

## KOBO RESOURCES INC.

### INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS

#### QUARTERLY HIGHLIGHTS

#### PERIOD ENDED SEPTEMBER 30, 2024

The following interim Management's Discussion and Analysis ("**Interim MD&A**") of Kobo Resources Inc. (the "**Corporation**" or "**Kobo**") for the three and six months ended September 30, 2024 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Corporation since its last annual management discussion & analysis, being the Management's Discussion & Analysis ("**Annual MD&A**") for the period ended March 31, 2024. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This Interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Annual MD&A, audited annual consolidated financial statements of the Corporation for the period ended March 31, 2024 and December 31, 2022, together with the notes thereto, and unaudited condensed interim consolidated financial statements of the Corporation for the three and six months ended September 30, 2024, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Corporation's unaudited condensed interim consolidated financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of November 22, 2024, unless otherwise indicated.

In this Interim MD&A, unless the context otherwise requires, references to "Kobo" or the "Corporation" refer to Kobo Resources Inc., together with its subsidiary KOBO Ressources Côte d'Ivoire SA ("**KOBO Ressources C.I.**" or "**KRCI**").

The Corporation was incorporated pursuant to the provisions of the *Canada Business Corporations Act* on April 27, 2018, under the name "Meteorite Capital Inc.". The Corporation completed its initial public offering on October 1, 2018 and was listed on the TSX Venture Exchange (the "**Exchange**") as a capital pool company ("**CPC**") on October 12, 2018. Pursuant to the policies of the Exchange regarding CPCs, the common shares of the Corporation (the "**Common Shares**") were halted from trading from May 19, 2020, until October 19, 2022, and then again from November 1, 2022 until March 31, 2023.

On March 29, 2023, the Corporation announced the completion of its "Qualifying Transaction", as defined under Policy 2.4 – *Capital Pool Companies* of the Exchange. The Qualifying Transaction was completed through a reverse takeover of Boko Resources Inc. ("**Boko**"). Upon completion of the Qualifying Transaction, the business of Boko became the business of the Corporation as a result of Boko becoming a wholly owned subsidiary of the Corporation, the Corporation changed its name to "Kobo Resources Inc.". The Corporation completed a consolidation of its share capital on a basis of one post-consolidation Common Share for every 5 Common Share

outstanding immediately before the consolidation. The Common Shares were listed for trading on the Exchange under the symbol “KRI” on March 31, 2023. Prior to the completion of the Qualifying Transaction, the Corporation did not own any assets other than cash and had not conducted any active business operations. Since its incorporation and prior to the Qualifying Transaction, the principal activities of the Corporation consisted of the financing through its initial public offering.

On December 1, 2023, the Corporation merged with its subsidiary Boko Resources Inc. in order to simplify its reporting obligations and reduce general and administrative costs.

Furthermore, effective in 2023, the Corporation changed its financial year-end from December 31 to March 31, 2024 to align the Corporation's year-end with that of its subsidiary company and to facilitate financial reporting and the preparation of corporate tax returns. The change in year-end resulted in the Corporation's filing a one-time, fifteen-month transition year covering the period of January 1, 2023 to March 31, 2024.

The Corporation's head office and registered office is located at 388 Grande-Allée East, Suite 101, Québec, Québec, G1R 2J4. As of the date herein, the Corporation has no employees and five (5) consultants.

Additional information about the Corporation and its business activities is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and the Corporation's website [www.koboresources.com](http://www.koboresources.com), which is still under construction.

## **CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION**

Certain of the statements made and contained herein are forward-looking information or forward-looking statements within the meaning of applicable Canadian securities laws, including statements regarding Kobo's plans and expectations relating to its exploration assets in Côte d'Ivoire. Such forward-looking information or forward-looking statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Statements concerning mineral resource estimates are deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralisation that will be encountered if the property is developed. The assumptions, risks and uncertainties outlined below are non-exhaustive. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results, performance or achievements of the Corporation or its properties and projects may vary materially from those described herein.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as “expects”, “anticipates”, “believes”, “plans”, “projects”, “estimates”, “assumes”, “intends”, “strategy”, “goals”, “objectives”, “potential”, “possible” or variations thereof or stating that certain actions, events, conditions or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements.

Forward-looking statements and forward-looking information are not guarantees of future performance and are based upon a number of estimates and assumptions of management at the date the statements are made including without limitation, assumptions about the following (the “**Forward-Looking Factors**”): renewal of the Kossou Permit (as defined below) and the Kotobi Permit (as defined below) on favorable terms; future prices of gold and other metals; successful exploration, development, and production, including the completion and timing of the Reverse Circulation drill program on the Kossou Gold Project (as defined below); performance of contractual

obligations by counterparties; operating conditions; political stability; obtaining governmental approvals and financing on time; financial projections and budgets; obtaining licenses and permits; government regulation of the Corporation's mining activities; environmental risks and expenses; market conditions; the state of the capital market; variation in the price of the Corporation's securities; currency exchange rates; foreign mining tax regimes; financial projections and results; competition; availability of sufficient capital, infrastructure, equipment and labour; litigation; land title issues; local community issues; estimation of mineral resources; realization of mineral resources; timing and amount of estimated future production; the life of mine; reclamation obligations; changes in project parameters as plans continue to be evaluated; and anticipated costs and expenditures and the Corporation's ability to achieve its goals. While the Corporation considers these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies, many of which are based on factors and events that are not within the control of the Corporation and there is no assurance they will prove to be correct.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, known and unknown risks, uncertainties and other factors relating to the Forward-Looking Factors above, and those factors disclosed under the heading "Risks and Uncertainties" in the section below and the Corporation's other continuous disclosure documents filed from time to time with the securities regulators in Canada.

In addition, a number of other factors could cause the actual results, performance or achievements of the Corporation to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information, and there is no assurance that the actual results, performance or achievements of the Corporation will be consistent with them. Although the Corporation has attempted to identify important factors that could cause actual actions, events, results, performance or achievements to differ materially from those described in forward-looking statements and forward-looking information, there may be other factors that cause actions, events, results, performance or achievements not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements or information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Such forward-looking statements and information are made or given as at the date of this management's discussion and analysis and the Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required under applicable securities law. The reader is cautioned not to place undue reliance on forward-looking statements or forward-looking information.

## **HIGHLIGHTS AND KEY BUSINESS DEVELOPMENTS**

During the six months ended September 30, 2024, and prior to the release of this period results:

- On April 30, 2024, the Corporation announced first drill results of its diamond drill program at the Kossou Gold Project, drilling 19.0 meters ("m") at 2.82 g/t Au, including 3.7 m at 11.82 g/t Au.
- On June 4, 2024, the Corporation announced that it has closed its first tranche of a non-brokered private placement of 4,243,804 units for gross proceeds of \$1,485,332. In addition, the Corporation announced the closing of a brokered private placement of 8,378,700 additional units of the Corporation for additional gross proceeds of \$2,932,545.
- On July 2, 2024, the Corporation announced that it has closed its second tranche of a non-brokered private placement of 8,558,563 units for gross proceeds \$2,995,497.

- On July 11, 2024, the Corporation announced fourteen holes from the diamond drilling program at the Kossou Gold Project, including significant initial results at the Kadie Zone of 9.0 m at 23.89 g/t gold and 9.0 m at 4.27 g/t Au at the Road Cut Zone.
- On July 18, 2024, the Corporation announced the results of three more drill hole results at the Kossou Gold Project reporting significant gold intersections of 5.0 meters at 4.30 g/t Au, including 1.0 meter at 20.0 g/t Au and 2.0 meters at 7.26 g/t Au at the Road Cut Zone.
- On July 30, 2024, the Corporation announced the execution of a Relationship Agreement with Luso Global Mining and the filing of Fiscal Year 2024 Financial Results.
- On August 13, 2024, the Corporation announced the final gold assay results (seven (7) holes) from its Initial Diamond Drill at the Kossou Gold Project highlighted by 14.0 meters at 2.91 g/t and 6.0 meters at 5.47 g/t from the Jagger Zone.
- On August 29, 2024 the Corporation held its annual shareholders meeting (the “**Meeting**”), and, shareholders elected each of Edouard Gosselin, Paul Sarjeant, Frank Ricciuti, Patrick Gagnon, Jeff Hussey, Brian Scott and Vivek Dharni as directors of the Company. Shareholders also voted to appoint MNP LLP as auditor of the Company.
- On September 17, 2024, the Corporation announced resumption of diamond drilling at the Kossou Gold Project
- On October 3, 2024, the Corporation announced first results from the second phase of diamond drilling at the Kossou Gold Project. Results from hole KDD0026 drilled at the Jagger Zone included 7.0 m at 4.83 g/t Au, including 4.0 m at 7.84 g/t Au and a second intercept of gold mineralisation of 6.0 m at 1.62 g/t Au.
- On October 29, 2024, the Corporation announced the results of four additional drill holes from the Kossou Gold Project reporting 2.0 m at 15.99 g/t Au and 14.0m at 1.53 g/t Au from the Jagger Zone.
- On November 18, 2024, the Corporation announced the results of six holes from the Kossou Gold Project reporting significant results including 7.0 m at 3.66 g/t Au and 4.0 m at 3.63 g/t Au at the Jagger Zone.

## **BUSINESS OVERVIEW**

Kobo is a junior Canadian exploration and mining development company focused on acquiring, exploring and developing gold assets located in West Africa, primarily in Côte d’Ivoire which include the Kossou Permit, which forms the basis of the Kossou Gold Project (“**Kossou**”) and the Kotobi Permit (formerly known as the Bongouanou Permit and collectively referred to as the “**Kobo Properties**”). The Corporation has not yet determined whether the Kossou Permit contains mineral reserves that are economically recoverable. The continued operations of Kobo and the recoverability of the amounts shown for the Kobo Properties is dependent upon, among other things, the existence of economically recoverable mineral reserves, the ability of Kobo to obtain necessary financing to complete the exploration and development of such properties and upon future profitable production from or disposition of such properties.

Boko created a 100% owned subsidiary in Côte d’Ivoire in September 2016 under the legal name Kobo Ressources Côte d’Ivoire SA.

On April 24, 2019, a research permit (the “**Kotobi Permit**”) was awarded to KRCI and is located within the Birimian Dimbokro-Abengourou Belt, Boaulé-Mossi domain. It is located in the administrative departments of Arrah, Bongouanou and Daoukro covering 301.75 km<sup>2</sup>. The Kotobi Permit forms the basis of the Kotobi Project. The Kotobi Permit was issued for four years and is renewable for two consecutive three-year terms with an

additional possible two year term. Pursuant to the terms of the Kotobi Permit, the Corporation is required to engage 100 million CFA franc in expenses related to exploration activities annually in each of the first three years and 200 million CFA franc in the fourth year. The Corporation incurred nearly all the required exploration expenses for the first year. At this time, the Corporation has not yet incurred the exploration expenses for the second, third and fourth years.

On February 27, 2023, KRCI filed with the Minister of Mines of Côte d'Ivoire an application to have the Kotobi Permit renewed for an additional 3-year period and, if granted, would allow KRCI to carry on its exploration activities until April 24, 2026. KRCI has elected to conserve the total original perimeter of the permit and has proposed to carry forward the remaining exploration expenses not incurred in its initial permit term during the renewal period. The application is currently under review by the Minister of Mines. KRCI has paid the required annual surface right payments for each of the first 4 years for the Kotobi Permit as well as the Renewal Application Fee and the Right of Option Fee allowing KRCI to retain the total initial permit perimeter.

On March 30, 2023, the Ministry of Mines and Geology of Côte d'Ivoire issued a notice of favorable admissibility of the renewal application for the Kotobi Permit. The renewal application is still under review and the Corporation expects receiving the formal renewal approval before the end of the calendar year.

On November 6, 2019, a research permit (the “**Kossou Permit**”) was awarded to KRCI and is located in the administrative departments of Bouafle and Yamoussoukro, approximately 22 km northwest of the capital city of Yamoussoukro covering 147.365 km<sup>2</sup>. The Kossou Permit forms the basis of the Kossou Gold Project. The Kossou Permit is issued for four years and is renewable for two consecutive 3-year terms with an additional possible 2-year term. Pursuant to the terms of the Kossou Permit, the Corporation is required to engage 110 million CFA franc in expenses related to exploration activities annually in each of the first three years and 220 million CFA franc in the fourth year. As at June 30, 2024, the Corporation spent a cumulative amount of 1,874,700,341 CFA (\$4,187,861) in exploration activities, an amount well above its financial commitments.

On August 2, 2023, the KRCI filed an application with the Minister of Mines of Côte d'Ivoire for the renewal of the Kossou Permit for an additional three (3) years and, if granted, would allow the Corporation to carry on its exploration activities until November 6, 2026. The application is currently under review and the Corporation expects receiving the formal renewal approval before the end of the calendar year. As part of the renewal process, the Corporation elected to reduce the size of the Kossou Permit to 110.2 km<sup>2</sup>.

The KRCI has two (2) other pending applications for gold research permits (the “**New Permits**”) totaling approximately 680.23 km<sup>2</sup> in the Bocanda (Bocanda North covering 338.6 km<sup>2</sup> and Bocanda South covering 341.63 km<sup>2</sup>) region.

Edouard Gosselin, Chief Executive Officer and Corporate Secretary of the Corporation, owns 15,285,000 Common Shares or 14.93% of the issued outstanding Common Shares as of September 30, 2024. Paul Sarjeant, Chief Operating Officer and President of the Corporation, owns 8,020,000 Common Shares or 7.84% of the issued outstanding Common Shares as at September 30, 2024.

## SUMMARY OF EXPLORATION ACTIVITIES

### **Kossou Gold Project**

The Corporation continued to focus its efforts at the Kossou Gold Project (“**Kossou**”), completing the first diamond drilling program on July 5, 2024. In total the Corporation completed 26 diamond drill holes (4,368.5 meters (“**m**”)) at the Road Cut Zone, Jagger Zone and Kadie Zone.

Subsequent to this program all drilling and surface data was compiled, and planning was undertaken to commence the next phase of diamond drilling. A 10,000 m drill plan was laid out and road access and drill pads were created to accommodate drilling as required during the months of August and early September.

On September 17, 2024, the company resumed diamond drilling at Kossou. To the end of Q2 the Corporation had completed 838.35 m of diamond drilling in three drill holes at the Jagger Zone. During the quarter, the Corporation submitted 373 samples, including 56 QA/QC samples to SGS Laboratories in Abidjan, Côte d’Ivoire for analysis.

Subsequent to the end of Q2, the Corporation has completed an additional 2,728.1 m of diamond drilling in twelve drill holes. All drilling to date has focused on the Jagger Zone. Drilling remains ongoing as of the date of this report. An additional 2,513 samples, including 377 QA/QC samples were submitted to SGS Laboratories in Abidjan, Côte d’Ivoire for analysis.

Diamond drill holes were planned to test the core of the Jagger Zone (sections JZ700 to JZ 500) to depth and also test for mineralisation in a previously undrilled gap from section JZ750 to JZ1000. South of JZ1000, the 2023 Reverse Circulation (“**RC**”) drilling intercepted significant gold mineralisation. Drilling is planned to test the Jagger Zone north of section JZ500 where the shear and gold mineralisation remains open to the north.

Early drill results at the Jagger Zone have been positive:

- KDD0026 (section JZ700) intercepted 7.0 m at 4.83 g/t Au from 230.0 m, including 4.0 m at 7.84 g/t Au and a second strong intercept of 6.0 m at 1.62 g/t Au from 291.0 m downhole (see press release dated October 3, 2024).
- On October 29, 2024, the Corporation released results from four more drill holes (KDD0027 to KDD0030). All holes intersected significant gold mineralisation including KDD0028 (section JZ600) 2.0 m at 15.99 g/t Au, from 8.0 m (eastern margin of the Kadie Zone) and 14.0 m at 1.53 g/t Au from 169 m, including 9.0 m at 2.26 g/t Au from 174 m and 8.0 m at 3.72 g/t Au from 313.0 m downhole. This section demonstrated that the Jagger Zone shows gold mineralisation to a depth of +160 m below surface and the deepest intercept indicates that a parallel structure was intercepted approximately 50 m to the east of main Jagger Shear and at a depth of approximately 200 m below surface. Hole KDD0029 intersected gold mineralisation including 6.0 m at 1.52 g/t Au, from 127.0 m and 6.0 m at 1.48 g/t Au, from 194.0 m downhole and KDD 0030 intersected gold mineralisation of 5.0 m at 2.24 g/t Au from 179.0 m downhole. All these holes demonstrate that the Jagger Shear Zone appears to be a broad zone up to +50 m in width with intervals of significant gold mineralisation and can be traced to +165 below surface. Geological and analytical information indicates the zone remains open to depth.
- On October 29, 2024, the Corporation released the results of six drill holes drilled south of the core of the Jagger Zone. The drilling successfully extended the Jagger Shear Zone an additional +250 to the south, connecting with previous results from the 2023 RC drill program. Significant results included KDD0031 (section JZ750) returning 4.0 m at 3.26 g/t Au, from 255 m downhole, KDD0032 (section JZ800) returning 7.0 m at 3.66 g/t Au from 160 m downhole and KDD0034 (section JZ900) returning 9.0 m at 1.39 g/t Au

from 106 m downhole. These results effectively demonstrate that the Jagger Zone shows strike continuity south for an additional 250 m and gold mineralisation can be traced to a minimum of 160 m below surface. Holes KDD0035 (section JZ1000) and KDD0036 (section JZ1050) encountered anomalous gold within the defined Jagger Shear system but failed to produce any significant results.

Drilling remains ongoing at the Jagger Zone with three additional planned holes. The Corporation has targeted 18 diamond drill holes on the Road Cut Zone, seven drill holes at the Kadie Zone and seven drill holes at the Contact Zone target to complete the current drill program, which is expected to be concluded in mid-January 2025.

Project staff is currently focused on executing the planned 10,000-meter drill program that is currently underway at the Kossou Gold Project.

## Kotobi Project

The Corporation completed planning of early-stage exploration activities with a projected start date of mid to late November 2024. The exploration program will include soil geochemical surveying to test areas of interest generated from the geophysical interpretation completed in Q2, 2024 and will also complete infill soil sampling around areas of interest from previous work. Work crews will also map, prospect and if warranted trench areas of interest based on all available geoscientific data.

## Exploration Expenses

Exploration expenses decreased by \$161,965 in the six months ended September 30, 2024 compared to the six months ended September 30, 2023. Exploration expenses for the six months ended September 30, 2024 incurred on the Kossou Gold Project amounted to \$1,510,887 as the Corporation expanded its exploration activities with continued trenching, soil geochemical surveying, rock sampling and equipment work related to future drill access and pad construction. The exploration expenses incurred on the Kotobi Permit during the six months ended September 30, 2024, amounted to \$2,719 and represent expenses incurred for the maintaining of a base camp. Exploration expenses incurred for the period ended September 30, 2024 and September 30, 2023 are detailed hereinafter:

	Three months ended September 30, 2024			Three months ended September 30, 2023		
	Kossou \$	Kotobi \$	Total \$	Kossou \$	Kotobi \$	Total \$
Drilling	153,594	-	153,594	648,135	-	648,135
Geochemistry (Laboratories)	83,463	-	83,463	180,645	-	180,645
Geophysics	505	-	505	-	92,277	92,277
Geology and sampling	221,090	-	221,090	130,887	-	130,887
Exploration tools	-	-	-	4,125	-	4,125
Exploration office expenses	77,849	1,379	79,228	21,697	10,057	31,754
Duties, taxes and permits	-	-	-	40,177	-	40,177
Vehicles expenses	60,479	-	60,479	167,701	-	167,701
	<b>596,979</b>	<b>1,379</b>	<b>598,359</b>	<b>1,193,367</b>	<b>102,334</b>	<b>1,295,701</b>

	Six months ended September 30, 2024			Six months ended September 30, 2023		
	Kossou \$	Kotobi \$	Total \$	Kossou \$	Kotobi \$	Total \$
Drilling	721,556	-	721,556	648,135	-	648,135
Geochemistry (Laboratories)	96,134	-	96,134	180,645	-	180,645
Geophysics	35,904	-	35,904	63,940	143,288	207,228
Geology and sampling	411,839	-	411,839	326,820	-	326,820
Exploration tools	-	-	-	26,773	-	26,773
Exploration office expenses	113,620	2,719	116,339	42,682	11,399	54,081
Duties, taxes and permits	-	-	-	40,697	-	40,697
Vehicles expenses	131,834	-	131,834	191,192	-	191,192
	<b>1,510,887</b>	<b>2,719</b>	<b>1,513,606</b>	<b>1,520,884</b>	<b>154,687</b>	<b>1,675,571</b>

### **QUALIFIED PERSON**

All scientific and technical information contained in this Interim MD&A was prepared by the Corporation's geological staff under the supervision of a Qualified Persons as defined in NI 43-101. The exploration and technical information presented in this Interim MD&A has been reviewed by Paul Sarjeant, P.Geo., who is a Qualified Person under NI 43-101. Mr. Sarjeant is the President and Chief Operating Officer and Director of Kobo Resources Inc.

### **TRENDS**

Management regularly monitors economic conditions and estimates their impact on the Corporation's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions.

Apart from these and the risk factors noted under the heading "Risks and Uncertainties", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Corporation's business, financial condition or results of operations.

See "Cautionary Statement Regarding Forward Looking Information" above.

### **OUTLOOK**

Based on results from the first phase diamond drilling program the Corporation is planning additional diamond drilling at the Kossou Gold Project to further define gold mineralisation at the RCZ, Jagger and Kadie zones. Drilling at the RCZ will continue to test multiple shear zones identified in the previous RC and diamond drill programs and will also test for mineralised structures approaching the Contact Zone Fault, believed to be a significant first order structural break. Additional drill holes will also aid in understanding the stratigraphy and structural relationships to better understand mineralised zones and their extensions. Drilling at the Jagger Zone will test the depth extension of gold mineralisation below the 200m RL level and mineralisation south of drill section JZ 700. The Jagger Zone remains open in all directions. At the Kadie Zone, additional drilling is planned to test for down dip and strike

extensions of previously intersected mineralised zones and to test portions of the geochemical anomalies that have not been drilled.

The Corporation will also test the Contact Zone with a series of exploration drill holes based on geophysical and geological evidence of gold mineralisation along this key contact structure. Additional drilling is also being reviewed for both the Kilo and Shadow zones.

The Corporation, based on full results, is planning drilling approximately 10,000 meters of drilling for the remainder of 2024.

Based on results of the geophysical interpretation of the UAV magnetic data, a program of additional soil geochemistry, geological mapping and trenching is expected to be carried out from October to December 2024 at the Kotobi Project.

## **FINANCIAL HIGHLIGHTS**

### **Three months ended September 30, 2024, compared with three months ended September 30, 2023**

The Corporation's net loss totaled \$928,174 for the three months ended September 30, 2024, with basic and diluted loss per share of \$0.01. This compares with a net loss of \$1,665,071 with basic and diluted loss per share of \$0.02 for the three months ended September 30, 2023. The Corporation had no revenue in both periods presented. The decrease in net loss was principally due to:

- Exploration expenses of \$598,359 for the three months ended September 30, 2024, is lower than exploration expenses of \$1,295,701 for the three months ended September 30, 2023. The decrease is due to the expenses on the Kossou Gold Project during the three months ended September 30, 2024. Refer to the heading "Summary of exploration activities" above for a summary of the Corporation's exploration expenditures.
- Professional fees increased in the three months ended September 30, 2024, to \$148,873 compared with \$43,991 for the same period in 2023, primarily due to higher corporate activity requiring external professional support services.
- Share-based compensation decreased by \$230,737 to \$21,552 in the three months ended September 30, 2024, compared to the three months ended September 30, 2023. The decrease is due to the timing of expensing the estimated fair value of stock options granted in prior periods. The Corporation expenses its stock options in accordance with the vesting terms of the stock options granted.
- All other expenses related to general working capital purposes.

### **Six months ended September 30, 2024, compared with six months ended September 30, 2023**

The Corporation's net loss totaled \$2,082,805 for the six months ended September 30, 2024, with basic and diluted loss per share of \$0.02. This compares with a net loss of \$2,401,687 with basic and diluted loss per share of \$0.03 for the six months ended September 30, 2023. The Corporation had no revenue in both periods presented. The decrease in net loss was principally due to:

- Exploration expenses of \$1,513,606 for the six months ended September 30, 2024, is lower than exploration expenses of \$1,675,571 for the six months ended September 30, 2023. The decrease is due to the decreased in expenses on the Kossou Gold Project during the six months ended September 30, 2024. Refer to the heading “Summary of exploration activities” above for a summary of the Corporation’s exploration expenditures.
- Professional fees increased in the six months ended September 30, 2024, to \$197,533 compared with \$143,201 for the same period in 2023, primarily due to higher corporate activity requiring external professional support services.
- Share-based compensation decreased by \$212,008 to \$89,869 in the six months ended September 30, 2024, compared to the six months ended September 30, 2023. The decrease is due to the timing of expensing the estimated fair value of stock options granted in prior periods. The Corporation expenses its stock options in accordance with the vesting terms of the stock options granted.
- All other expenses related to general working capital purposes.

The Corporation’s total assets as of September 30, 2024 were \$6,061,531 (March 31, 2024 - \$1,190,301) against total liabilities of \$408,456 (March 31, 2024 - \$353,666). The increase in total assets of \$4,871,230 resulted from the private placements of \$7.4 million completed in June and July 2024 which was offset from cash spent on exploration expenses and operating costs. The Corporation has sufficient current assets to pay its existing liabilities of \$408,456 on September 30, 2024.

## **SHARE CAPITAL**

As at November 22, 2024, the Corporation had (i) 102,359,450 Common Shares; (ii) 19,943,334 Common Share purchase warrants (with a strike price of \$0.40 to \$0.55 per common share); (iii) 1,366,272 broker unit warrants entitling the holder to purchase 721,312 units of the Corporation at a price of \$0.25 to \$0.35 per unit and (iv) 5,725,000 options (of which 5,550,000 have vested), issued and outstanding.

On June 4, 2024, the Corporation announced that it has closed its first tranche of a non-brokered private placement of 4,243,804 units for gross proceeds of \$1,485,332. In addition, the Corporation announced the closing of a brokered private placement of 8,378,700 additional units of the Corporation for additional gross proceeds of \$2,932,545.

On July 2, 2024, the Corporation announced that it has closed its second tranche of a non-brokered private placement of 8,558,563 units for gross proceeds \$2,995,497.

## **LIQUIDITY AND CAPITAL RESOURCES**

As at September 30, 2024, the Corporation had a cash balance and term deposit of \$5,629,867 and a working capital of \$5,530,628 compared to a cash balance and term deposit of \$690,333 and a working capital of \$703,124 as at March 31, 2024. The increase in working capital is due to the completion of the private placements of \$7.4M completed in June and July 2024.

	<b>Six months ended September 30, 2024</b>	<b>Six months ended September 30, 2023</b>
	<b>\$</b>	<b>\$</b>
Operations	(2,009,719)	(2,114,632)
Changes in non-cash working capital items	112,030	(805,745)
Operating activities	(1,897,689)	(2,920,377)
Investing activities	(4,675,054)	(2,095,931)
Financing activities	6,777,537	1,189,359
Increase (decrease) in cash	204,794	(3,826,949)
Cash at the beginning of period	130,659	4,262,611
<b>Cash at end of period</b>	<b>335,453</b>	<b>435,662</b>

### **Operating activities**

For the six months period ended September 30, 2024, operating activities before non-cash working capital items, used cash flows of \$2,009,719 compared to \$2,114,632 for the six months ended September, 2023. This variation is mainly due to a decrease in exploration expenses of \$161,965 and a decrease in share-based compensation of \$212,008 which was offset by a decrease in management fees of 13,190 and an increase in professional fees of \$54,332.

### **Changes in non-cash working capital items**

Changes in non-cash working capital items generated cash flows of \$112,030 for the six months ended September 30, 2024, compared to cash flows used of \$805,745 for the six months ended September 30, 2023. This change is mainly due to decrease in commodity taxes receivable, an increase in prepaid and other assets and an increase in accounts payable between the two periods.

### **Investing activities**

For the six months ended September 30, 2024, investing activities used cash flows of \$4,675,054 mainly due to the cash invested in a term deposit of \$5,622,951 which was offset by the proceeds from sale of a term deposit of \$954,420. This compared to cash flows used of \$2,095,931 for the six months ended September 30, 2023 due to the cash invested in a term deposit of \$2,000,000, an increase in security deposit of \$4,474 and purchase of property, plant and equipment of \$91,457.

### **Financing activities**

During the six months ended September 30, 2024, cash flows generated from financing activities were \$6,77,537 compared to cash flows generated of \$1,189,359 for the six months ended September 30, 2023. During the six months ended September 30, 2024, the Corporation issued shares for \$7,413,373 which was offset by share issued costs of \$635,836. This compared to cash generated of \$1,189,359 for issued shares for \$1,275,010 which was offset by share issue costs of \$45,651 and repayment of long-term debt of \$40,000.

### **Exploration Work Programs**

The Corporation had implied commitment in terms of spending on work programs submitted to regulatory bodies in order to maintain the good standing of exploration and exploitation permits at its mineral properties, including the Kossou Gold Project and the Kotobi Project. The following table sets forth the Corporation's long-term

obligations as per the conditions of each permit at the time of grant, subject to fluctuations in currency exchange rates:

	<b>Kotobi Permit (301.75 km<sup>2</sup>)</b>	<b>Kossou Permit (147.365 km<sup>2</sup>)</b>
Y1 (Kotobi: 04/24/2019 – 04/23/2020) (Kossou: 11/06/2019 – 11/05/2020)	100 millions CFA F	110 millions CFA F
Y2 (Kotobi: 04/24/2020 – 04/23/2021) (Kossou: 11/06/2020 – 11/05/2021)	100 millions CFA F	110 millions CFA F
Y3 (Kotobi: 04/24/2021 – 04/23/2022) (Kossou: 11/06/2021 – 11/05/2022)	100 millions CFA F	110 millions CFA F
Y4 (Kotobi: 04/24/2022 – 04/23/2023) (Kossou: 11/06/2022 – 11/05/2023)	200 millions CFA F	220 millions CFA F

Upon the renewal of the Kossou Permit the Corporation expects to have implied exploration commitments totaling 176,000,000 CFA F for the first 3-years renewal period.

As at September 30, 2024, the Corporation had already more than doubled its expenditure commitments on the Kossou Permit before its renewal later this year and it expects to incur additional exploration expenses before year end through several diamond drill programs as well as additional trenching and sampling.

Whereas on the Kotobi Permit it expects, upon its renewal, to carry forward the expenditures not yet incurred during the initial period of issuance of said permit in addition to the implied commitments for the first 3-years renewal period for a total estimated of +/- 782,800,000 CFA F. However, the Corporation has already committed \$179,991 (+/- 82,000,000 CFA F) in exploration expenses mainly for the execution of an UAV-drone magnetic survey which was completed in Q3 of 2023.

## **CAPITAL RESOURCES**

As at September 30, 2024, the Corporation had a cash balance of \$335,453, a term deposit of \$5,294,414, commodity taxes receivable of \$229,840 and prepaid and other assets of \$79,377.

As at the date hereof, the Corporation's capital structure consists of Common Shares, as well as options to purchase Common Shares, warrants to purchase Common Shares and broker unit warrants. The Corporation's objectives are to safeguard its ability to continue as a going concern in order to pursue the development of the Kossou Gold Project and the Kotobi Project and other opportunities and to maintain a flexible capital structure which optimizes the cost of capital at an acceptable risk.

The Corporation manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue Common Shares, new debt, acquire or dispose of assets, or rebalance its holdings of cash. In order to facilitate the management of its capital requirements, the Corporation prepares annual expenditure budgets that are updated as necessary depending on various factors, including capital deployment, results from the exploration and development of its properties and general industry conditions. The annual and updated budgets will be approved by the Board of Directors.

In order to maximize ongoing development efforts, the Corporation does not pay dividends. The Corporation's investment policy is to invest its cash in highly liquid, short-term, interest-bearing investments with maturities of six months or less from the original date of investment, selected with regards to the expected timing of expenditures for operations.

The Corporation's capital management objective is to have sufficient capital to be able to pursue its exploration activities plan in order to ensure the growth of its assets. It has also the objective to have sufficient liquidity to finance the exploration expenses, the investing activities and its working capital requirements. No changes were made to the objectives and policies during the six months ended September 30, 2024.

As at September 30, 2024, the Corporation has shareholders' equity amounting to \$5,653,075.

In order to maintain or adjust the capital structure, the Corporation may issue new capital instruments and acquire or sell mining properties to improve its financial performance and flexibility.

The access to financing depends on the economic situation and state of the equity and credit markets.

### **ENVIRONMENTAL CONTINGENCY**

The Corporation's exploration activities are subject to various laws and regulations relating to the protection of the environment. These environmental regulations are continually changing and are generally becoming more restrictive. As of September 30, 2024, the Corporation does not believe that there are any significant environmental obligations requiring material capital outlays in the immediate future.

### **TRANSACTIONS WITH RELATED PARTIES**

Transactions between the Corporation and its related parties occurred in the normal course of operations and are measured on terms equivalent to those that prevail in arm's length transactions.

The table below summarizes, for the respective periods, the total amount paid to directors and key management personnel having authority and responsibility for planning, directing and controlling the activities of the Corporation or corporations controlled by them:

	<b>Three months ended September 30, 2024 \$</b>	<b>Three months ended September 30, 2023 \$</b>	<b>Six months ended September 30, 2024 \$</b>	<b>Six months ended September 30, 2023 \$</b>
<b>Compensation of key management <sup>(1)</sup></b>				
Share-based compensation	21,552	252,289	85,281	301,877
Management fees	69,271	95,988	125,521	195,992
Professional fees	16,189	-	26,150	-
Exploration expenses	56,348	18,750	107,937	37,500
<b>Total</b>	<b>163,360</b>	<b>367,027</b>	<b>344,889</b>	<b>535,369</b>

<sup>(1)</sup> As at September 30, 2024 an amount of \$44,591 (\$34,447 as at March 31, 2024) is included in accounts payable compensation of key management.

## **DISCLOSURE OF INTERNAL CONTROLS**

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that the unaudited condensed interim consolidated financial statements (i) do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, and (ii) fairly present in all material respects the financial condition, results of operations and cash flow of the Corporation, in each case as of the date of and for the periods presented by such statements.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* (“**NI 52-109**”), the Venture Issuer Basic Certificate filed by the Chief Executive Officer and Chief Financial Officer of the Corporation does not include representations relating to the establishment and maintenance of disclosure controls and procedures (“**DC&P**”) and internal control over financial reporting (“**ICFR**”), as such terms are defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited condensed interim consolidated financial statements for external purposes in accordance with IFRS.

The Corporation’s certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of the Corporation’s certifying officers of a venture issuer to design and implement, on a cost-effective basis, DC&P and ICFR may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports required to be provided under securities legislation.

## **RISKS AND UNCERTAINTIES**

An investment in the securities of the Corporation is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Corporation and its financial position. Please refer to the section titled “Risks and Uncertainties” in the Corporation’s Annual MD&A for the period ended March 31, 2024, available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

**MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL INFORMATION**

The financial information presented in this Interim MD&A is the responsibility of the Corporation’s management and was approved by the Board of Directors.

November 22, 2024.

Chief Executive Officer

Chief Financial Officer

*(s) Edouard Gosselin*  
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*(s) Carmelo Marrelli*  
\_\_\_\_\_

Edouard Gosselin

Carmelo Marrelli