



**PRESS RELEASE**

**PR. No. 223/2023**

**ASANTE GOLD CORPORATION (ASG)-**

**MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE MONTHS ENDED APRIL 30, 2023, AND 2022 (EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS)**

ASG has released the attached announcement for the information of the general investing public.

Issued in Accra, this 15<sup>th</sup>.  
day of June 2023.

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att'd.

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**\*MD**



## **ASANTE GOLD CORPORATION**

**Management's Discussion and Analysis**

**For the three months ended April 30, 2023 and 2022**

(Expressed in thousands of Canadian dollars)

**Dated: June 14, 2023**

## **ASANTE GOLD CORPORATION**

### **Management's Discussion & Analysis**

For the three months ended April 30, 2023 and 2022

(Expressed in thousands of Canadian dollars, except where noted)

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This Management's Discussion & Analysis ("MD&A") of Asante Gold Corporation ("Asante" or the "Company") provides an analysis of the Company's financial position and results of operations for the three months ended April 30, 2023 and 2022. This MD&A was prepared by management of the Company and should be read in conjunction with the annual Management's Discussion & Analysis for the years ended January 31, 2023 and 2022 (the "Annual MD&A") as well as the condensed interim consolidated financial statements for the three months ended April 30, 2023 and 2022 (the "Financial Statements") and the audited consolidated financial statements for the years ended January 31, 2023 and 2022 (the "Annual Financial Statements"). The Company's Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee. For further information on the Company, reference should be made to its public filings on SEDAR at [www.sedar.com](http://www.sedar.com).

Asante was incorporated under the Canada Business Corporations Act on May 4, 2011 and has continued as a company under the Business Corporations Act (British Columbia). The address of the Company's corporate office and principal place of business is Suite 615, 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6. The Company is currently listed on the Canadian Securities Exchange ("CSE") under the symbol "ASE" and the Ghana Stock Exchange ("GSE") under the symbol "ASG".

This MD&A is current as of June 14, 2023 and was approved by the Company's Board of Directors.

In this MD&A, unless the context otherwise dictates, a reference to "us", "we", "our", or similar terms refers to the Company. All dollar figures included herein are quoted in thousands of Canadian dollars except where noted or the context otherwise requires. References to "\$" are to Canadian dollar, references to "US\$" are to US dollar, references to "GHS" are to Ghanaian Cedi. Throughout this MD&A, the first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3" and "Q4", respectively. The years ended January 31, 2024 and 2023 are referred to as "fiscal 2024" and "fiscal 2023", respectively.

Asante has a number of direct and indirect subsidiaries which own and operate assets and conduct activities in different jurisdictions. The terms "Asante" or the "Company" are used in this MD&A for simplicity of the discussion provided herein and may include references to subsidiaries that have an affiliation with Asante, without necessarily identifying the specific nature of such affiliation.

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

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. All information, other than statements of historical facts, included in this MD&A that address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as future business strategy, competitive strengths, goals, expansion and growth of the Company's businesses, operations, plans and other such matters are forward-looking information.

When used in this MD&A, the words "estimate", "plan", "continue", "anticipate", "might", "expect", "project", "intend", "may", "will", "shall", "should", "could", "would", "predict", "forecast", "pursue", "potential", "believe" and similar expressions are intended to identify forward-looking information. This information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information.

Examples of such forward-looking information include information pertaining to, without limitation: the ability to finance additional construction costs on schedule and on terms acceptable to the Company; the realization of mineral resource and mineral reserve estimates; the timing and amount of estimated future production; the impact of inflation on costs of exploration, development and production; estimated production and mine life of the various mineral projects of the Company; the benefits of the development potential of the properties of the Company; the future price of gold and silver; the market and global demand for gold and silver; the estimation of mineral reserves and resources; success of exploration activities; currency exchange rate fluctuations; labour availability, costs and conditions; supply chain elasticity; inherent hazards associated with mining operations; costs of production, expansion of production capabilities; the ability to obtain surface rights to support planned infrastructure at the Corporation's exploration and development projects; requirements for additional capital; government regulation of mining operations; environmental risks and hazards; title disputes or claims; and limitations on insurance coverage.

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Factors that could cause actual results to vary materially from results anticipated by such forward-looking statements include: the availability and changing terms of financing; variations in ore grade or recovery rates; changes in market conditions, including, but not limited to, supply chain issues and inflation; risks relating to the availability and timeliness of permitting and governmental approvals; risks relating to international operations; fluctuating metal prices and currency exchange rates; changes in project parameters; the possibility of project cost overruns or unanticipated costs and expenses; the impact of COVID-19 and the impact and effectiveness of governmental responses to COVID-19; labour disputes; and other risks of the mining industry, including but not limited to, the failure of plant, equipment or processes to operate as anticipated. For a more detailed discussion of these factors and other risks, see "Risk Factors and Uncertainties" and the Company's most recent Annual Information Form that is available on the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Forward-looking information contained herein is made as of the date of this MD&A. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers are cautioned not to place undue reliance on forward-looking information. Except as required by law, the Company does not assume the obligation to revise or update forward looking information after the date of this document or to revise such statements to reflect the occurrence of future unanticipated events.

### **PRINCIPAL BUSINESS AND CORPORATE DEVELOPMENTS**

Asante is a mineral exploration and gold production company primarily involved in the assessment, acquisition, development, and operation of mineral properties in the Republic of Ghana. The Company's objective is to undertake mineral exploration on properties assessed to be of merit, to define mineral resources, and to take them to production when warranted.

In March 2021, the Company undertook a review of its strategic planning, which led to a refocus on becoming a gold producer. The review resulted in an influx of new capital and investors, principally Ghanaian based investors, and a renewed focus to develop the Kubi Gold Project ("Kubi"). The review led to the acquisition of the Bibiani Gold Mine ("Bibiani") in August 2021, followed by the acquisition of the Chirano Gold Mine ("Chirano") in August 2022.

#### **Acquisition of Mensin Bibiani Pty. Ltd. and Mensin Gold Bibiani Ltd.**

On August 24, 2021, the Company acquired all of Resolute Mining Limited's ("Resolute") ownership interest in the Bibiani Gold Mine in Ghana through the purchase of all the issued and outstanding common shares of Mensin Bibiani Pty. Ltd., leading to the Company's indirect ownership of 90% in Bibiani, with the Ghanaian Government retaining a 10% ownership interest. At the time of acquisition, Bibiani was on a care and maintenance basis. In September 2021, the Company undertook refurbishment of the Bibiani process plant under an engineering, procurement, and construction management contract with a budgeted cost of approximately US\$26 million.

In connection with the acquisition of Bibiani, Asante acquired potential exploration opportunities, both from near surface and underground targets. Subsequently, a drill program commenced on the Bibiani main pit and associated satellite pits, principally the Walsh and Strauss pits. The Company reported early results from expansion drilling on the Walsh Satellite pit, which confirmed extension and grade continuity of mineralization beneath the then US\$1,500 per ounce design pit shell. The Strauss pit delivered the early ounces as expected and the assay results improved the existing deposit model and supported mine extension of the Walsh satellite pit. As of April 30, 2023, more than 65,000 ounces of contained gold has been mined from the Walsh pit. Follow-up drilling continues at the Walsh and Strauss pits, with focus on deepening and extending the Walsh and Strauss Pits further confirming the underground shoot extensions which forms part of the Company's long term underground mining strategy. See the Company's January 19, 2023 news release, a copy of which is available on the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com), for further details.

Further ongoing exploratory drilling to the southwest of the existing Bibiani reserves identified the South Russel prospect. Drill results announced by the Company in news releases dated March 29, 2022; August 17, 2022 and January 17, 2023; confirmed over 500 metres strike length of mineralization. The gold mineralized system remains open along strike and at depth and the results lend themselves to the probable development of an additional satellite pit near the Bibiani Main Pit and process plant. Results to date are encouraging and the South Russell pit mine planning is in progress with the anticipated start of mining by March 2024.

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#### Acquisition of Red Back Mining Pty. Ltd. and Chirano Gold Mines Limited

On August 10, 2022, the Company acquired all issued and outstanding common shares of Asante Chirano Australia Pty Ltd. (formerly Red Back Mining Pty. Ltd) ("Asante Chirano"), which indirectly holds a 90% interest in the Chirano Gold Mine, and its subsidiaries, Chirano Mines Limited (formerly Red Back Mining (Ghana) Limited), Chirano Gold Mines Limited ("CGML"), Chirano Explorer Limited (formerly Red Back Mining No 2 (Ghana) Limited), and Chirano Exploration Limited (formerly Red Back Mining Ghana Limited) (the "Chirano Group"). The purchase consideration was comprised of the issuance of 34,962,584 common shares of the Company at a value of \$1.35 per share, which was the share price of the Company on the closing date of this acquisition, a cash payment of \$77,280 (US\$60.00 million) and deferred cash consideration of \$172,958 (US\$134.28 million) payable to Kinross Gold Corporation ("Kinross"), as well as \$4,830 (US\$3.75 million) contingent consideration representing indemnifiable tax liability. Of the total deferred cash consideration, \$77,904 (US\$60.48 million) was payable on February 10, 2023 ("second cash payment"), \$47,527 (US\$36.90 million) was payable on August 10, 2023 and \$47,527 (US\$36.90 million) was payable on August 10, 2024.

On February 13, 2023, the Company entered into an amended purchase agreement with Kinross regarding the acquisition of the Chirano Group. Pursuant to the amendment, the payment schedule of the second cash payment, with total amount of US\$60.48 million, was modified as follows:

- US\$10.00 million payable on February 17, 2023 of which \$6.74 million (US\$5.00 million) has been paid,
- US\$10.00 million payable on March 31, 2023 (unpaid),
- US\$10.00 million payable on April 30, 2023 (unpaid), and
- US\$30.48 million payable on May 31, 2023 (unpaid).

The consideration payable accrues interest at a rate ranging from prime plus 3% to 5% (calculated daily and compounded semi-annually) from February 10, 2023 to the date of payment in full of such amount plus all accrued interest. The Company agreed to accelerate payments of such amounts to Kinross from net proceeds of any subsequent equity or debt financing undertaken by Asante in advance of May 31, 2023. As partial consideration for amending the purchase agreement, the Company agreed to issue 5 million common share purchase warrants of the Company, with each warrant being exercisable to acquire one common share of the Company at a price of \$2.25 per share for 36 months following the date of issuance. Kinross has agreed not to exercise any warrants within six months from the date of issue. All payments pursuant to the purchase agreement will be accelerated by a change of control of Asante or the Chirano Group.

Under a finder's fee agreement with Induusi Resources Public Limited ("Induusi"), the Company acknowledged Induusi's prior interest in the Chirano Group. Induusi owns prospecting licences near the Chirano mining lease. It was agreed between the parties that Induusi will assign its interest and further sell to the Company the Induusi owned prospecting licences together with further Induusi owned options over additional prospecting licences. In consideration for the assignment of the interest and sale of properties and property options, it was agreed on closing of the acquisition of the Chirano Group to issue to Induusi a finder's fee consisting of US\$1M in cash, 5,000,000 common shares in the capital of the Company and a 2% net smelter returns royalty over the Induusi prospecting licences to be transferred to the Company. Induusi had two common directors with the Company and the conflict of interest was declared. Accordingly, the Board appointed a committee of Independent Directors (the "Special Committee") to assess and negotiate the purchase of the Induusi interests. The Special Committee found the purchase of the Induusi interests and the finder's fee payable to be fair and to the benefit of Asante shareholders. The Board, excluding the conflicted directors, approved the transaction. As of the date of this MD&A, the transaction has not been signed off by either party and no finder's fees have been paid.

#### STRATEGIC OBJECTIVES AND OUTLOOK

Following the acquisitions of Bibiani and Chirano, the Company's focus is to obtain synergies across its operations to increase productivity and efficiency and to drive long-term growth and profitability. To achieve this goal, the Company has taken several initial actions as described below:

##### a) Initiating the Chirano Transition and Business Improvement Plan

The Company initiated a transition and business improvement plan at Chirano with an effort to increase gold production by 30% and to reduce the all-in sustaining cost per equivalent ounce sold by 10% by the year ended January 31, 2024 through the following initiatives:

- Gravity plant design and procurement are well advanced, and installation is anticipated to be completed during Q3 of fiscal 2024;
- Oxygen addition to the CIL (carbon-in-leach) process is proceeding and an oxygen plant is planned for installation in Q4 of fiscal 2024;

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- A pebble crusher has been procured and installed on schedule and further primary grinding upgrades are planned to be installed in Q3 of fiscal 2024 with the aim of increasing process plant throughput from 3.2M t/y to 4.0M t/y;
- Relocation of minor infrastructure and facilities is planned to provide access and expansion of the Akoti South open pit and the second cut at the Sariuhu open pit has started on schedule. The Mamnao pit mining is on schedule and is supplying ore to the plant as planned. These initiatives are expected to access lower cost resources;
- Studies and associated initiatives are underway to improve the material handling systems to deliver ore to the process plant at lower cost;
- Initiatives to capture synergies between the Bibiani and Chirano mines have started to yield benefits related to supply of principal consumable materials;
- Other cost saving and productivity improvement initiatives have started with implementation results starting in fiscal 2024 and are planned to continue as part of the Company's strategy;
- Development of the wide Obra orebody, the lower Tano underground mines and the Mamnao open pit mine have been accelerated and underground mining has started earlier than planned which is providing lower cost, good grade resources for treatment;
- Asante plans to invest minimum of \$5M/y in near mine and regional exploration over the next three years with the target to increase Chirano LOM from current 5 years to 10 years;
- Projects for exploration of the Aboduabo and extension at the Suraw underground mine, both with good results to date, are in progress in support of longer-term exploration extension at the various open pit and underground mines; and
- The Company has developed a 10-year operational strategy as part of its life of mine extension program.

#### **b) Bibiani Business Improvement Plan**

The Company continues to execute its business improvement plan at Bibiani with an effort to increase gold production by more than 30% and to reduce the all-in sustaining cost per equivalent ounce sold by 10% by the year ended January 31, 2024 through the following initiatives:

- Gravity plant has been installed and is performing as planned with the further installation of a scalping screen anticipating the gravity recoveries to increase by 5% to be completed during Q4 of fiscal 2024;
- The temporary liquid Oxygen addition to the CIL (carbon-in-leach) is in the process of being replaced by an oxygen plant which is planned for installation in Q3 of fiscal 2024;
- A pebble crusher has been ordered and further primary crusher upgrades are planned to be installed before end of Q4 fiscal 2024 with the aim of increasing process plant throughput from 2.4M t/y to 4.0M t/y in the next two years;
- The current primary crusher upgrade is on schedule and is planned for completion in Q3 of fiscal 2024;
- The sulphide recovery plant long lead items are in progress with the main items ready to be shipped for installation;
- Planning of the plant upgrades which includes the upgrades and expansions the CIL and elution circuits is in progress;
- Other cost saving and productivity improvement initiatives have started with implementation results starting in fiscal 2024 and is planned to continue as part of the Company's cost saving strategy; and
- The Company has developed a 10-year operational strategy as part of its life of mine extension program.

#### **c) Capturing synergies between Bibiani Gold Mine and Chirano Gold Mine**

The Company has commenced initiatives to capture synergies between Bibiani and Chirano as the processing plants are situated approximately 15km apart. These initiatives include development of an access road to directly link the processing plants and increase access for exploration along the highly mineralized Bibiani-Chirano fault zone. This road will become a mine haul road so that ore can be treated where most appropriate, based upon availability and mineralogy. Asante continues to develop opportunities to share infrastructure and to realize operational cost reductions among its operations.

#### **d) Other focuses**

- The Company expects to continue exploration drilling activities in underexplored areas within the Bibiani mining lease, principally the South Russell prospect, and within the Chirano mining lease.
- Extensive geophysical surveys will continue to the north of Bibiani Mine Lease, covering the Donkoto prospecting license.
- Preparatory work for flora and fauna assessment studies are planned to commence on the Kubi Gold Mine in preparation for a biodiversity offset plan as a precursor to environmental permit applications.

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#### **SIGNIFICANT EVENTS DURING FISCAL 2024**

During the three months ended April 30, 2023, the Company has been focused on exploring the 15km area between its Bibiani and Chirano gold mines and on improving its margins on commercial production at its two producing mines, Chirano and Bibiani. Following is a summary of significant events of the Company during the three months ended April 30, 2023.

#### **Highlights of equity and financing transactions**

On March 28, 2023, Asante announced that it entered into an agreement with a major institutional investor, pursuant to which Asante agreed to sell, on a non-brokered private placement basis, 18,232,000 units of the Company (each, a "Unit") at a purchase price of \$1.50 per Unit for aggregate gross proceeds of \$27,348 (the "Offering"). On April 6, 2023, the Company closed the Offering and issued 18,232,000 Units. Each Unit comprised one common share and one common share purchase warrant of the Company (a "Warrant"), with each Warrant exercisable to acquire one common share for a price of \$1.75 per share until April 6, 2024. The Units were subject to a four month hold period from April 6, 2023 in accordance with applicable securities laws. No commissions or finder's fees were paid by the Company in connection with the Offering. The Company intends to use the proceeds from the Offering for exploration and development of the Company's mineral properties and general corporate working capital purposes.

On April 20, 2023, the Company announced that it received an unsolicited, non-binding and conditional expression of interest (the "Non-Binding Expression of Interest") from Fujairah Holding LLC, which owns 11.43% of the outstanding shares of the Company, ("Fujairah") expressing an interest in acquiring all of the Company's issued and outstanding common shares not held by Fujairah for a contemplated cash consideration of \$2.20 per common share. Following a review, in consultation with the Company's financial and legal advisors, the Board determined that the Non-Binding Expression of Interest was highly conditional and failed to address Asante's near-term financing requirements.

During the three months ended April 30, 2023, the Company issued 80,000 common shares upon the exercise of 80,000 options for gross proceeds of \$60 and issued 38,710,601 common shares upon the exercise of 38,710,601 warrants for gross proceeds of \$9,678.

#### **Highlights of operations and production**

Following the achievement of commercial production, the Company has been planning to extend the Bibiani open pit Life of Mine (LOM) from 8.3 years to +10 years with successful development exploration at South Russel (refer to Asante news releases of March 29, 2022, August 17, 2022 and January 17, 2023) and drilling programs at the Grasshopper and Elizabeth satellite deposits as planned. The Company continues its near mine development exploration program with planned drilling of approximately 30,000 metres per year for 2023 and 2024. The Bibiani Technical Team initiated an underground mine planning study to define development of an underground mine operation that will access mineralized deposits below the Bibiani Main Pit and the satellite pits. Asante anticipates the underground mine program initiative will increase annual gold production significantly and proceed from 2025 and extend mine life beyond the period of open pit mining.

On April 6, 2023, Asante announced results of the ongoing exploration drilling program at the Aboduabo prospect (refer to Asante news release of April 6, 2023). To date, 50 drill holes totaling 11,950m have been completed. The drilling program has been accelerated and new intercepts confirm near surface, high grade mineralization, with increased widths. The latest results extend the footprint of the prospect to the north, to approximately one kilometer in length. There are significant intercepts down plunge in multiple mineralized structures, which highlight the strong upside potential of the Aboduabo prospect. All drill holes to date have intersected mineralization. The intercepts are consistent with those previously encountered in both gold grade and thickness. The prospect remains open along strike and at depth.

#### **Highlights of changes in management personnel**

On March 17, 2023, the Company announced the appointment of David Anthony, Chief Executive Officer of Asante, and Edward Nana Yaw Koranteng, Chief Executive Officer of Minerals Income Investment Fund, to the Company's board of directors and the resignation of Nadia Abdul Aziz as a director of the Company, all with immediate effect.

On June 2, 2023, the Company announced the resignation of Chief Financial Officer, Jon Grygorcewicz, who has left the Company for personal reasons. Dindiok Chialin, Deputy Chief Financial Officer of the Company, will serve as Interim Chief Financial Officer until the Company appoints a new Chief Financial Officer.

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**OVERVIEW OF OPERATING RESULTS**The table below details the operating statistics for the Bibiani Gold Mine and Chirano Gold Mine<sup>(1)</sup> for the last four fiscal quarters.

	Q1 2024	Q4 2023	Q3 2023	Q2 2023
<b>Ore mined (tonnes)</b>				
Bibiani Gold Mine	574,557	562,338	613,697	257,341
Chirano Gold Mine	1,189,351	840,167	613,680	-
Consolidated	1,763,908	1,402,505	1,227,377	257,341
<b>Ore rehandled (tonnes)</b>				
Bibiani Gold Mine	-	-	-	-
Chirano Gold Mine	-	63,899	133,104	-
Consolidated	-	63,899	133,104	-
<b>Ore moved (tonnes)</b>				
Bibiani Gold Mine	574,557	562,338	613,697	257,341
Chirano Gold Mine	1,189,351	904,065	746,783	-
Consolidated	1,763,908	1,466,403	1,360,480	257,341
<b>Ore processed (tonnes)</b>				
Bibiani Gold Mine	619,083	692,001	612,270	188,466
Chirano Gold Mine	821,018	821,321	754,255	-
Consolidated	1,440,101	1,513,322	1,366,525	188,466
<b>Grade (grams/tonne)</b>				
Bibiani Gold Mine	1.46	1.74	1.54	1.62
Chirano Gold Mine	1.46	1.43	1.33	-
Consolidated	1.46	1.57	1.42	1.62
<b>Recovery (%)</b>				
Bibiani Gold Mine	72%	85%	81%	80%
Chirano Gold Mine	86%	88%	88%	-
Consolidated	79%	87%	86%	80%
<b>Gold equivalent produced (Ounces)</b>				
Bibiani Gold Mine	20,001	35,494	25,103	1,939
Chirano Gold Mine	31,371	33,242	28,400	-
Consolidated	51,372	68,736	53,503	1,939
<b>Gold equivalent sold (Ounces)</b>				
Bibiani Gold Mine	19,852	36,659	24,224	-
Chirano Gold Mine	31,959	30,738	29,092	-
Consolidated	51,811	67,396	53,316	-
<b>Metal sales (thousands of CAD)</b>				
Bibiani Gold Mine	48,990	83,865	54,403	-
Chirano Gold Mine	82,880	74,588	61,873	-
Consolidated	131,870	158,453	116,276	-
<b>Average gold price realised (CAD)</b>				
Bibiani Gold Mine	2,468	2,288	2,246	-
Chirano Gold Mine	2,593	2,427	2,127	-
Consolidated	2,545	2,351	2,181	-
<b>All-in sustaining cost per equivalent ounce sold (CAD)</b>				
Bibiani Gold Mine	3,491	1,645	2,920	-
Chirano Gold Mine	2,550	3,119	2,117	-
Consolidated	2,910	2,317	2,482	-

(1) Data of Chirano Gold Mine is only from the acquisition date of August 10, 2022.

Following the first gold pour at Bibiani in July 2022, the Company started to generate revenue in August 2022. During Q1 2024, the Company produced and sold in total 51,372 and 51,811 ounces of gold equivalent, respectively. Consolidated gold equivalent production and gold equivalent sales in Q1 2024 decreased by 25% and 23%, respectively, compared to Q4 2023. Production was challenged by liquidity issues, which resulted in delays in delivery of ore and reduced metallurgical efficiency. Initiatives are proceeding to rectify mine equipment availability in the short term, with recovery plans at both mines. The sulphide recovery plant at Bibiani and metallurgical upgrading projects at both mines are delayed, pending resolution of liquidity issues. Near-term actions have been implemented to address the issues.



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All-in sustaining cost per equivalent ounce sold ("AISC") increased by 26% in Q1 2024 to \$2,910 as compared to \$2,317 in Q4 2023. This mainly resulted from the decrease in gold equivalent production which was driven by lower grade and recovery.

During Q1 2024, the Company had a consolidated average gold price realized of \$2,545 per ounce, which increased by 8% compared to Q4 2023. The increase in the average gold price realized towards the end of Q1 2024 was due to a combination of factors, including strong demand for gold in the global market, geopolitical and economic uncertainty.

### OVERVIEW OF FINANCIAL PERFORMANCE

Financial performance during Q1 2024 compared to Q1 2023:

	Q1 2024	Q1 2023
	\$	\$
Revenue	131,870	-
Cost of sales	182,699	-
<b>Gross loss</b>	<b>(50,829)</b>	-
<b>Operating expenses</b>		
Depreciation and depletion	-	3,063
General and administrative expenses	3,525	104
Management and consulting fees	2,012	2,750
Professional fees	1,143	215
Share-based payments	594	14,393
Other operating expenses	9,577	1,016
<b>Operating loss</b>	<b>(67,680)</b>	<b>(21,541)</b>
Other losses, net	(4,528)	(302)
<b>Net loss before income tax</b>	<b>(72,208)</b>	<b>(21,843)</b>
Income tax expense	(1,547)	-
<b>Net loss</b>	<b>(73,755)</b>	<b>(21,843)</b>
<b>Net loss attributed to:</b>		
Shareholders of the Company	(68,160)	(21,537)
Non-controlling interest	(5,595)	(306)

#### Revenue

Revenue was \$131,870 compared to \$nil in the prior year comparable period. The total ounces of gold equivalent sold was 51,811 compared to nil in the prior year comparable period. The Company's revenue in the current period was comprised of \$131,494 and \$376 from sales of gold doré and silver, respectively. Of the total revenue earned, \$48,990 was from Bibiani and \$82,880 from Chirano.

#### Gross loss

Gross loss was \$50,829 compared to \$nil in the prior year comparable period. The Company's first gold pour at Bibiani was in July 2022 and sales commenced in August 2022.

#### Depreciation and depletion

Depreciation and depletion were \$43,744, of which \$36,616 was included in cost of sales with the remaining amount included in inventory. Depreciation and depletion in Q1 2023 were \$3,063 and was included in operating expenses. The increase in depreciation and depletion was due to the Company's commencement of commercial production at Bibiani compared to the prior period when assets were not yet put into service and were in the process of being refurbished. Note that the current period amount contains depreciation and depletion associated with Chirano, which was acquired in August 2022 (Q3 2023).

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#### General and administrative expenses

General and administrative expenses were \$3,525 compared to \$104 in the prior year comparable period due to the commencement of production during July 2022 and Company's expansion on the acquisition of Chirano operations, leading to the Company incurring greater insurance expenses and corporate costs.

#### Management and consulting fees

Management and consulting fees were \$2,012 compared to \$2,750 in the prior year comparable period. This decrease was primarily due to the prior year comparable including costs associated with the acquisition of Chirano.

#### Professional fees

Professional fees were \$1,143 compared to \$215 in the prior year comparable period. The increase was mainly due to the Company's operational transformation with ongoing expansion efforts and being dual listed on both the Canadian Stock Exchange and the Ghana Stock Exchange, incurring additional legal and regulatory compliance costs.

#### Share-based payments

Share-based payments were \$594 compared \$14,393 in the prior year comparable period. In the prior year comparable period, share-based payments comprised of the immediate vesting of RSUs and DSUs with fair values of \$2,577 and \$7,286, respectively, as well as vesting of stock options of \$4,530. In the current period, share-based payments are comprised only of stock option vesting of \$594.

#### Other operating expenses

Other operating expenses were \$9,577 compared to \$1,016 in the prior year comparable period. Current operating expenses are comprised of travel expenses of \$710; accretion of \$5,655 attributable to the accretion on deferred payments due to Resolute and on the Company's rehabilitation provision; finance charges of \$4,601 from deferred payments and loans payable; and other expenses of \$437 on advertising, trade shows and promotion, shareholder communications, as well as transfer agent and regulatory fees; offset by a foreign exchange gain of \$1,826.

### SUMMARY OF QUARTERLY FINANCIAL RESULTS

Selected financial data during the last eight quarters are as follows:

	Q1 2024	Q4 2023	Q3 2023	Q2 2023
	\$	\$	\$	\$
Total assets	1,000,768	977,632	946,550	490,374
Total liabilities	889,417	845,021	708,322	314,316
Working capital deficit	(580,465)	(561,487)	(295,748)	(173,553)
Total revenue	131,870	158,453	116,276	-
Net loss	(73,755)	(77,432)	(72,288)	(16,951)
Net loss per share <sup>(1)</sup>	(0.17)	(0.21)	(0.19)	(0.06)

  

	Q1 2023	Q4 2022	Q3 2022	Q2 2022
	\$	\$	\$	\$
Total assets	319,660	226,851	167,703	16,327
Total liabilities	134,171	133,015	85,254	2,637
Working capital surplus (deficit)	(70,078)	(100,922)	(35,573)	5,900
Total revenue	-	-	-	-
Net loss	(21,843)	(3,705)	(4,160)	(459)
Net loss per share <sup>(1)</sup>	(0.07)	(0.01)	(0.03)	(0.00)

(1) Net loss per share in Q3 2023, Q2 2023 and Q1 2023 were previously reported as comprehensive loss per share attributed to shareholders of the Company. These figures have been amended to present these quarters as net loss per share attributed to shareholders of the Company.

## ASANTE GOLD CORPORATION

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The Company's total assets have grown significantly over the last eight quarters due to the acquisitions of Bibiani and Chirano. Total liabilities have increased as a result of these acquisitions as well. Over the last eight quarters, the Company has experienced a trend in increased net loss. The last three quarters have significantly higher net loss compared to the quarters preceding this period resulting from the Company's transformation from an exploration company to a gold producer and the ramp up in operating activities at its mines. While the Company has started to generate revenue from its new operations, the significant increase in expenses related to the transformation and expansion has outweighed the revenue generated. This is common for companies in the early commercial production stage as there are heavy operating expenses associated with the integration of newly acquired capital investments.

### SOURCES AND USES OF CASH

The table below a comparison of cash flows during Q1 2024 compared to Q1 2023:

	Q1 2024	Q1 2023
	\$	\$
Net cash provided by (used in) operating activities	4,143	(22,641)
Net cash used in investing activities	(34,305)	(61,756)
Net cash provided by financing activities	38,070	99,384
Effect of foreign exchange on cash	131	(125)
Change in cash	8,039	14,862
Cash, beginning of period	2,811	5,849
<b>Cash, end of period</b>	<b>10,850</b>	<b>20,711</b>

Net cash provided by operating activities increased to \$4,143 compared to net cash used in operating activities of \$22,641 in the prior year comparable period. This increase was due to the Company's management of working capital and generation of cash through the sale of gold from Bibiani and Chirano.

Net cash used in investing activities decreased to \$34,305 compared to \$61,756 in the prior year comparable period. The decrease was mainly due to lower repayment of deferred payments in connection with Bibiani acquisition of \$6,805 partially offset by more expenditures on developing the Company's mineral properties, and associated property, plant and equipment totalling \$27,259. During the prior year comparable period, the Company spent \$241 on investing in exploration and evaluation assets.

Net cash provided by financing activities decreased to \$38,070 compared to \$99,384 in the prior year comparable period. The decrease in financing cash flow in current period was primarily due to less financing activities. On April 6, 2023, the Company closed a private placement, which provided net cash of \$27,348. Warrant and option exercises provided cash of \$9,678 and \$60, respectively. In addition, the Company received cash of \$11,511 from short term loans. Cash provided by financing activities was partially offset by loan repayments \$10,527.

**ASANTE GOLD CORPORATION****Management's Discussion & Analysis**

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**MINERAL PROPERTIES**

A summary of the Company's mineral properties as at April 30, 2023 and January 31, 2023 is as follows:

	<b>Bibiani</b>	<b>Chirano</b>	<b>Total</b>
	\$	\$	\$
<b>Cost</b>			
Balance, January 31, 2022	-	-	-
Transfer from development properties	93,301	-	93,301
Acquired in acquisition of Red Back	-	194,507	194,507
Additions	116,852	27,217	144,069
Currency translation adjustment	7,730	6,956	14,686
Balance, January 31, 2023	217,883	228,680	446,563
Additions	3,909	9,643	13,552
Currency translation adjustment	3,727	3,920	7,647
<b>Balance, April 30, 2023</b>	<b>225,519</b>	<b>242,243</b>	<b>467,762</b>
<b>Accumulated depletion</b>			
Balance, January 31, 2022	-	-	-
Depletion	25,711	23,104	48,815
Currency translation adjustment	533	(120)	413
Balance, January 31, 2023	26,244	22,984	49,228
Depletion	13,788	11,490	25,278
Currency translation adjustment	469	409	878
<b>Balance, April 30, 2023</b>	<b>40,501</b>	<b>34,883</b>	<b>75,384</b>
<b>Net amount</b>			
Balance, January 31, 2023	191,639	205,696	397,335
<b>Balance, April 30, 2023</b>	<b>185,018</b>	<b>207,360</b>	<b>392,378</b>

**a) Bibiani Gold Mine**

Through the acquisition of Mensin Bibiani Pty. Ltd. in August 2021, the Company holds a 90% interest in the Bibiani Gold Mine situated in the Western North Region of Ghana. The Ghanaian Government retains the remaining 10% interest in Bibiani and a 5% net smelter royalty in future mining operations. Following completion of refurbishment activities, Bibiani entered into commercial production in fiscal 2023 and the Company estimates that delivery of approximately 175,000 oz gold will occur over the next 12 months.

**b) Chirano Gold Mine**

Through the acquisition of Asante Chirano in August 2022, the Company holds a 90% interest in the Chirano Gold Mine, an operating open-pit and underground mining operation located in the Western North Region of Ghana, immediately south of the Company's Bibiani Gold Mine. The Ghanaian Government retains the remaining 10% interest in Chirano and a 5% net smelter royalty in future mining operations. Chirano was first explored and developed in 1996 and began production in October 2005. The Chirano Gold Mine comprises the Akwaaba, Suraw, Akoti South, Akoti North, Akoti Extended, Paboase, Tano, Obra South, Obra, Sariehu and Mamnao open pits and the Akwaaba and Paboase underground mines. The Company is estimating gold production of 175,000 oz of gold over the next 12 months.

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#### EXPLORATION AND EVALUATION ASSETS

The Company capitalizes all mineral property acquisition and exploration costs until the properties to which the costs are related are placed into development, production, sold, or abandoned. The decision to abandon a property is largely determined by exploration results and the amount and timing of the Company's write-offs of capitalized mineral property costs will vary in a fiscal period from one year to the next and typically cannot be predicted in advance.

All the mining properties are located in Ghana and the Ghanaian Government retains a statutory 10% free carried interest in mining leases as and when granted. All gold mining production is subject to a Ghanaian Government 5% net smelter royalty.

A summary of the Company's properties and exploration expenditures as at April 30, 2023 and January 31, 2023 is as follows:

	<b>Fahiakoba</b>	<b>Betanase</b>	<b>Sraha</b>	<b>Ayiem</b>	<b>Kubi</b>	<b>Total</b>
	\$	\$	\$	\$	\$	\$
Balance, January 31, 2022	4,107	501	1,028	225	2,656	8,517
Acquisition and sustaining fees	719	-	162	162	-	1,043
Field expenses	17	17	17	17	143	211
Other expenditures	136	76	76	76	343	707
Geology and geophysics	35	44	4	7	173	263
Currency translation adjustment	223	28	60	21	983	1,315
Balance, January 31, 2023	5,237	666	1,347	508	4,298	12,056
Field expenditures	6	6	6	6	9	33
Other expenditures	15	15	15	15	94	154
Geology and geophysics	5	5	-	-	48	58
Currency translation adjustment	89	11	27	9	74	210
<b>Balance, April 30, 2023</b>	<b>5,352</b>	<b>703</b>	<b>1,395</b>	<b>538</b>	<b>4,523</b>	<b>12,511</b>

#### a) Fahiakoba Concession

The Company has a 100% interest in the Fahiakoba Concession subject to a 3% net smelter return royalty on production from the Fahiakoba Concession. The prospecting license for this property is in the process of being renewed by the property's prior owner and further exploration will be planned and conducted once the title of the license is renewed and transferred to the Company. Due to the prohibitive transfer costs, final transfer of the title will occur on discovery of significant resources.

#### b) Betenase Prospecting License

On August 4, 2015, the Company announced that it had entered into an Option and Sale Agreement with Perseus Mining (Ghana) Limited ("Perseus") to acquire up to a 100% interest in a part of their Dunkwa prospecting license, to be called on issuance the Betenase prospecting license (pending). The license adjoins to the east of the Kubi Mining Lease. The Company amended the agreement on May 15, 2018, such that the Company may exercise the option to earn a 100% interest (subject to 10% reserved for the Government of Ghana, and 1% underlying NSR royalties) by completing US\$1.00 million in exploration by December 31, 2023, and by paying US\$1.00 million to Perseus. Given the significant delays in the title issuance and renewal, the Company is currently negotiating with Perseus to extend the time to complete the option earn-in.

#### c) Keyhole Gold Project (Sraha and Ayiem concessions)

In September 2016, the Company entered into an agreement with Sikasante Mining Company Limited ("Sikasante"), to earn up to a 100% interest in the Sraha and Ayiem licences. The Company issued to Sikasante 250,000 common shares in the capital of the Company on final issuance of the Ayiem license to Sikasante and receipt by Sikasante of all necessary permits required to commence a drilling program (completed), and to complete \$500,000 in work (completed) over four years to earn 50%. The Company may earn an additional 50% interest by reserving for Sikasante a 2% net smelter returns royalty, and on the assignment of the Sikasante licenses to the Company (subject to the consent of the Minister of Lands and Natural Resources), a final payment of one million common shares in the capital of the Company. Sikasante and the Company are related by a common director. All negotiations and final terms of agreement were approved by a Special Committee of the Directors of the Company.

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#### **d) Kubi Gold Project**

In 2016, the Company entered into an agreement with Goknet Mining Company Limited ("Goknet") to close the acquisition of 100% of the Kubi Mining Lease, subject to receipt of additional governmental approvals, by issuing seven million common shares (issued) and reserving for future delivery to Goknet a total of 8,000 ounces of gold from production from Kubi, and thereafter reserving for Goknet a 2% net smelter return royalty. Royal Gold Inc. of Denver holds a 3% net proceeds of production royalty. The Ghanaian Government holds a statutory 10% free carried interest and a 5% net smelter royalty in future mining operations.

In October 2021, the Company announced the results of the metallurgical test work program undertaken on three composite drill core samples of Kubi Main gold mineralization. The results were positive with gold easily recoverable from the respective composite drill core samples via conventional cyanidation with achievable gold recoveries exceeding 90%. Improved recovery (up to 96%) may be realized by decreasing the mineralized material grind size to 80%-53 µm. The samples were found to be highly amenable to upgrading by gravity with 38% to 59% gold recovered to the gravity concentrate during respective gravity tests. The average gold grades for the three composite samples were determined: 6.6 g/t, 16.7 g/t, and 11.4 g/t.

Metso Outotec (Finland) Oy Helsinki, Finland concluded that sufficient data was generated from the test program to support a conceptual level operating and capital cost study. Principal conclusions from the Metso Outotec study are incorporated into a NI 43-101 report, released in Q3 2022.

The Company continues studies to evaluate surface oxide mining opportunities at Kubi. This is in conjunction with conventional underground mining by either decline and/or shaft access at Kubi. Work is being planned to develop underground mine workings, which will support exploration drilling at depth.

In August 2022, the Company announced the filing of a technical report for the Kubi Gold Project dated August 29, 2022 (with an effective date of March 11, 2022) prepared for the Company by dMb Management Services and Bara Consulting Pty. Ltd. (the "Kubi Technical Report"). The Kubi Technical Report demonstrates the economic viability of underground mining of the Kubi Main mineral deposit as defined in a prior technical report prepared by SEMS Exploration Services Ltd. ("SEMS") in December 2014 (the "SEMS 2014 Technical Report"). The Kubi Technical Report includes a proposal for early underground development to allow for further exploration drilling from underground platforms. A summary of the Kubi Technical Report is provided in the Company's news release dated August 31, 2022. The Kubi Technical Report was filed on the Company's SEDAR profile on August 31, 2022.

Planning is in progress for an Environmental and Social Impact Assessment in preparation for an Environmental Permit application.

#### **e) Ashanti II Concessions**

The Ashanti II concessions (associated with the purchase of the Kubi Mining Lease) comprise eight prospecting licences, two of which comprise ~38 km<sup>2</sup> adjoining to the north, south and west of the Kubi Mining Lease, and six are contiguous licences (the "Ashanti II concessions") totaling ~270 sq km located on the Asankrangwa Gold Belt 15 km to the southwest and along strike of the Galiano Gold - Goldfields mine. Purchase consideration for the licences will be the issuance of up to 3 million Asante common shares, pro rata on a license-by-license basis if, as and when title is registered in the name of the Company, and a 2% Net Smelter Return royalty on each of the licenses so acquired.

Investors are cautioned that final acquisition of the Fahiakoba Concession, any of the Ashanti II concessions, the Betenase prospecting license and the Keyhole options are variously dependent on additional financing, governmental renewals, approvals, and consents, which though reasonably expected, may or may not be ultimately completed or obtained.

#### **QUALIFIED PERSON**

David Anthony, CEO of the Company and a Qualified Person as defined by National Instrument 43-101 *Standards of Disclosure for Mineral Projects*, has approved the scientific and technical information in this MD&A.

#### **RELATED PARTY TRANSACTIONS**

Key management personnel include those having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members in the Board of Directors, corporate officers, and related companies.

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A summary of the Company's related party transactions for Q1 2024 and Q1 2023 is as follows:

	Q1 2024	Q1 2023
	\$	\$
Management and consulting fees	806	2,234
Professional fees	143	106
Share-based payments	304	10,641
	<b>1,253</b>	<b>12,981</b>

These transactions have been entered into in the normal course of operations and are recorded at their exchange amounts, which is the consideration agreed upon by the related parties.

As at April 30, 2023, due to related parties was \$3,479 (January 31, 2023 - \$3,203) and was comprised of expense reimbursements, director's fees, and professional fees. These amounts are unsecured, non-interest bearing and due on demand. As at April 30, 2023, there were 13,657,600 options, 470,200 RSUs, and 4,285,900 DSUs outstanding that had been granted to related parties as share-based payments.

### LIQUIDITY AND FUNDING RESOURCES

As at April 30, 2023, the Company had cash of \$10,850 (January 31, 2023 - \$2,811), restricted cash of \$31,952 (January 31, 2023 - \$31,845) and working capital deficit of \$580,465 (January 31, 2023 - \$561,487). The increased working capital deficit is mainly due to the increase in trade and other payables related to the Company's ongoing expansion, which was partially offset by the increase in current assets when the Company began its commercial production.

A summary of the Company's contractual obligations as at April 30, 2023 is as follows:

	< 1 year	1 - 3 years	Total
	\$	\$	\$
Trade and other payables	366,014	-	366,014
Due to related party	3,479	-	3,479
Loans payable	51,293	-	51,293
Deferred payments	131,394	50,103	181,497
	<b>552,180</b>	<b>50,103</b>	<b>602,283</b>

At present, the Company's operations have commenced cash flow generation and its financial success is dependent upon the Company's ability to obtain necessary financing and to reach profitable commercial production at Bibiani and Chirano, and to discover and develop other economically viable mineral deposits. The mineral exploration process can take many years and is subject to many factors that are beyond the Company's control.

To finance the Company's exploration programs and to cover operating expenses, the Company has raised money through equity issuances, a metal streaming arrangement and short-term bank facilities. The Company is actively monitoring liquidity and capital resources and taking necessary steps to manage its working capital as well as to fulfill its contractual obligations, including implementing cost-saving measures, improving its collections process, and evaluating additional financing options. Historically, the Company has been successful in raising capital and on April 6, 2023, the Company closed a private placement for gross proceeds of \$27,348. However, there is no assurance that the Company will continue to be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

The Company continues to face risks and uncertainties related to liquidity and capital resources, including fluctuations in gold prices and global economic conditions. In the event that the Company is unable to generate sufficient cash flows from operations or obtain additional financing, its ability to fund the operations, service debt obligations, and pursue growth plans could be materially and adversely affected.

During Q4 2022, central banks around the world continued to raise interest rates to combat high rates of inflation. This has resulted in a significant increase in secured overnight financing rates. The Company continues to monitor its cash management strategy and may make greater use of its own cash reserves to fund corporate activities or pay down debt.

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The Company has limited financial resources and there is no assurance that sufficient additional funding or financing will be available when needed by the Company or its direct and indirect subsidiaries on acceptable terms, or at all, to further explore or develop its properties or to fulfill its obligations under any applicable agreements. Asante is a multinational company and relies on financial institutions worldwide to fund corporate and project needs. Instability of large financial institutions may impact the ability of the Company to obtain equity or debt financings in the future and, if obtained, on terms that may not be favorable to the Company. Disruptions in the capital and credit markets as a result of uncertainty, geo-political events, changing or increased regulations of financial institutions, reduced alternatives or failures of significant financial institutions could adversely affect the Company's access to the liquidity needed for the business in the longer term.

The Company may incur substantial debt from time to time to finance working capital, capital expenditures, investments or acquisitions, or for other purposes. If the Company does so, the risks related to the Company's indebtedness could intensify, including: (i) increased difficulty in satisfying existing debt obligations (ii) limitations on the ability to obtain additional financings, or imposed requirements to make non-strategic divestures (iii) impose hedging requirements (iv) imposed restrictions on the Company's cash flows, for debt repayments or capital expenditures (v) increased vulnerability to general adverse economic and industry conditions (vi) interest rate risk exposure as borrowings may be at variable rates of interest (vii) decreased flexibility in planning for and reacting to changes in the mining industry (viii) reduced competitiveness versus less leveraged competitors, and (ix) increased cost of borrowings.

From time to time, the Company may be involved in legal proceedings that arise in the ordinary course of its business.

### **CAPITAL MANAGEMENT**

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

During the year ended January 31, 2023, the Company began to generate revenue from its mining operations, which has allowed the Company to strengthen its capital position. As at April 30, 2023, the Company had total shareholders' equity of \$111,351 (January 31, 2023 - \$132,611). This decrease was primarily due to the increase in accumulated deficit.

The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management and consultants to sustain future development of the business. The Company has two mines in commercial production and has several properties in the exploration and development stage. As a result, the Company is dependent upon external financing to fund its activities.

Management reviews its capital management approach on an ongoing basis and believes that current approach is reasonable given the relative size of the Company. There were no changes to the Company's approach to capital management during the three months ended April 30, 2023.

As at April 30, 2023, the Company was not subject to any externally imposed capital requirements other than restricted cash of \$31,952 (January 31, 2023 - \$31,845).



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## FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly
- Level 3 - Inputs that are not based on observable market data

The Company's financial assets and liabilities consist of cash, restricted cash, accounts receivable, marketable securities, reclamation bonds, loans receivable, trade and other payables, due to related parties, loans payable and deferred payments.

Cash, restricted cash, accounts receivable, reclamation bonds, loans receivable, trade and other payables, due to related parties, loans payable, and deferred payments are measured at amortized cost. These instruments have carrying values that approximate their fair values due to their short-term nature.

Marketable securities are measured at fair value through profit or loss and categorized as Level 1 in the fair value hierarchy. During the three months ended April 30, 2023 and 2022, there were no transfers among categories in the fair value hierarchy.

The Company's risk exposures from financial instruments include but are not limited to:

### a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to fulfil its contractual obligations. The Company's credit risk relates primarily to cash, accounts receivable, and loans receivable. The Company mitigates credit risk related to cash by placing cash with sound financial institutions. For trade receivables, the Company trades with recognized creditworthy third parties and regularly reviews the collectability of its accounts receivable. The Company considers credit risk to be minimal.

As at April 30, 2023, the Company had one customer that owed the Company \$316, which accounts for approximately 84% of total outstanding trade receivables.

### b) Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As at April 30, 2023, the Company had a bank facility with carrying amount of \$10,304 and deferred payments with carrying amount of \$171,245 that have floating interest rate and therefore, the Company is exposed to interest rate risk. The bank facility has interest rate cap and current floating interest rate is higher than the cap. A change of 100 basis points in interest rate would have minimal impact on consolidated statements of loss and comprehensive loss. A change of 100 basis points in the interest rate on deferred payment would result in a change of \$381 in finance charges on condensed interim consolidated statements of loss and comprehensive loss.

### c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. To mitigate this risk, the Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures. The Company endeavors to ensure that sufficient funds are raised from equity offerings or debt financing to meet its operating requirements, after considering existing cash and expected exercise of stock options and share purchase warrants.

As at April 30, 2023, the Company had cash of \$10,850 and restricted cash of \$31,952 (January 31, 2023 - \$2,811 and \$31,845, respectively) as well as working capital deficit of \$580,465 (January 31, 2023 - \$561,487).

### d) Price risk

Gold and silver prices have historically fluctuated significantly and are affected by numerous factors outside of the Company's control, including, but not limited to, industrial and retail demand, central bank lending, forward sales by producers and speculators, level of worldwide production, short-term changes in supply and demand due to speculative hedging activities and certain other factors. The ability of the Company to develop its mineral properties and exploration and evaluation assets is highly correlated to the market price of gold and silver. If metal prices decline for a prolonged period below the anticipated cost of production of the Company's mines, it may not be economically feasible to commence or continue production.

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The effect on net loss and comprehensive loss for the three months ended April 30, 2023 of a 10% change in metal prices is estimated to have an increase or decrease in revenue of \$13,187 (2022 - \$nil).

#### e) Foreign exchange risk

The Company's functional currency is CAD and therefore the Company's loss and comprehensive loss are impacted by fluctuations in the value of foreign currencies in relation to CAD. The Company is exposed to foreign exchange risk from fluctuation in CAD to US dollars and Ghanaian Cedi.

A summary of the Company's net assets (liabilities) that are denominated in US dollars and Ghanaian Cedi as at April 30, 2023, is as follows:

	US\$	GHS
Net assets (liabilities)	(410,710)	268,969
Foreign exchange rate	1.3350	0.1236
<b>Net assets (liabilities) in CAD</b>	<b>(548,298)</b>	<b>33,233</b>

The sensitivity of the Company's net loss and comprehensive loss for the three months ended April 30, 2023 to changes in the exchange rates of CAD to the US dollar and the Ghanaian Cedi would be as follows: a 10% change in CAD relative to the US dollar would change the Company's net loss and comprehensive loss by approximately \$54,830 (January 31, 2023 - \$51,940), and a 10% change in CAD relative to the Ghanaian Cedi would change the Company's net loss and comprehensive loss by approximately \$3,323 (January 31, 2023 - \$3,203).

#### OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements as at April 30, 2023 or at the date of this MD&A.

#### SUBSEQUENT EVENTS

On May 8, 2023, the Company granted Fujairah an exclusivity period to expire May 15, 2023. The Company subsequently agreed to extend Fujairah's exclusivity until 5:00 p.m. (Toronto time) on May 19, 2023 to provide further time for Fujairah to complete its due diligence review. See the Company's news releases dated April 20, 2023, May 8, 2023, May 16, 2023 and May 24, 2023 for further information.

On May 15, 2023 the Company announced the filing of an amended technical report entitled "Amended NI 43-101 Technical Report, Chirano Gold Mine, Ghana, West Africa" (the "Amended Technical Report") in connection with the Company's Chirano Gold Mine. The original version of the technical report dated September 30, 2022 reported mineral resources as being "inclusive" of mineral reserves. The correction reports mineral reserves to be "exclusive" of mineral resources and therefore all measured and indicated resources and mineral reserve totals may be added to determine total mineral resources.

The Amended Technical Report results in an increase in total measured and indicated mineral resources from 1.13 Moz to 2.12 Moz broken down as follows:

- underground measured and indicated mineral resources of 11.05Mt at 1.88 g/t Au (0.669 Moz) exclusive of any mineral reserves,
- open pit measured and indicated mineral resources of 17.05Mt at 0.85 g/t Au (0.465 Moz) exclusive of any mineral reserves, and
- mine mineral reserves of 15.760 Mt at 1.95g/t Au (0.990 Moz).

A copy of the Amended Technical Report is available on SEDAR ([www.sedar.com](http://www.sedar.com)) under Asante's issuer profile.

Subsequent to April 30, 2023, the Company issued 1,075,000 common shares upon the exercise of 1,075,000 options for gross proceeds of \$125.

Subsequent to April 30, 2023, there were 200,000 options expired unexercised.

On June 5, 2023, pursuant to receiving Government approvals, the Company issued 7,000,000 common shares with fair value of \$13,790 to Goknet.

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### Management's Discussion & Analysis

For the three months ended April 30, 2023 and 2022

(Expressed in thousands of Canadian dollars, except where noted)

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#### PROPOSED TRANSACTIONS

As of the date of this MD&A, there are no undisclosed proposed transactions.

#### OUTSTANDING SHARE DATA

As at the date of this MD&A, the Company had the following securities outstanding:

Common shares	443,243,444
Stock options	19,189,340
Warrants	23,232,000
RSUs	1,515,760
DSUs	4,285,900

#### NON-IFRS MEASURES

This MD&A includes certain terms or performance measures that are not defined under IFRS, including but not limited to working capital, AISC and average gold price realized. These non-IFRS financial measures and non-IFRS ratios are widely reported in the mining industry as benchmarks for performance and are used by management to monitor and evaluate the Company's operating performance and ability to generate cash. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance. The data presented is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Non-IFRS measures do not have a standardized meaning under IFRS and may not be comparable to similar financial measures disclosed by other companies. Accordingly, non-IFRS financial measures and non-IFRS ratios should not be considered in isolation or as a substitute for measures and ratios of the Company's performance prepared in accordance with IFRS.

The non-IFRS measures should be read in conjunction with the Company's financial statements.

Non-IFRS financial measures are defined in National Instrument 52-112 *Non-GAAP and Other Financial Measures Disclosure* ("NI 52-112") as a financial measure disclosed that (a) depicts the historical or expected future financial performance, financial position or cash flow of an entity, (b) with respect to its composition, excludes an amount that is included in, or includes an amount that is excluded from, the composition of the most directly comparable financial measure disclosed in the primary financial statements of the entity, (c) is not disclosed in the financial statements of the entity, and (d) is not a ratio, fraction, percentage or similar representation. Non-IFRS ratios are defined by NI 52-112 as a financial measure disclosed that (a) is in the form of a ratio, fraction, percentage, or similar representation, (b) has a non-IFRS financial measure as one or more of its components, and (c) is not disclosed in the financial statements.

#### All-in sustaining cost per equivalent ounce sold ("AISC")

AISC is a metric used by mining companies to measure the total cost associated with producing an ounce of gold. The Company defines AISC as the cost of sales, less cost of obtaining contracts as well as depreciation and depletion, and plus all other indirect costs associated with production, including general and administrative expenses, wages and salaries for site administration personnel, management and consulting expenses attributed to production, sustaining capital expenditures, exploration expenses, and other expenses necessary to sustain gold production. By including these indirect costs, AISC provides investors with a comprehensive understanding of the total costs of gold production and helps them evaluate the profitability and sustainability of mining operations. The Company monitors AISC closely to ensure that costs are managed effectively.

**ASANTE GOLD CORPORATION****Management's Discussion & Analysis**

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The following table provides a detailed reconciliation of AISC during Q1 2024:

	<b>Bibiani</b>	<b>Chirano</b>	<b>Total</b>
	\$	\$	\$
<b>Cost of sales</b>	85,782	96,917	182,699
<b>Adjustments:</b>			
Depreciation and depletion	(18,214)	(18,402)	(36,616)
Site administration expenses:			
General and administrative expenses	1,447	672	2,119
Travel expenses	97	528	625
Management and consulting fees	173	-	173
Professional fees	20	546	566
Sustaining capital	-	1,228	1,228
<b>All-in sustaining costs</b>	<b>69,305</b>	<b>81,489</b>	<b>150,794</b>
Total of gold sold (ounces)	19,852	31,959	51,811
<b>AISC</b>	<b>3,491</b>	<b>2,550</b>	<b>2,910</b>

**Average gold price realized**

The average gold price realized represents the average selling price per ounce of gold sold by the Company during the period. This price is calculated by dividing the total revenue from gold sales by the total ounces of gold sold during the period. The average gold price realized is a key performance indicator that reflects the prevailing market conditions during the period, as well as the Company's ability to sell its gold at competitive prices.

The following table provides a detailed reconciliation of average gold price realized during Q1 2024:

	<b>Bibiani</b>	<b>Chirano</b>	<b>Total</b>
	<b>Gold Mine</b>	<b>Gold Mine</b>	
	\$	\$	\$
Revenue from metal sales	48,990	82,880	131,870
Total of gold sold (ounces)	19,852	31,959	51,811
<b>Average gold price realized</b>	<b>2,468</b>	<b>2,593</b>	<b>2,545</b>

**Working Capital**

Working capital is non-IFRS measure, which is calculated by subtracting current liabilities from current assets. Management believes that working capital is a useful indicator of the liquidity of the Company. Management is of the view that the most directly comparable IFRS measure to working capital is current assets and current liabilities.

**ACCOUNTING POLICIES, ESTIMATES, AND JUDGEMENTS**

The Company's significant accounting policies are described in Note 3 to the Financial Statements. The Company's critical accounting estimates and judgements are described in Note 4 to the Financial Statements.

## **ASANTE GOLD CORPORATION**

### **Management's Discussion & Analysis**

For the three months ended April 30, 2023 and 2022

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#### **CONTROLS EVALUATION**

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting ("ICFR") and disclosure controls and procedures ("DC&P") in accordance with the requirements of National Instrument 52-109. ICFR is a framework designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. DC&P form a broader framework designed to provide reasonable assurance that information required to be disclosed by the Company in its annual and interim filings and other reports filed under securities legislation is recorded, processed, summarized and reported within the time frame specified in securities legislation and includes controls and procedures designed to ensure that information required to be disclosed by the Company in its annual and interim filings and other reports submitted under securities legislation is accumulated and communicated to the Company's management to allow timely decisions regarding required disclosure. Together, the ICFR and DC&P frameworks provide internal control over financial reporting and disclosure. The Company maintains disclosure controls and procedures that are designed to provide reasonable assurance that information, which is required to be disclosed in the Company's annual and interim filings and other reports filed under securities legislation, is accumulated and communicated in a timely fashion. Due to their inherent limitations, the Company acknowledges that, no matter how well designed, ICFR and DC&P can provide only reasonable assurance of achieving the desired control objectives and as such may not prevent or detect all misstatements. Further, the effectiveness of ICFR is subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with policies or procedures may change.

There have been no significant changes in the Company's internal control over financial reporting during the three months ended April 30, 2023 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

#### **RISKS AND UNCERTAINTIES**

The Company is in the mineral exploration, development and production business and as such is exposed to a number of known and unknown risks and uncertainties in conducting its business, including but not limited to risks related to the title and ownership of the Company's mineral properties; risks associated with foreign operations; metals price risk; liquidity risk; and environmental risks. These and other risks and uncertainties are detailed in the Company's Annual Financial Statements, its Annual MD&A and its Annual Information Form available on SEDAR at [www.sedar.com](http://www.sedar.com). Readers are encouraged to refer to these documents for a more detailed description of some of the risks and uncertainties inherent to the Company and its business.