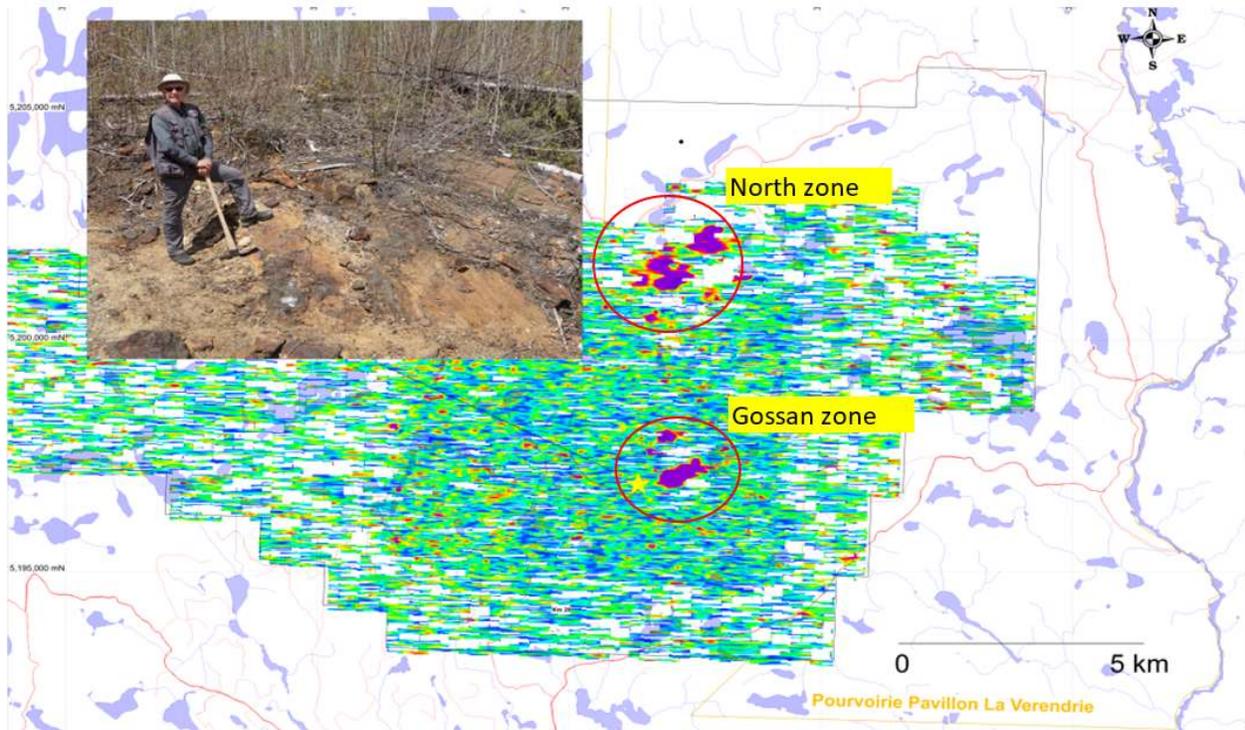


Figure 17: Apparent Conductivity: late off-time channel/gates showing several distinct high conductivity (CTP) areas. Also shown, the EM components X and Z responses of the strong conductor (Conductor Grade: 5 and 6, see Table 1)

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

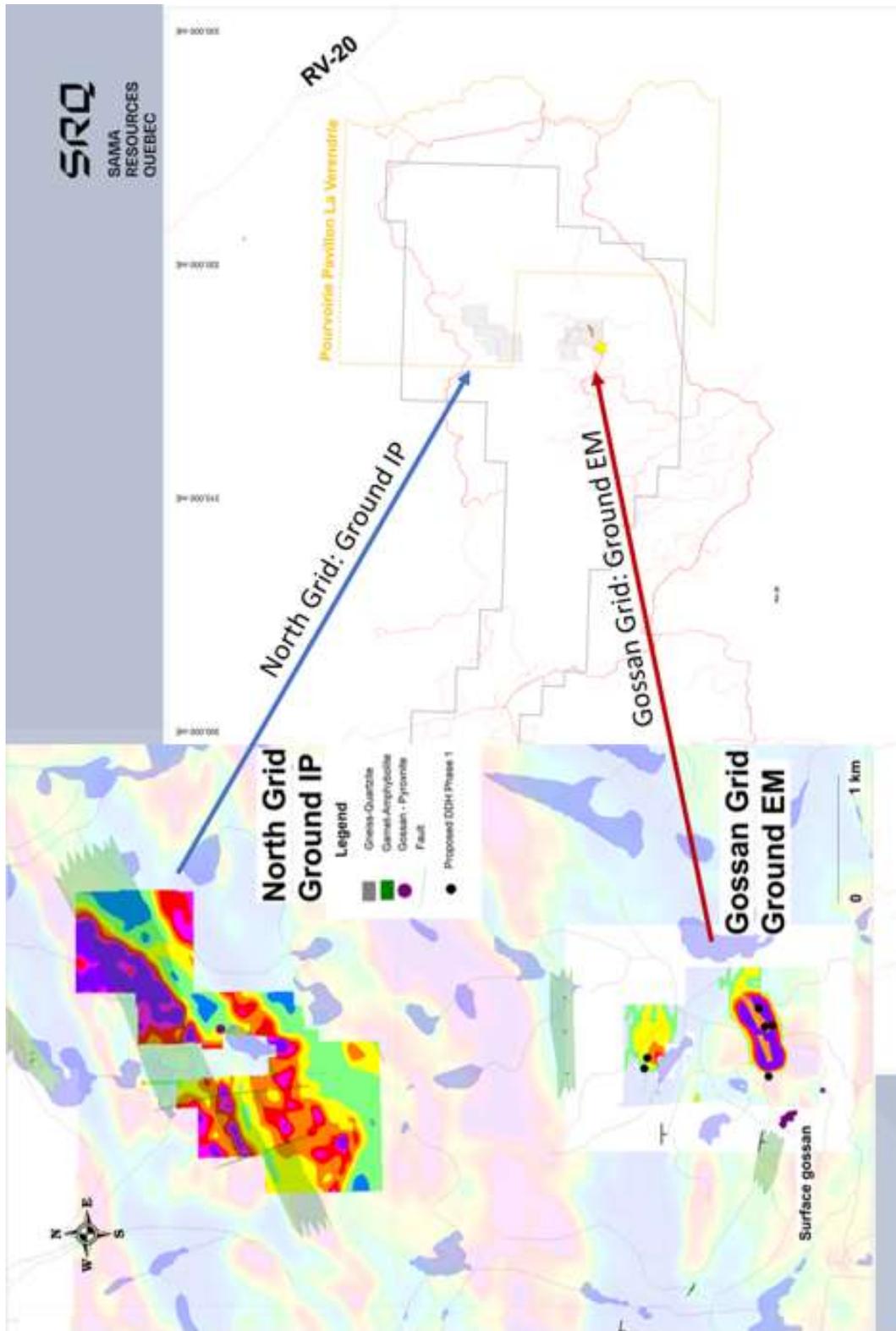


Figure 18: Geological compilation at the two grids, the North and Gossan grids. The discovered surface gossan is located at the SW corner of the Gossan grid.

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

---

During the nine-month period ended September 30, 2022, an amount of \$531,649 was capitalized on the Quebec properties resulting in a total capitalized exploration and evaluation expenditures of \$833,049 so far.

## Estimated expenditures:

The Company's estimated expenditures for the next twelve months is \$400,000 depending on results.

## NICKEL MARKETS ANALYSIS

**Figure 19** shows that the nickel inventory declined from 260,000t in March 2021 to just below 50,000t in November 2022. Nickel price reached US\$ 50.00/lb in March 8, 2022 but following a trade halt, he is now trading between \$9/lb to \$12/lb.

As predicted, the nickel demand recovered through 2021. Analysts at Wood McKenzie, leading nickel market analysts, forecasted that annual average deficit of 60 kt through to 2027 will return stock days of consumption to less than 100 days for the first time since 2006 and bring nickel prices closer to US\$25,000/t by 2025 and US\$28,000/t by 2027.

The stainless-steel industry is the biggest user of primary nickel and scrap nickel followed by alloys, special steel, plating, batteries and foundries. In 2017, the stainless-steel industry accounted for approximately 75% of all primary nickel usage and also consumed nearly 900,000 tons of scrap nickel. The battery industry accounted for 3.7% with the remainder used by the other above-mentioned industries (ref: World Nickel Factbook 2018). Prior to the COVID pandemic, China is the largest market for nickel (sources: Australian Department of Industry, Innovation and Science). It accounted for 65% of the world nickel consumption. The stainless-steel production in China was 25 million tons in 2016. Japan was the second largest market for stainless steel production accounting for 3.3 million tons in 2016.

### **Increasing Demand from Burgeoning Battery Industry**

The emerging battery market for renewable energy is a new market for nickel. Effectively, nickel is a vital component of the key next generation batteries including nickel-manganese-cobalt (NMC) batteries used in electronic vehicles and nickel-cobalt-aluminum (NCA) batteries, which are being adopted in electronic vehicles and grid storage. The willingness to migrate from fossil energy to electric energy is an irreversible trend. The new market trend for batteries for automobiles, trucks, trains and ships, not to mention for residential and industrial energy storages, is underway and is going to increase exponentially in the next few years. The nickel market will benefit greatly since the main components of any given batteries are graphite and nickel.

Nickel is used as the cathode material for lithium-ion batteries and used in increasingly large quantities. Industry major Vale predicts nickel demand in the electronic vehicle will increase between 350,000-to-500,000t by 2025.

There is a consensus between analysts that by the end of the 2020's era, nearly 70% of new cars will have some form of electrification. Analysts at Roskill predict that primary nickel demand in the battery sector is forecasted to rise by more than 20% per year between 2017 and 2027, to over 500 kilotons per year.

The current battery technology used in most electric vehicles is lithium-ion batteries. The main component of these batteries is nickel well over the other raw materials needed like cobalt, manganese, lithium and graphite. The amount of nickel used in batteries is likely to increase even more in the search to increase the energy density of the batteries and to reduce the need of the expensive cobalt. This could also have a direct impact on the global need for nickel over the next decades.

Out of all metals used by battery suppliers, nickel is the most worrying when it come to supply.

Meeting EV demand requires the Cu, Ni, Co and Lithium to grow significantly in size over the next decade. Effectively and according to CITI Research, EV demand growth should expand the size of the entire lithium market by 300%, the cobalt by 100%, nickel by 30% and copper by 10%. Nickel demand in Li-ion batteries is forecasted to grow to 465kt by 2025 compared to 100kt today.

According to Coherent Market Insights, North America is expected to be the largest market in terms of revenue share in years to come. This is attributed to growing usage of nickel powder in alloys, and stainless steel in the U.S. and Canada. According to the USGS, approximately 45% of the nickel consumed was utilized in alloy steel and stainless-

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

---

steel production in the U.S. and produced 1.64 million tons of stainless steel (nickel bearing) in 2014.

Last January, Reuter reported that the market has seen a high surge in demand over the last year from both the stainless steel and battery sectors. This has generated "the most significant degree of tightening surprise in balance across the base metals in 2021", according to Goldman Sachs. ("Metals Watch: Aligned for the next leg higher," Jan. 11, 2022). Goldman Sachs has originally forecasted that the global nickel market will register a supply surplus of 49,000 tonnes in 2021 but now estimates a deficit of 159,000 tonnes. According to analysts, we should expect another smaller deficit between 40,000 to 30,000 tonnes this year.

This deficit is fueled by the increasing demand from the fast-growing battery sector as the electric vehicle revolution picks up speed. J.P.Morgan analysts project nickel usage in batteries to grow by 50% year-on-year in 2022, equivalent to an extra 127,000 tonnes, taking over from stainless as the biggest driver of demand growth.

According to Reuter, a massive build-out of nickel production capacity in Indonesia should help rebalance the market but this will take time and comes with plenty of caveats given many operators are going down innovative technical processing routes to convert low-grade nickel into battery-grade metal.

LME inventories for both commodities are at their all time low.

In 2018-19, batteries accounted for ~4% of all nickel production. In 2022, battery production is reported to represent up to 13%. If EV adoption forecasts for the coming 10 years are accurate, battery share could spike to +20% of annual production by 2029 (*Roskill*) and could exceed current mining rates (2.5Mt/y) by late 2030s.

(*Swedish Research: Månbergera et al., 2019*).

Many industrialised countries are accelerating their transition to electric vehicles (EVs) to address climate change. As a result, demand for EV batteries and power packs for energy storage should grow exponentially in the near- to mid-term. The demand for nickel is expected to exceed current mining rates by late 2030s with cumulative demand reaching the level of current worldwide known reserves by 2055.

## COPPER MARKETS ANALYSIS

Figure 19 is showing that copper stocks after a decline from 450,000 t in 2018 to about 125,000 t currently.



# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022



Figure 19: Nickel and Copper values from August 2017 to August 2022.



## SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022



Figure 20: Inventories in Nickel and Copper at the London Stock Exchange (LME) since August 2017.

## SELECTED FINANCIAL INFORMATION

### Disposal of SRG's common shares

In May 2022, the Company entered into share purchase agreements with various purchasers to sell 9,625,000 common shares of SRG for an aggregate purchase price of \$6,737,500. A gain on disposal of an investment in associate of \$2,972,473 was recorded in the interim condensed consolidated statement of income (loss) and comprehensive income (loss). Following that transaction, the Company's ownership in SRG went from 21.82% to 13.36%. The Company discontinued the use of the equity method as its remaining interest ceased to be an investment in associate. The retained interest was measured at fair value and reclassified as an investment in the interim condensed consolidated statement of financial position.

The fair value of the retained investment of \$11,840,694 was determined using SRG's share price of \$0.78 at May 31, 2022. A gain on loss of significant influence of \$5,902,561, representing the difference between the carrying value and the fair value, was recorded in the interim condensed consolidated statement of income (loss) and comprehensive income (loss).

	\$
<b>Balance – beginning of period</b>	8,804,704
Share of loss and comprehensive loss	(297,332)
Gain on dilution	1,195,788
Disposal of common shares	(3,765,027)
Gain on loss of significant influence	5,902,561
Reclassification from associate to investments in SRG	<u>(11,840,694)</u>
<b>Balance – end of period</b>	<u><u>-</u></u>

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

## Financial Position Analysis

	September 30, 2022	December 31, 2021	December 31, 2020
Total assets	\$ 61,264,154	\$ 48,103,438	\$ 45,409,738
Total liabilities	11,443,105	6,427,414	4,057,552
Total equity	49,821,049	41,676,024	41,352,186
Working capital*	8,360,687	2,930,784	2,114,166

\*Working capital is a measure of current assets less current liabilities.

### Assets

Total assets at September 30, 2022 were \$61,264,154 compared to \$48,103,438 at December 31, 2021, an increase of \$13,160,716 mainly due to an increase in cash and cash equivalents of \$6,609,362, in investments in SRG of \$11,346,515, in property, plant and equipment of \$90,113 and in exploration and evaluation assets of \$4,666,994 which were offset by a decrease in investment in associate of \$8,804,704, bridge loan of \$711,698 and tax credits receivable of \$126,329.

The increase in cash and cash equivalents and in investments in SRG and the decrease in investment in associate are all related to the disposal of SRG common shares described above.

Exploration and evaluation assets increase of \$4,666,994 is mainly due to work performed on the following Ivory Coast and Quebec properties:

	\$
<b>Ivory Coast projects</b>	
Samapleu	848,119
Zérégouiné	291,104
Grata	2,820,147
	<u>3,959,370</u>
<b>Quebec project</b>	
Lac Brulé	531,649
<b>Liberia projects</b>	<u>171,646</u>
	<u>4,662,665</u>

The decrease in bridge loan is due to the repayment received in April.

### Liabilities

Total liabilities at September 30, 2022, 2022 were \$11,443,105 compared to \$6,427,414 at December 31, 2021, an increase of \$5,015,691 due to an increase in the due to IVNE of \$4,620,000 as part of the earn-in and joint venture agreement and in accounts payable and accrued liabilities of \$389,873.

### Equity

At September 30, 2022, the Company had an equity of \$49,821,049 compared to \$41,676,024 at December 31, 2021, an increase of \$8,186,271 mainly due to the period net income of \$7,759,641 and the recognition of a stock-based compensation of \$385,384.

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

## Operating Results analysis

	Three-month period ended September 30, 2022	Three-month period ended September 30, 2021	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
	\$	\$	\$	\$
Operating expenses	(550,341)	(210,542)	(1,437,648)	(749,085)
Other income (expenses)	(860,584)	(85,806)	9,197,289	(186,313)
Net income (loss)	(1,410,925)	(296,348)	7,759,641	(935,398)
Net income (loss) per common share				
Basic	(0.006)	(0.001)	0.036	(0.004)
Diluted	(0.006)	(0.001)	0.036	(0.004)

### THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2022 COMPARED TO THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2021

For the three-month period ended September 30, 2022, the Company recorded a net loss of \$1,410,925 or (\$0.006) per share compared to \$296,348 or (\$0.001) per share for the same period in 2021, an increase of \$1,114,577 due the following important variations:

#### Operating expenses

Operating expenses went from \$210,542 in 2021 to \$550,341 in 2022, an increase of \$339,799 mainly due to an increase in professional fees of \$209,248, in stock-based compensation of \$43,887, in travel and representation of \$26,570, in marketing fees of \$30,000 and in consulting fees \$16,741.

#### Other income (expenses)

Other expenses totaled \$860,584 in 2022 compared to \$85,806 in 2021, an increase of \$774,778 mainly due to a decrease in fair value of investments in SRG of \$797,974 and to an increase in foreign exchange loss of \$155,544. These increases in other expenses were offset by a decrease in the share of loss and comprehensive loss of associate of \$127,653 and by an increase in interest income of \$11,752 and management fee of \$39,600.

### NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2022 COMPARED TO THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021

For the nine-month period ended September 30, 2022, the Company recorded a net income of \$7,759,641 or \$0.036 per share compared to a net loss of \$935,398 or (\$0.004) per share for the same period in 2021, an increase in results of \$8,695,039 due the following important variations:

#### Operating expenses

Operating expenses went from \$749,085 in 2021 to \$1,437,648 in 2022, an increase of \$688,563 mainly due to an increase in stock-based compensation of \$205,380, in professional fees of \$192,700, in general and other expenses \$107,315, in travel and representation of \$88,568, in consulting fees \$47,290 and in marketing fees of \$50,000. These increases were offset by a decrease in salaries and benefits of \$4,591.

#### Other income (expenses)

Other income totaled \$9,197,289 in 2022 compared to other expenses of \$186,313 in 2021, an increase of \$9,383,602 mainly due to the recognition of a gain on disposal of an investment in associate of \$2,972,473, a gain on loss of significant influence of \$5,902,561, an increase in the gain on dilution of associate of \$1,215,033 and a decrease in the share of loss and comprehensive loss of associate of \$80,538. These increases in other income were offset by a decrease in fair value of investments in SRG of \$492,427, an increase in foreign exchange loss of \$187,213 and by a decrease in management fees of \$106,764.

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

## Cash Flows analysis

	Three-month period ended September 30, 2022	Three-month period ended September 30, 2021	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
Cash required by operating activities	(140,881)	(35,769)	\$ (843,725)	\$ (505,082)
Cash generated (required) by investing activities	(2,040,731)	(1,411,722)	2,833,087	(2,291,703)
Cash generated by financing activities	2,120,000	1,120,750	4,620,000	3,576,675

### THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2022 COMPARED TO THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2021

#### Operating Activities

For the three-month period ended September 30, 2022, operating activities required cash flows of \$140,881 compared to \$35,769 for the same period in 2021, an increase of \$105,112 in the use of cash flows due to the net loss after adjustment for items not affecting cash which went from \$165,299 in 2021 to \$544,040 in 2022. This increase in the use of cash flows was offset by the change in non-cash working capital items which generated cash flows of \$403,159 in 2022 compared to \$129,530 for the same period in 2021.

#### Investing Activities

For the three-month period ended September 30, 2022, investing activities required cash flows of \$2,040,731 compared to \$1,411,722 for the same period in 2021, an increase of \$629,009, due to an increase in the exploration and evaluation expenditures of \$485,540 and property, plant and equipment acquisitions of \$143,469.

#### Financing Activities

For the three-month period ended September 30, 2022, financing activities generated cash flows of \$2,120,000 compared to \$1,120,750 for the same period in 2021, an increase of \$999,250 due to an increase in payments received as part of the earn-in and joint venture agreement of \$1,020,000 which were offset by the exercise of warrants and stock option for total proceeds of \$20,750 in 2021.

### NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2022 COMPARED TO THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021

#### Operating Activities

For the nine-month period ended September 30, 2022, operating activities required cash flows of \$843,725 compared to \$505,082 for the same period in 2021, an increase of \$338,643 in the use of cash flows due to the net loss after adjustment for items not affecting cash which went from \$448,336 in 2021 to \$1,186,917 in 2022 which was offset by the change in non-cash working capital items which generated cash flows of \$343,192 in 2022 compared to required cash flows of \$56,746 for the same period in 2021.

#### Investing Activities

For the nine-month period ended September 30, 2022, investing activities generated cash flows of \$2,833,087 compared to required cash flows of \$2,291,703 for the same period in 2021, an increase of \$5,124,790 in generated cash flows. This increase is due to the disposal of SRG's common share for total proceeds of \$6,737,500 and to the repayment of a bridge loan for \$700,000 which was offset by an increase in exploration and evaluation expenditures of \$1,972,450 and property, plant and equipment acquisitions of \$340,260.

# SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

## Financing Activities

For the nine-month period ended September 30, 2022, financing activities generated cash flows of \$4,620,000 compared to \$3,576,675 for the same period in 2021, an increase of \$1,043,325 due to an increase in payments received as part of the earn-in and joint venture agreement of \$1,346,805 which was offset by a decrease in the exercise of warrants and stock option for total proceeds of \$283,480 as well as the reception of a CEBA loan of \$20,000 in 2021.

## Quarterly Results Trends (in thousands)

The operating results for each of the last eight quarters are presented in the following table.

	Sept 30, 2022	June 30, 2022	March 31, 2022	Dec 31, 2021	Sept 30, 2021	June 30, 2021	March 31, 2021	Dec 31, 2020
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	-	-	-	-	-	-	-	-
Net income (loss)	(1,411)	8,635	536	633	(296)	(246)	(393)	(272)
Basic earnings (loss) per share	(0.006)	0.041	0.002	0.003	(0.001)	(0.001)	(0.002)	(0.001)
Diluted earnings (loss) per share	(0.006)	0.039	0.002	0.003	(0.001)	(0.001)	(0.002)	(0.001)

## TRANSACTIONS WITH RELATED PARTIES

Related parties include the Company's key management personnel and related companies. Unless otherwise stated, balances are usually settled in cash.

Key management personnel are the members of the Board of Directors and the officers of the Company.

The following table presents the related party transactions presented in the interim condensed consolidated statement of income (loss) and comprehensive income (loss):

	Nine-month period ended September 30, 2022 \$	Nine-month period ended September 30, 2021 \$
Professional fees paid to key management and/or companies controlled by key management	135,750	127,000
Consultant fees paid to companies controlled by key management	83,624	94,748
Consultant fees paid to a company controlled by key management and capitalized to exploration and evaluation assets	175,269	145,662
Directors and officers stock-based compensation	250,518	98,622

The following table represents the related party transactions presented in the Statement of Financial Position as at:

	September 30, 2022 \$	December 31, 2021 \$
Professional fees owned to key management and/or companies controlled by key management	-	29,880
Exploration and evaluation expenditures owned by a company controlled by key management	-	31,091

## SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ending September 30, 2022

### OUTSTANDING SHARE DATA

	Number of Shares Outstanding (Diluted)
<b>Sama outstanding shares as of November 16, 2022</b>	219,468,440
Shares reserved for issuance pursuant to warrants outstanding	-
Shares reserved for issuance pursuant to stock options outstanding	20,340,000
<b>Sama outstanding shares - fully diluted</b>	<b>239,808,440</b>

As at the date of this MD&A, the Company had outstanding stock options enabling holders to acquire common shares as follows:

Number Outstanding	Exercise Price	Expiry Date
1,000,000	0.33	October 14, 2022
2,150,000	0.19	April 21, 2025
200,000	0.18	May 27, 2025
1,775,000	0.085	January 17, 2027
500,000	0.15	March 31, 2027
100,000	0.195	April 27, 2027
300,000	0.20	May 1, 2027
660,000	0.29	November 28, 2027
3,655,000	0.33	June 12, 2028
340,000	0.30	July 29, 2028
60,000	0.30	October 31, 2028
3,225,000	0.27	February 19, 2029
2,080,000	0.19	December 18, 2029
1,885,000	0.115	December 14, 2030
265,000	0.16	June 17, 2031
2,145,000	0.22	February 28, 2032
<b>20,340,000</b>		

### OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

### CONFLICTS OF INTEREST

The Company's directors and officers may serve as directors and/or officers, or may be associated with, other reporting companies, or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the Canada Business Corporations Act dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the federal laws of Canada, the directors and officers of the Company are required to act honestly, in good faith, and in the best interests of the Company.

### CRITICAL ACCOUNTING POLICIES

The preparation of financial statements in conformity with IFRS requires management to apply accounting policies and make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. There is full disclosure of the Company's critical accounting policies and accounting estimates in Note 2 of the audited consolidated financial statements for the year ended December 31, 2021.

# **SAMA RESOURCES INC.**

Management's discussion and analysis for the third quarter ending September 30, 2022

---

## **ESTIMATES, JUDGMENTS AND ASSUMPTIONS**

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Significant changes in the underlying assumptions could result in significant changes to these estimates. Consequently, management reviews these estimates on a regular basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Information about these significant judgments, assumptions and estimates that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are disclosed in Note 4 of the audited consolidated financial statements for the year ended December 31, 2021.

## **RISKS RELATED TO FINANCIAL INSTRUMENTS**

Readers are invited to refer to Note 20 of the audited consolidated financial statements for the year ended December 31, 2021, for a full description of these risks.

## **RISKS AND UNCERTAINTIES**

The Company is in the business of acquiring and exploring mineral properties. It is exposed to a number of risks and uncertainties that are common to other mineral exploration companies in the same business. The industry is capital intensive at all stages and is subject to variations in commodity prices, market sentiment, exchange rates for currency, inflation and other risks. The Company will rely mainly on equity financing to fund exploration activities on its mineral properties.

The risks and uncertainties described in this section are not inclusive of all the risks and uncertainties to which the Company may be subject.

### **Early Stage – Need for Additional Funds**

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to other companies in the same business, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

### **Exploration and Evaluation**

Mineral exploration and evaluation is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits, but also from finding mineral deposits that, though present, are of insufficient size and/or grade to return a profit from production.

All of the mineral claims to which the Company has a right to acquire an interest are in the exploration stages only and are without a known body of commercial ore. Upon discovery of a mineralized occurrence, several stages of exploration and assessment are required before its economic viability can be determined. Development of the subject mineral properties would follow only if favorable results are determined at each stage of assessment. Few precious and base metal deposits are ultimately developed into producing mines.

### **Supplies, Health and Infrastructure**

The Company's property interests are often located in remote, undeveloped areas and the availability of infrastructures such as surfaces access, skilled labour, healthy labour, fuel and power at an economic cost cannot be assured. These are integral requirements for exploration, production and development facilities on mineral properties. In Ivory Coast, power may need to be generated onsite.

### **Title Risks**

Although the Company has exercised the usual due diligence with respect to determining title to properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The

# **SAMA RESOURCES INC.**

## **Management's discussion and analysis for the third quarter ending September 30, 2022**

---

Company's mineral property interest may be subject to prior unregistered agreements, transfers, or native claims, and title may be affected by undetected defects.

### **Environmental Regulations, Permits and Licenses**

The Company's operations are subject to various laws and regulations governing the protection of the environment, exploration, development, production, taxes, labour standards, occupational health, waste disposal, safety and other matters. Environmental legislation in most countries provides restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact statements. Environmental legislation is evolving in a direction of stricter standards and enforcement, and higher fines and penalties for non-compliance. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

The Company believes that it is in compliance with all material laws and regulations which currently apply to its activities. However, there can be no assurance that all permits which the Company may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis, or that such laws and regulations would not have an adverse effect on any mining project which the Company might undertake.

### **Climate Change**

The Company has properties in various regions and jurisdictions where environmental laws are evolving and are not consistent. A number of governments or governmental bodies have introduced or are contemplating regulatory changes in response to the potential impact of climate change, such as regulation relating to emission levels. If the current regulatory trend continues, this may result in increased costs directly or indirectly affecting the Company. In addition, the physical effect of climate change, such as extreme weather conditions, natural disasters, resource shortages, changing sea levels and changing temperatures, could have an adverse financial impact on operations located in the regions where these conditions occur, directly or indirectly impacting the business of the Company.

### **Competition and Agreements with Other Parties**

The mining industry is intensely competitive in all its phases and the Company competes with other companies that have greater financial resources and technical capacity. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

The Company may, in the future, be unable to meet its share of costs incurred under such agreements to which it is a party and it may have its interest in the properties subject to such agreements reduced as a result. Also, if other parties to such agreements do not meet their share of such costs, the Company may not be able to finance the expenditures required to complete recommended programs.

### **Political and Economic Risks of Doing Business in Ivory Coast**

All of the Company's mineral properties are currently located in Ivory Coast which is a politically stable country. The fiscal laws and practices are well established and generally consistent with rules and regulations. However, there is no assurance that future political and economic conditions in this country will not result in its government adopting different policies respecting foreign development and ownership of mineral properties. Any changes in laws, regulations or shifts in political attitudes regarding investment in the Ivory Coast mining industry are beyond its control and may adversely affect its business. The Company's exploration and evaluation activities may be affected in varying degrees by a variety of economic and political risks, including cancellation or renegotiation of contracts, changes in Ivory Coast domestic laws or regulations, changes in tax laws, royalty and tax increases, restrictions on production, price controls, expropriation of property, fluctuations in foreign currency, restrictions on the ability to repatriate earnings and pay dividends offshore, restrictions on the ability to hold foreign currencies in offshore bank accounts, environmental legislation, employment practices and mine safety. In the event of a dispute regarding any of these matters, the Company may be subject to the jurisdiction of courts outside of Canada which could have adverse implications on the outcome.

## **SAMA RESOURCES INC.**

Management's discussion and analysis for the third quarter ending September 30, 2022

---

### **Dependence on Management**

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

### **Information Systems Security Threats**

Although the Company has not experienced any material losses to date relating to cyber attacks or other information security breaches, there can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access is a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

### **Operating Hazards and Risks**

Mining operations involve many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. In the course of exploration, development and production of mineral properties, certain risks, and in particular unexpected or unusual geological operating conditions, including rock bursts, cave-ins, fires, flooding and earthquakes, may occur. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of mineral deposits, any of which could result in damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage.

Although the Company maintains liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities could exceed policy limits, in which event the Company could incur significant costs that could have a materially adverse effect upon its financial conditions.