PRESS RELEASE

PR. No. 130 /2024

ASANTE GOLD CORPORATION (ASG)-

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED JANUARY 31, 2024, AND 2023

ASG has released its Consolidated Financial Statements for the years ended January 31, 2024, and 2023, as per the attached.

Issued in Accra, this 2nd.
day of May 2024.

- **E N D –**

att'd.

Distribution:
1. All LDMs
2. General Public
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*AA

ASANTE GOLD CORPORATION

Consolidated Financial Statements

For the years ended January 31, 2024 and 2023

(Expressed in thousands of Canadian dollars)

Independent auditor's report

To the Shareholders of Asante Gold Corporation

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Asante Gold Corporation and its subsidiaries (together, the Company) as at January 31, 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

What we have audited
The Company's consolidated financial statements comprise:

- the consolidated statement of financial position as at January 31, 2024;
- the consolidated statement of loss and comprehensive loss for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the consolidated statement of changes in shareholders' equity for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw attention to note 1 to the consolidated financial statements, which describes events or conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended January 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment indicators for mineral properties and property, plant and equipment (PP&E) *Refer to note 3 – Material accounting policies and note 4 – Significant accounting judgments and sources of estimation uncertainty to the consolidated financial statements.* As at January 31, 2024, the total net book value of mineral properties and PP&E amounted to $384 million and $347 million, respectively. Management assesses at each reporting period whether there is any indication that an asset or group of assets may be impaired and applies significant judgment in assessing whether there are any indicators of impairment. If any such indicator exists, then an impairment test is performed. In determining whether an indicator of impairment exists, management considers external sources of information, such as (i) the Company's market capitalization relative to its net assets; (ii) decreases in future gold prices; and (iii) internal sources of information such as decreases in quantities of estimated mineral reserves and resources and increases in capital or operating costs. No impairment indicators were identified by management as at January 31, 2024. We considered this a key audit matter due to (i) the significance of the mineral properties and PP&E balances and (ii) the significant judgment by management in its assessment of indicators of impairment, which resulted in a high degree of	Our approach to addressing the matter included the following procedures, among others: • Evaluated the reasonableness of management's assessment of indicators of impairment, which included the following: – Assessed the completeness of external and internal sources of information that could be considered as indicators of impairment of the mineral properties and PP&E, by considering evidence obtained in other areas of the audit. – Assessed the Company's market capitalization relative to its net assets. – Assessed any decreases in future gold prices, decreases in quantities of estimated mineral reserves and mineral resources and increases in capital or operating costs, by considering external market data, current and past performance of the Company and evidence obtained in other areas of the audit, as applicable.

subjectivity in performing procedures related to these judgments applied by management.

Comparative information

The consolidated financial statements of the Company for the year ended January 31, 2023 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on May 29, 2023.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Eric Talbot.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
April 30, 2024

Asante Gold Corporation
Consolidated Statements of Financial Position
(Expressed in thousands of Canadian dollars)

	Note	**January 31, 2024**	January 31, 2023
		$	$
ASSETS			
Current			
Cash		**2,080**	2,811
Accounts receivable	6	**9,414**	14,022
Inventories	7	**72,082**	83,532
Current portion of prepaid expenses	8	**21,486**	12,017
Marketable securities	9	**3,254**	6,213
Current portion of contract asset	18	**670**	-
Current portion of restricted funds	15(b)	**19,301**	31,845
		128,287	150,440
Prepaid expenses	8	**7,427**	5,529
Contract asset	18	**502**	-
Loans receivable		**363**	362
Restricted funds	15(b)	**9,668**	-
Reclamation bonds	10	**11,024**	10,986
Property, plant and equipment	11	**384,486**	400,924
Mineral properties	12	**346,809**	397,335
Exploration and evaluation assets	13	**27,073**	12,056
Total assets		**915,639**	977,632
LIABILITIES			
Current			
Trade and other payables	14	**408,199**	327,272
Current portion of loans payable	15,22	**58,743**	46,991
Current portion of deferred payments	16	**183,665**	129,136
Current portion of rehabilitation provision	17	**332**	340
Deferred revenue	18	**28,708**	66,750
Other current liabilities	19	**17,699**	141,438
		697,346	711,927
Loans payable	15	**7,734**	-
Deferred payments	16	**-**	47,847
Rehabilitation provision	17	**92,200**	85,247
Deferred tax liabilities	29	**61,390**	-
Total liabilities		**858,670**	845,021
SHAREHOLDER’S EQUITY (DEFICIENCY)			
Share capital	20(b)	**296,932**	245,120
Reserve for share-based payments	20(c)(e)	**31,236**	27,948
Reserve for warrants	20(d)	**7,237**	359
Accumulated other comprehensive income		**19,960**	17,624
Accumulated deficit		**(325,877)**	(193,727)
Equity attributable to shareholders of the Company		**29,488**	97,324
Non-controlling interest	21	**27,481**	35,287
Total shareholders' equity		**56,969**	132,611
Total liabilities and shareholders' equity		**915,639**	977,632

Nature of operations and going concern (Note 1)
Subsequent events (Note 30)

Approved and authorized for issue on behalf of the Board of Directors:

/s/ “Alex Heath”	*/s/ “David Anthony”*
Director	Director

The accompanying notes are an integral part of these consolidated financial statements.

Asante Gold Corporation
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in thousands of Canadian dollars, except per share amount and number of shares)

	Note	Years ended January 31, 2024	2023
		$	$
Revenue	23(a)	**575,183**	274,729
Cost of sales	24(a)	**717,931**	355,931
Gross loss		**(142,748)**	(81,202)
Operating expenses			
Management, consulting and professional fees	24(b)	**16,504**	17,370
Selling, general and administrative	24(c)	**22,266**	10,219
Operating loss		**(181,518)**	(108,791)
Finance charges	15-18	**(30,800)**	(9,623)
Gain on tax settlement	19	**7,950**	-
Loss on financial instruments and other expenses, net	24(d)	**(20,264)**	(58,090)
Net loss before income tax		**(224,632)**	(176,504)
Income tax recovery (expense)	29	**84,382**	(12,010)
Net loss		**(140,250)**	(188,514)
Other comprehensive income			
Gain on translation of foreign subsidiaries to presentation currency		**2,630**	19,025
Total comprehensive loss		**(137,620)**	(169,489)
Net loss attributed to:			
Shareholders of the Company		**(132,150)**	(177,134)
Non-controlling interest		**(8,100)**	(11,380)
		(140,250)	(188,514)
Total comprehensive loss attributed to:			
Shareholders of the Company		**(129,814)**	(160,226)
Non-controlling interest		**(7,806)**	(9,263)
		(137,620)	(169,489)
Net loss per share:			
Basic and diluted		**(0.31)**	(0.53)
Weighted average number of shares:			
Basic and diluted		**430,456,683**	334,466,823

The accompanying notes are an integral part of these consolidated financial statements.

Asante Gold Corporation
Consolidated Statements of Cash Flows
(Expressed in thousands of Canadian dollars)

	Years ended January 31,	
	2024	2023
	$	$
Operating activities:		
Net loss for the year	**(140,250)**	(188,514)
Adjustments for:		
Depreciation and depletion	**163,674**	78,179
Inventory provision and write-off	**28,908**	2,164
Finance charges	**30,800**	9,069
Unrealized foreign exchange loss	**2,837**	3,951
Share-based payments	**3,715**	22,916
Gain on modification of loan	**-**	(513)
Gain on tax settlement	**(7,950)**	-
Loss on amendment of deferred payments	**4,495**	3,410
Change in fair value of contingent consideration	**12,675**	-
Unrealized loss on marketable securities	**2,959**	4,296
Deferred income tax expense	**61,390**	-
Current income tax recovery	**(145,772)**	-
Changes in non-cash working capital:		
Accounts receivable	**4,608**	2,035
Inventories	**(11,256)**	(7,936)
Prepaid expenses	**(8,719)**	(5,416)
Contract asset	**(1,172)**	-
Trade and other payables	**102,511**	255,749
Deferred revenue	**(38,249)**	66,750
Cash provided by operating activities	**65,204**	246,140
Investing activities:		
Net cash paid for Chirano acquisition	**-**	(59,954)
Purchases of property, plant and equipment	**(63,672)**	(98,740)
Expenditures on mineral properties	**(42,945)**	(119,823)
Investment in marketable securities	**-**	(3,000)
Expenditures on exploration and evaluation assets	**(1,171)**	(1,759)
Loans receivable	**-**	(248)
Repayment of deferred payments	**(11,492)**	(78,474)
Repayment of Scheme of Arrangement and other liabilities	**-**	(10,274)
Cash used in investing activities	**(119,280)**	(372,272)
Financing activities:		
Proceeds from private placement financing	**27,348**	102,256
Issuance costs	**-**	(3,224)
Proceeds from options exercised	**435**	370
Proceeds from warrants exercised	**9,678**	5,934
Advances from loans payable	**85,036**	51,400
Repayment of loans payable	**(70,377)**	(4,939)
Restricted funds used as collateral in loans payable, net of amounts released	**-**	(31,845)
Cash provided by financing activities	**52,120**	119,952
Effect of exchange rate on changes on cash	**1,225**	3,142
Net change in cash	**(731)**	(3,038)
Cash, beginning of year	**2,811**	5,849
Cash, end of year	**2,080**	2,811
Cash paid during the year for:		
Income tax expense	**-**	-
Interest expense	**5,859**	641

Supplemental cash flow disclosures (Note 26)

The accompanying notes are an integral part of these consolidated financial statements.

Asante Gold Corporation
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in thousands of Canadian dollars, except number of shares)

	Number of shares issued	Share capital	Reserve for share-based payments	Reserve for warrants	Accumulated other comprehensive income	Accumulated deficit	Non-controlling interest	Total shareholders' equity
	#	$	$	$	$	$	$	$
Balance, January 31, 2022	253,691,381	91,924	5,324	417	716	(16,593)	12,048	93,836
Common shares issued for cash	58,431,914	102,256	-	-	-	-	-	102,256
Issuance costs	-	(3,224)	-	-	-	-	-	(3,224)
Common shares issued for acquisition	34,962,584	47,185	-	-	-	-	-	47,185
Common shares issued for exploration and evaluation assets	250,000	325	-	-	-	-	-	325
Options exercised	1,130,000	662	(292)	-	-	-	-	370
Warrants exercised	29,679,964	5,992	-	(58)	-	-	-	5,934
Share-based payments	-	-	22,916	-	-	-	-	22,916
Non-controlling interest on acquisition	-	-	-	-	-	-	32,502	32,502
Net loss for the year	-	-	-	-	-	(177,134)	(11,380)	(188,514)
Gain on translation of foreign subsidiaries to presentation currency	-	-	-	-	16,908	-	2,117	19,025
Balance, January 31, 2023	378,145,843	245,120	27,948	359	17,624	(193,727)	35,287	132,611
Units issued for cash	18,232,000	27,348	-	-	-	-	-	27,348
Common shares issued for exploration and evaluation assets	7,000,000	13,790	-	-	-	-	-	13,790
Options exercised	2,977,042	812	(377)	-	-	-	-	435
Warrants exercised	38,710,601	9,812	-	(134)	-	-	-	9,678
RSUs exercised	29,500	50	(50)	-	-	-	-	-
Warrants issued on amendment of purchase agreement	-	-	-	7,012	-	-	-	7,012
Share-based payments	-	-	3,715	-	-	-	-	3,715
Net loss for the year	-	-	-	-	-	(132,150)	(8,100)	(140,250)
Gain on translation of foreign subsidiaries to presentation currency	-	-	-	-	2,336	-	294	2,630
Balance, January 31, 2024	**445,094,986**	**296,932**	**31,236**	**7,237**	**19,960**	**(325,877)**	**27,481**	**56,969**

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Asante Gold Corporation (the “Company” or “Asante”) was incorporated under the Canada Business Corporations Act on May 4, 2011 and has continued as a company under the Business Corporations Act of British Columbia. The 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”.

The Company’s business activity is the operation of its two gold mines: the Bibiani Gold Mine and the Chirano Gold Mine in the Republic of Ghana (“Ghana”). The Company is also conducting exploration activities on properties assessed to be of merit, with the aim of locating additional mineral resources.

In August 2021, the Company completed the acquisition of all issued and outstanding common shares of Mensin Bibiani Pty. Ltd. (“Mensin”), resulting in a holding of a 90% interest in its subsidiary Mensin Gold Bibiani Ltd., which had a mining operation in care and maintenance status (the “Bibiani Gold Mine”). Upon completion of refurbishment activities, first gold pour was achieved in July 2022.

In August 2022, the Company completed the acquisition of all issued and outstanding shares in the capital of Red Back Mining Pty. Ltd., resulting in a holding of a 90% interest in Chirano Gold Mines Limited, which operates an operating mine (the “Chirano Gold Mine”).

The Company has acquired, or has options to acquire, the mining concessions rights to additional properties in Ghana where it is actively engaged in exploration and evaluation activities.

The Company reports the results of two operating segments: the Bibiani Gold Mine and the Chirano Gold Mine (Note 25).

The Company's resource properties in Ghana are subject to economic and political risk which may include increases in taxes and royalties, renegotiation of contracts, expropriation and currency exchange fluctuations and restrictions. The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current production at the Company’s mines will result in profitable operations. The Company's continued existence is dependent upon the achievement of profitable operations, discovery of additional economically recoverable reserves, the ability of the Company to raise additional financing, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

Going concern

These consolidated financial statements for the years ended January 31, 2024 and 2023 (the “financial statements”) have been prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for at least twelve months from January 31, 2024.

As at January 31, 2024, the Company had a working capital deficiency (current assets less current liabilities) of $569,059 (January 31, 2023 - $561,487), an accumulated deficit of $325,877 (January 31, 2023 - $193,727), and a cash balance of $2,080 (January 31, 2023 - $2,811). During the year ended January 31, 2024, the Company incurred a total comprehensive loss of $137,620 (2023 - $169,489). These conditions together indicate the existence of material uncertainties that may cast significant doubt upon the Company’s ability to continue as a going concern.

The Company currently has limited financial resources and the aggregate amount of capital and operating costs (net of cash inflows from sales) for the next twelve months combined with residual vendor payments, debt service costs and corporate costs exceeds the amount of cash and funding currently available to the Company. Refer to Note 27(d) for the contractual obligations of the Company.

During the year ended January 31, 2024, the Company focused on ramping up production at its two mines while attempting to achieve efficiencies and reductions in the cost of production. While the Company’s operating cash flows are positive, this is primarily the result of the accumulation of short-term payables and up-front cash received in the form of metal streaming arrangements. To date, the Company has not generated adequate operating cash flow to maintain positive working capital and to cover capital requirements, resulting in delays in the execution of key capital projects, for which the Company is seeking external financing.

During the year ended January 31, 2024, the Company entered into short-term loan agreements with a company controlled by a director in an aggregate of $32,436 (US$24.00 million) (Note 15(c)), raised proceeds from private placement financing of $27,348 and had aggregate proceeds from options and warrants exercised of $10,113.

1. NATURE OF OPERATIONS AND GOING CONCERN (continued)

Subsequent to January 31, 2024, the Company continues to focus on the execution of its near-term growth plans and financing initiatives, including discussions with potentially interested parties regarding strategic alternatives. The Company has been in commercial discussions with potential financers and subsequent to January 31, 2024, the Company has received preliminary term sheets which it is currently evaluating.

As at January 31, 2024, the Company had aggregate undiscounted cash flow requirements for the next twelve months relating to recognized liabilities totalling $661,255 which is comprised of $408,199 of trade and other payables, $68,288 of loans payable (which includes $32,153 due to a company controlled by a director), and $184,768 of deferred payments due to Kinross (Note 27(d). The recoverability of the costs incurred to date on exploration and mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration, development, and production of these properties and upon future profitable production or proceeds from the disposition of the properties. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. Should the Company be unable to continue as a going concern, the financial position, results of operations, and cash flows reported in these financial statements may be subject to material adjustments. These financial statements do not include any adjustments that might result from the outcome of this uncertainty.

2. BASIS OF PREPARATION

a) Statement of compliance

These financial statements were approved by the Board of Directors and authorized for issue on April 30, 2024.

These financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”).

b) Basis of presentation

These financial statements have been prepared using the historical cost basis, except for certain financial assets and liabilities which are measured at fair value, as specified by IFRS Accounting Standards. These financial statements have been prepared on an accrual basis, except for information presented in the consolidated statements of cash flows.

c) Functional and presentation currency

The functional currency of the Company is Canadian dollars (“CAD”). An entity's functional currency is the currency of the primary economic environment in which it operates. The functional currency for each of the Company's subsidiaries is listed in Note 2(d). These financial statements are presented in thousands of CAD. References to “$” are to Canadian dollars, references to “US$” or “USD” are to United States dollars, references to “GHS” are to Ghanaian cedis, references to “AUD” are to Australian dollars.

d) Basis of consolidation

These financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances are eliminated on consolidation. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are included in the financial statements from the date control commences until the date control ceases.

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

2. BASIS OF PREPARATION (continued)

A summary of the Company's subsidiaries as at January 31, 2024 is as follows:

Name of subsidiaries	Country of incorporation	Functional currency	Percentage ownership
Asante Gold Corporation (GH) Limited	Barbados	USD	100%
ASG Mining Limited	Ghana	USD	100%
Asante Gold (Ghana) Ltd.	Ghana	USD	100%
Mensin Bibiani Pty. Ltd. ("MB PTY")	Australia	AUD	100%
Mensin Gold Bibiani Ltd. ("MGBL") (1)	Ghana	USD	90%
Noble Mining Ghana Limited	Ghana	USD	100%
Drilling and Mining Services Limited	Ghana	USD	100%
Asante Chirano Australia Pty. Ltd. (2)	Australia	USD	100%
Chirano Mines Limited (3)	British Virgin Islands	USD	100%
Chirano Gold Mines Limited ("CGML") (1)	Ghana	USD	90%
Chirano Explorer Limited (4)	British Virgin Islands	USD	100%
Chirano Exploration Limited (5)	Ghana	USD	100%

(1) The Government of Ghana (the "Ghana Government") retains a free carried 10% interest.
(2) Formerly Red Back Mining Pty. Ltd. and was renamed following the acquisition.
(3) Formerly Red Back Mining (Ghana) Limited and was renamed following the acquisition.
(4) Formerly Red Back Mining No 2 (Ghana) Limited and was renamed following the acquisition.
(5) Formerly Red Back Mining Ghana Limited and was renamed following the acquisition.

3. MATERIAL ACCOUNTING POLICIES

a) Foreign currency transactions

For foreign currency transactions, the Company translates each transaction by applying the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. At the end of the reporting period, monetary assets and liabilities denominated in foreign currency are restated using the closing exchange rate at the reporting date, and non-monetary assets and liabilities measured at fair value are translated using the exchange rate at the date when fair value was measured. Exchange differences are recognized in profit or loss for the period in which they arise. However, if fair value changes for a non-monetary item measured at fair value are recognized in other comprehensive income, the exchange difference component of the change in fair value is also recognized in other comprehensive income.

For the presentation of the consolidated financial statement, assets and liabilities of the Company's foreign operations whose functional currency is different from the presentation currency are translated at the closing exchange rate prevailing at the reporting date. Income and expenses are translated at the average exchange rates for the period where these approximate the rates on the dates of transactions. Exchange differences arising from translation of foreign operations are recognized in other comprehensive income in the period.

b) Exploration and evaluation assets, development properties, and mineral properties

Pre-exploration costs

Pre-exploration costs are expensed in the period in which they are incurred.

Exploration and evaluation assets

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on property, plant and equipment used during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

3. MATERIAL ACCOUNTING POLICIES (continued)

The Company assesses exploration and evaluation assets for impairment when facts and circumstances indicate that the carrying amount of an asset may exceed its recoverable amount. When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off through profit or loss.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is transferred to ‘development properties’. Exploration and evaluation assets are tested for impairment before the assets are transferred to development properties.

Development properties

The expenditures related to the acquisition of mines are capitalized to development properties. When technical feasibility and economic viability of projects have been determined and the decision to proceed with development has been approved, mines are transferred to mineral properties. Construction and development of the mines as well as costs associated with the commissioning of new assets, and costs incurred in the pre-commercial period before they are available for their intended use are capitalized to mineral properties. Commercial production is deemed to have occurred when management determines that certain production parameters have been met.

In order for production to occur, the Company must first obtain exploitation and other permits on such properties. Such permits are subject to the approval of the local government and government-controlled entities. Unless and until such permits are obtained, there can be no assurance that such permits will be obtained. As such, permits need to be obtained before costs are reclassified from exploration and evaluation assets to development properties, at which point, the Company performs an impairment test.

Mineral properties

Mineral properties include the costs of construction and development as well as fair value attributable to mineral reserves and resources acquired in business combinations or asset acquisitions, decommissioning assets, and restoration costs related to the reclamation of mineral properties. In addition, stripping costs incurred in surface mining operations during the development phase of the mine are capitalized into mineral properties as these costs encompass the removal of overburden or waste material to expose mineral-bearing ore deposits. During the production phase, however, stripping activities are generally considered to create two benefits: either the production of usable ore or improved access to the ore. Where the benefits are realized in the form of inventory, the stripping costs will be included in the cost of inventory produced.

Exploration expenditures are capitalized to mineral properties when the expenditures aim to convert mineral resources into mineral reserves or, in the absence of a mineral resource estimate, when they are intended to define areas to be included in the mine plan and improve the likelihood of discovering economically viable mineral reserves. Exploration costs that pertain to general and administrative functions, as well as ongoing operations at the mine sites, such as expenses for fuel, maintenance, repairs, and supplies, are expensed as they are incurred.

Costs of mineral properties are depreciated or depleted on a units of production (“UOP”) basis using estimated reserves. Depreciation or depletion is recorded against the mineral property only upon the commencement of commercial production.

Mineral properties are derecognized upon disposal, or impaired when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss on disposal of the asset, determined as the difference between the proceeds received and the carrying amount of the asset is recognized in profit or loss.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company’s title. Such properties may be subject to prior agreements or transfers, non-compliance with regulatory requirements or title may be affected by undetected defects.

3. MATERIAL ACCOUNTING POLICIES (continued)

c) Inventories

Inventories include stockpiled ore, gold-in-circuit ("GIC"), gold doré, and materials and supplies inventory. The value of all production inventories includes direct production costs and attributable overhead and depreciation incurred to bring the materials to their current point in the processing cycle. General and administrative costs for the corporate office are excluded from any inventories. All inventories are valued at the lower of weighted average cost and net realizable value. Net realizable value is determined with reference to market prices, less estimated future production costs (including royalties) to convert inventories into saleable form.

Stockpiled ore represents mined ore that is available for further processing. Stockpiled ore value is based on the costs incurred, including depreciation and depletion, in bringing the ore to the stockpile. Costs are added to the stockpiled ore based on current mining costs per tonne and are removed at the average cost per tonne of ore in the stockpile.

GIC inventory represents ore that is being treated in the processing plant to extract the contained gold and to convert it to a saleable form. The amount of gold in the GIC inventory is determined by assay values and by measures of the various gold bearing materials in the recovery process. The GIC inventory is valued at the average cost of the beginning inventory and the cost of material fed into the processing plant plus in-circuit conversion costs including applicable mine-site overheads costs, depreciation and depletion.

Gold doré inventory is gold in the form of saleable doré bars that have been poured.

Cost of materials and supplies is comprised of expenditures incurred and carried at weighted average costs. A periodic review is undertaken of material and supplies inventory to determine the extent of any provision for obsolescence. Major spare parts and standby equipment are included in property, plant and equipment when they are expected to be used during more than one period and if they can only be used in connection with an item of property, plant and equipment.

d) Property, plant and equipment

On initial recognition, property, plant and equipment are valued at cost, being the purchase price and directly attributable cost of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company, including appropriate borrowing costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability for dismantling is recognized within rehabilitation provisions.

Property, plant and equipment are subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses, with the exception of land which is not amortized. Depreciation of property, plant and equipment is calculated using straight-line method to write off the cost of each asset to its residual value over its estimated useful life as follows:

Vehicles	5 years on a straight-line basis
Office furniture and equipment	5 years on a straight-line basis
Field tools and equipment	5 years on a straight-line basis
Mining plant and equipment	5-7 years on a straight-line basis

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising from disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss for the period.

The Company periodically conducts an assessment of the useful lives and depreciation methods being used for property, plant and equipment and any changes arising from the assessment are applied by the Company prospectively. Where an item of property, plant and equipment comprises major components with different useful lives, the components are accounted for as separate items.

3. MATERIAL ACCOUNTING POLICIES (continued)

e) Revenue

Throughout the normal course of the Company's business, the Company primarily sells gold to independent refineries and financial institutions based on the spot market price, which is determined by the prevailing market conditions. The sales price for gold is agreed upon in the sales contract between the Company and the buyer. The sales contract outlines the terms of the sale, including the quantity of gold to be sold, the price per ounce based on the spot market price, and the delivery terms.

The Company recognizes revenue from the sale of gold when delivery and trade settlement occurs, in accordance with IFRS 15 *Revenue from Contracts with Customers*. The delivery of gold occurs when control of the gold has been transferred to the buyer. Control of the gold is considered to be transferred when the buyer has the ability to direct the use of, and obtain substantially all of the remaining benefits from, the gold. Delivery typically occurs when the gold is physically delivered to the buyer or when the buyer takes legal ownership of the gold, depending on the terms of the sales contract.

Prior to selling gold, the Company typically enters into refining contracts with independent refineries for the purpose of refining the gold to achieve a desired purity level. As a result of these refining activities, the Company is charged refining service fees. As the refining costs incurred by the Company are directly associated with the production of the gold bullion, they are treated as cost of sales. These costs include, but are not limited to, refining fees charged by independent refineries, transportation costs associated with the delivery of gold bullion to the refinery, and any other direct costs incurred in the production of the gold doré. These costs are recognized in the same period as the revenue from the sale of gold is recognized.

The Company's contract asset consists of unbilled revenue amounts at the reporting date and capitalized costs of obtaining the contracts. Costs of obtaining the contracts are only capitalized if the Company expects to recover the costs. These capitalized costs are then amortized over the contract's term and are recorded within cost of sales.

f) Mining duties and royalties

The Company is obligated to pay mining royalties to regulatory authorities for the extraction of minerals from its two current gold mines. These royalties are typically calculated as a percentage of the revenue generated from the sale of gold.

In April 2023, Ghana introduced the Growth and Sustainability Levy Act 2023 (Act 1095) aimed at fostering economic growth and fiscal sustainability. Effective May 1, 2023, all mining companies in Ghana are subject to a 1% growth and sustainability levy on gross production.

The Company accounts for mining duties and royalties by including them in cost of sales.

g) Deferred revenue

The Company recognizes deferred revenue in the event it receives payments from customers in consideration for future commitments to deliver metals and before such sale meets the criteria for revenue recognition. The Company will recognize amounts in revenue as the metal is delivered to the customer. For any metal streaming agreement, the Company needs to determine whether the arrangement has a significant financing component. This would require an adjustment to the transaction price for the time value of money, using an appropriate discount rate, in order to recognize revenue that reflects the cash price of the precious metal to be delivered.

Specifically, for the metal streaming agreements entered during the years ended January 31, 2024 and 2023, the Company determined that the discount on gold sold does not constitute a significant financing component. The Company elected to apply the practical expedient for revenue recognition for this arrangement. This practical expedient allows the Company to ignore the time value of money when determining the transaction price and recognize revenue when gold is delivered.

h) Impairment of non-financial assets

The Company's non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down to the recoverable amount.

3. MATERIAL ACCOUNTING POLICIES (continued)

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit, which is the lowest group of assets to which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount had no impairment loss been recognized. A reversal of an impairment loss is recognized immediately through profit or loss.

i) Impairment of exploration and evaluation assets

Exploration and evaluation assets are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets or project may not be recoverable.

Exploration and evaluation assets are assessed for indicators of impairment including significant adverse changes in the extent or results of exploration activities which lead to the decision to discontinue activities in a specific area, external factors such as market conditions affecting recoverability of projects, lack of progress made in evaluating the commercial viability of the resources, expiration of rights to explore specific areas, or lack of substantive expenditures on further exploration of specific areas or projects.

If facts and circumstances indicate that the carrying amount of a project may exceed its recoverable amount, or if a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoverable amount, are written off through profit or loss.

An impairment loss recognized for exploration and evaluations assets may be reversed if there has been a change in the estimates used to determine the asset's recoverable amount.

j) Financial instruments

<u>Classification</u>

The Company classifies its financial instruments in the following categories: at fair value through profit or loss (“FVTPL”), at fair value through other comprehensive income (“FVTOCI”), or at amortized cost. The Company determines the classification of its financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, the Company can make an irrevocable election (on an instrument-by-instrument basis) on the day of acquisition to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

A summary of the Company’s classification of financial instruments under IFRS 9 *Financial Instruments* is as follows:

Financial instrument	**Classification**
Financial assets	
Cash	Amortized cost
Restricted funds	Amortized cost
Trade receivables	Amortized cost
Marketable securities	FVTPL
Reclamation bonds	Amortized cost
Loans receivable	Amortized cost
Financial liabilities	
Trade and other payables	Amortized cost
Due to related parties	Amortized cost
Loans payable	Amortized cost
Deferred payments	Amortized cost

3. MATERIAL ACCOUNTING POLICIES (continued)

Measurement

Financial assets and financial liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed through profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are recognized as income or loss in the period in which they arise. Where management has opted to recognize financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost

Financial assets at amortized cost are initially recognized at fair value plus transaction costs and are subsequently carried at amortized cost less any impairment. Financial liabilities at amortized cost are initially recognized at fair value minus transaction costs and are subsequently carried at amortized cost.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If, at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses.

The Company shall recognize through profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

k) Income taxes

Provision for income taxes consists of current and deferred tax expenses. Income tax expense is recognized through profit or loss except to the extent that it relates to items recognized either in other comprehensive income (loss) or directly in equity, in which case it is recognized in other comprehensive income (loss) or in equity, respectively.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates and tax laws enacted or substantively enacted at the reporting date, adjusted for amendments to tax payable or recoverable with regards to previous years.

Deferred tax expense is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax expense is not recognized for temporary differences associated with the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income or loss and temporary differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax expense is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and deferred tax liabilities are offset only when there is a legally enforceable right to set off current tax assets against current income tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity.

3. MATERIAL ACCOUNTING POLICIES (continued)

l) Provisions

Rehabilitation provision

The Company is subject to various government laws and regulations relating to environmental disturbances caused by its exploration and evaluation as well as production activities. The Company records the present value of the estimated costs of legal or constructive obligations required to restore the exploration or production sites in the period in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation, and re-vegetation of the affected exploration sites.

When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related asset which includes exploration and evaluation assets and mineral properties. Over time, the discounted liability is increased for the changes in present value based on current risk-free interest rate and liability specific risks.

Additional environmental disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the period in which they occur.

Other provisions

Provisions are recognized for liabilities of uncertain timing or amount that have arisen as a result of past transactions, including legal or constructive obligations. The provision is measured at the best estimate of the discounted future cash flows required to settle the obligation.

m) Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, stock options, and warrants are classified as equity instruments.

The Company records proceeds from share issuances net of issue costs and any tax effects in equity. Common shares issued for consideration other than cash are valued based on their fair value on the date of issuance.

Valuation of common shares and warrants issued in Unit Offerings

The Company has adopted a residual value method with respect to the measurement of shares and equity-classified warrants issued as private placement units. The residual value method first allocates value to the more reliable estimate based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in private placements is determined to be the more reliable estimate as there is an observable market price for the shares which is determined by the closing price on the issuance date. The remaining balance, if any, is allocated to the attached warrants. Any value attributed to the warrants is recorded to reserve for warrants. Upon exercise, the value attributed to the exercised warrants is transferred to share capital.

n) Share-based payments

Stock option plan

The Company adopts a stock option plan in which the Company grants stock options to directors, employees, and consultants as compensation for service provided. The fair value of the options at the date of grant is charged to share-based compensation over the vesting period, with the offset recorded to reserve. The amount recognized as share-based compensation expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service conditions at the vesting date. When an optionee ceases to meet service conditions, the options granted are forfeited and the cumulative expense recognized to the date of termination is reversed. Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is charged through profit or loss over the remaining vesting period.

3. MATERIAL ACCOUNTING POLICIES (continued)

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of the Black Scholes valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

All equity-settled share-based payments are reflected in reserve for share-based payments, until exercised. Upon exercise, shares are issued from the treasury and the amount reflected in reserve for share-based payments is credited to share capital, adjusted for any consideration paid. Upon expiry, the fair value of unexercised options is retained in the reserve.

Restricted Share Units ("RSUs") and Deferred Share Units ("DSUs")

The RSU and DSU plans are available to the Company's directors, certain employees and consultants. RSUs and DSUs are exchangeable, at settlement date, for (i) one common share of the Company, (ii) a lump sum payment in cash equal to the market value of one common share of the Company on the settlement date, or (iii) any combination of the foregoing. The settlement date of RSUs is the vesting date of respective RSU issuances. The settlement date of DSUs is determined by the holder such that the settlement date is not later than the end of the first calendar year commencing immediately after the holder's termination of service. The method of settlement of the RSUs and DSUs is at the sole discretion of the Company and there is no present obligation to settle in cash. The Company accounts for the RSUs and DSUs as equity-settled share-based payments. The fair value of each RSU and DSU is measured at the grant date by reference to the Company's share price at that time. The fair value of RSUs and DSUs granted is recognized as share-based payments over the vesting period.

o) Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net income (loss) available to common shareholders by the weighted average number of shares issued and outstanding during the year. For all periods presented, the net income (loss) available to common shareholders equals the reported income (loss). Diluted earnings (loss) per share is calculated using the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted earnings (loss) per share assumes that the proceeds to be received on the exercise of dilutive stock options and warrants are used to repurchase common shares at the average market price during the period. In the Company's case, when a loss is incurred during the year, diluted and basic loss per share are the same because the effect on loss per share of potential issuance of shares under options and warrants would be anti-dilutive.

p) Recent accounting pronouncements

The Company adopted the following amendments to accounting standards, which were effective February 1, 2023:

Disclosure of accounting policies - amendments to IAS 1 and IFRS Practice Statement 2
The amendments to IAS 1 *Presentation of financial statements* and IFRS Practice Statement 2 *Making materiality judgements* provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had no impact on the Company's disclosures of accounting policies as well as on the measurement, recognition or presentation of any items in the Company's financial statements.

Definition of accounting estimates - amendments to IAS 8
The amendments to IAS 8 *Accounting policies, changes in accounting estimates and errors* clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Company's financial statements.

3. MATERIAL ACCOUNTING POLICIES (continued)

Deferred tax related to assets and liabilities arising from a single transaction - amendments to IAS 12
The amendments to IAS 12 *Income Taxes* narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. The amendments had no impact on the Company's financial statements.

The Company has not early adopted any other new accounting standard, interpretation or amendment that has been issued but is not yet effective.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these financial statements requires management to exercise significant judgments in applying the Company's accounting policies and make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are reviewed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual future outcomes could differ from present estimates and assumptions, which may require material adjustments to the Company's financial statements. Revisions to accounting estimates are accounted for prospectively.

Significant estimates and judgments exercised by management in applying the Company's accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

a) Significant accounting judgements

Assessment of impairment indicators for non-financial assets:

Exploration and evaluation assets: The assessment for impairment of exploration and evaluation assets involves judgment to determine whether indicators of impairment exist. These indicators include factors such as the expiration or anticipated non-renewal of the exploration rights, lack of budgeted or planned expenditures on exploration activities and evaluation, and unsuccessful exploration efforts leading to the absence of commercially viable mineral resources or indications that the carrying amount of the asset is unlikely to be fully recovered through successful development or sale.

Mineral properties and property, plant and equipment: Management assesses at each reporting period whether there is any indication of impairment that an asset or group of assets may be impaired and applies significant judgment in assessing whether there are any indicators of impairment. If any such indicator exists, then an impairment test is performed. In determining whether an indicator of impairment exists, management considers external sources of information, such as (i) the Company's market capitalization relative to its net assets; (ii) decrease in future gold prices; and internal sources of information such as (i) decreases in the quantities of estimated mineral reserves and resources and (ii) increase in capital or operating costs.

Management conducted a review of the Company's non-financial assets for the year ended January 31, 2024 and did not identify any impairment indicators.

Deferred revenue

In July 2022, the Company entered into a forward gold sale agreement with the Bank of Ghana, and in September 2023, with a financial institution. These agreements constitute metal streaming arrangements wherein the Company committed to delivery of future gold production from its own mines in exchange for an upfront cash payment (Note 18). The upfront cash payment has been accounted for as deferred revenue as management has determined that the agreements meet the own use criteria and are not financial instruments as they will be settled through the delivery of gold from the Company's own future production.

The accounting treatment for the metal streaming arrangement requires significant judgement due to the complex nature of the contract, specifically the applicability of the own use criteria and whether there is a significant financing component. In determining the appropriate accounting treatment, the Company considered various factors, including the term of the contract, the prevailing market interest rates, the difference between the interest rate charged in the contract and the market interest rates, and the practical expedients available under IFRS 15. Based on this analysis, it was determined that the financing component in the contracts entered into during the years ended January 31, 2024 and 2023 were not significant and the Company elected to apply the practical expedient available for contracts with a term of less than 12 months and a non-significant financing component. While the contract entered into during the year ended January 31, 2024 has a term longer than 12 months, its terms are similar to a revolving credit facility with gold pre-purchases available to the party at five-month intervals after the first 12 months.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY (continued)

Acquisitions

Management applied judgement relating to the acquisition of Mensin Bibiani Pty Ltd to assess whether the acquisition was an asset acquisition or business combination by considering the inputs, processes, and outputs of the acquiree in order to reach a conclusion. Management determined that acquisition of Mensin Bibiani Pty Ltd was an asset acquisition as it lacked the relevant inputs, processes and outputs that would together constitute a business.

The Company's acquisition of Red Back Mining Pty Ltd (Note 5) was considered a business combination and was accounted for using the acquisition method of accounting. The acquisition method of accounting requires management to measure the fair value of consideration transferred and net assets acquired. To measure the fair value of consideration transferred and assets acquired at acquisition date, management is required to make certain judgements and assumptions, including but not limited to the selection of the most appropriate valuation methodology, assessment of economic viability of the mineral reserves and resources, determination of the value of resources outside life-of-mine plans, assumptions related to gold prices, production volumes, future operating costs, capital expenditures, closure costs, discount rates, future metal prices, and long-term foreign exchange rates.

Income taxes

Current and deferred tax provisions are calculated by the Company while the actual amounts of income tax expense are not final until tax returns are filed and accepted by the relevant authorities. Judgment is required in assessing whether deferred tax assets and certain deferred tax liabilities are recognized on the balance sheet, in interpreting applicable tax laws, and what tax rate is expected to be applied in the year when the related temporary differences reverse. Deferred tax liabilities arising from temporary differences are recognized unless the reversal of the temporary differences is not expected to occur in the foreseeable future and can be controlled. These estimates and judgments are subject to risk and uncertainty and could result in an adjustment to the tax provision and a corresponding credit or charge to the statement of loss and comprehensive loss.

The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered. Utilization of the tax losses depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

b) Sources of estimation uncertainty

Mineral reserves estimation

The carrying value and recoverability of mineral properties requires management to make certain estimates, judgments, and assumptions about each project. Management considers the economics of the project, including the latest resources prices and the long-term forecasts, and the overall economic viability of the project. In addition, the determination of mineral reserves requires the use of estimates. The Company estimates its mineral reserves based on information compiled by Qualified Persons as defined in accordance with Canadian Securities Administrators National Instrument 43-101 *Standards for Disclosure of Mineral Projects*. There are numerous uncertainties inherent in estimating mineral reserves and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecasted prices of commodities, exchange rates, production costs or recovery rates may change the economic status of resources and may result in changes to reserve estimates which could impact the Company's financial results including depreciation and depletion expense and impairment charges.

Inventories

Expenditures incurred, and depreciation and depletion of assets used in mining and processing activities are deferred and accumulated as the cost of ore in stockpiles, ore on leach pads, in-process and finished metal inventories. These deferred amounts are carried at the lower of average cost or net realizable value. Write-downs of ore in stockpiles, ore on leach pads, in-process and finished metal inventories resulting from net realizable value impairments are recorded within cost of sales in current period costs. The primary factors that influence the need to record write-downs include prevailing metal prices and prevailing costs for production inputs such as labor, fuel and energy, materials and supplies, as well as realized ore grades and actual production levels.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY (continued)

Depreciation and depletion

Stripping costs and mineral properties are depreciated and depleted using the UOP method over the estimated life of the ore body based on recoverable ounces to be mined from estimated reserves. Property, plant and equipment including vehicles, office furniture and equipment, field tools and equipment, mining plant and equipment are depreciated, net of residual value, on a straight-line basis, over the useful life of the asset.

The calculation of the UOP rate, and therefore the annual depreciation and depletion expense, could be materially affected by changes in the underlying estimates. Changes in estimates can be the result of actual future production differing from current forecasts of future production, expansion of mineral reserves through exploration activities, differences between estimated and actual costs of mining and differences in gold price used in the estimation of mineral reserves.

For property, plant and equipment not subject to UOP method, judgment and estimation are required to determine the asset's useful life and residual values for depreciation calculations.

Rehabilitation provision

The Company has certain rehabilitation provisions in connection with its two mines. Based upon the prevailing economic environment, assumptions have been made which management believes are reasonable upon which to estimate the future liability. These estimates consider any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions from period to period.

Actual rehabilitation costs will ultimately depend on future market prices for the rehabilitation costs which will reflect the market condition at the time the rehabilitation costs are actually incurred. The final cost of the rehabilitation provisions may be higher or lower than currently provided for.

Contingent liabilities and provisions

Due to the size, complexity and nature of the Company's operations, various legal and tax matters are outstanding from time to time. In the event that management's estimate of the future resolution of these matters changes and it becomes probable that an outflow of resources embodying economic benefits will be required to settle an obligation and the obligation can be measured with sufficient reliability, the Company will record a provision on the date such changes occur. The provision is measured at the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

5. 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 Red Back Mining Pty. Ltd. ("Red Back") and its subsidiaries, Red Back Mining (Ghana) Limited, Chirano Gold Mines Limited, Red Back Mining No 2 (Ghana) Limited, and Red Back Mining Ghana Limited. The purchase consideration was comprised of the issuance of 34,962,584 common shares of the Company (the "Asante Shares") at a value of $1.35 per share, which was the share price of the Company on 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.

Deferred cash consideration of $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) is payable on August 10, 2024. On February 13, 2023, the Company and Kinross agreed to amend the payment schedule of the second cash payment of US$60.48 million (Note 16(b)).

The acquisition of Red Back has been accounted for by the Company as a business combination. The primary business of Red Back is the Chirano Gold Mine, an operating gold mine, in Ghana. While the acquisition resulted in Red Back becoming a wholly owned subsidiary of the Company, the Ghana Government retained a 10% free carried interest in the Chirano Gold Mine.

Total revenue earned from mining operations at the Chirano Gold Mine will be subject to a 5% mineral royalty imposed by the Ghana Revenue Agency and a 0.6% forestry royalty imposed by the Forestry Commission of Ghana. Note that effective May 1, 2023, all mining companies in Ghana are also subject to a 1% growth and sustainability levy on gross production.

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

5. ACQUISITION OF RED BACK MINING PTY. LTD. AND CHIRANO GOLD MINES LIMITED (continued)

A summary of the purchase consideration as well as fair values of assets acquired and liabilities assumed on the August 10, 2022 acquisition date is as follows:

	$
Consideration paid:	
Cash paid	77,280
Fair value of common shares issued	47,185
Present value of deferred payments, discounted at 5.68%	163,216
Fair value of contingent consideration	4,830
	292,511
Fair value of net assets acquired:	
Cash	17,326
Accounts receivable	15,961
Prepaid expenses and deposits	3,684
Inventories	64,571
Property, plant and equipment	217,436
Mineral properties	194,507
Reclamation bonds	7,064
Trade and other payables	(36,747)
Other current liabilities	(4,901)
Current tax liabilities	(108,339)
Rehabilitation provision	(45,549)
Non-controlling interest	(32,502)
	292,511

Current tax liabilities of $108,339 (US$84.11 million) assumed from this acquisition are included in other current liabilities on the consolidated statements of financial position (Note 19).

Red Back's results of operations are included in the Company's consolidated loss and comprehensive loss for the period since the acquisition date. From the closing date of the acquisition on August 10, 2022 to January 31, 2023, Red Back and its subsidiaries contributed revenue of $136,462 and net loss of $55,127 to the Company's operating results. If the acquisition had occurred on February 1, 2022, management estimates that revenue would have increased by $207,279 and net loss would have increased by $83,735.

6. ACCOUNTS RECEIVABLE

A summary of the Company's accounts receivable is as follows:

	January 31, 2024	January 31, 2023
	$	$
Trade receivables	**6,208**	1,933
Sales tax receivables	**96**	9,052
Advances to employees	**3,110**	3,037
	9,414	14,022

As at January 31, 2024 and 2023, management's estimate of lifetime expected credit losses on trade receivables was $nil and $nil, respectively. As at January 31, 2024, the Company had one customer that owed the Company $3,808, which accounts for approximately 61% of total outstanding trade receivables.

Advances to employees represent payroll advances made to non-management employees in the normal course of business. The repayments of these amounts are typically deducted from future payroll.

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

7. INVENTORIES

A summary of the Company's inventories is as follows:

	January 31, 2024	January 31, 2023
	$	$
Gold doré	**12,898**	30,012
Gold-in-circuit	**10,725**	7,463
Ore stockpiles	**16,067**	11,035
Materials and supplies	**32,392**	35,022
	72,082	83,532

During the year ended January 31, 2024, the Company recorded a provision of $26,236 (2023 - $nil) to adjust inventories to net realizable value. During the year ended January 31, 2024, the Company recognized a write-off of $2,672 (2023 - $2,164) related to materials and supplies inventory, primarily due to obsolescence. The inventory provision and write-off were recorded in cost of sales. During the year ended January 31, 2024, inventory expensed to cost of sales was $688,854 (2023 - $347,785).

8. PREPAID EXPENSES

A summary of the Company's prepaid expenses is as follows:

	January 31, 2024	January 31, 2023
	$	$
Advances on capital projects	**7,427**	4,779
Prepaid materials and supplies inventory	**-**	887
Prepayments to vendors	**16,789**	8,015
Insurance expense	**3,629**	2,303
Prepaid management and consulting fees	**1,068**	1,562
	28,913	17,546
Current portion	**21,486**	12,017
Non-current portion	**7,427**	5,529

As at January 31, 2024, the non-current portion of prepaid expenses includes advances paid on capital projects that will be realized by the Company after the next twelve months. As at January 31, 2023, the non-current portion of prepaid expenses included prepaid consulting fees and advances on capital projects with terms greater than twelve months from January 31, 2023.

9. MARKETABLE SECURITIES

A summary of the Company's marketable securities is as follows:

	$
Balance, January 31, 2022	7,509
Investment in Roscan Gold Corporation ("Roscan")	3,000
Unrealized loss on investment	(4,296)
Balance, January 31, 2023	6,213
Unrealized loss on investment	(2,959)
Balance, January 31, 2024	**3,254**

In October 2021, the Company subscribed for 22,086,121 common shares of Roscan at a price of $0.29 per share as a strategic investment. Roscan is a public company listed on the TSX Venture Exchange under the trading symbol "ROS". In March 2022, the Company subscribed for an additional 7,500,000 common shares of Roscan at a price of $0.40 per share. During the year ended January 31, 2024, the Company recorded an unrealized loss on investment of $2,959 (2023 - $4,296). At January 31, 2024, the Company's investment in Roscan represented approximately 7.5% ownership.

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

10. RECLAMATION BONDS

A summary of the Company's reclamation bonds is as follows:

	Bibiani Gold Mine	Chirano Gold Mine	Total
	$	$	$
Balance, January 31, 2022	3,466	-	3,466
Addition from Chirano acquisition	-	7,064	7,064
Currency translation adjustment	198	258	456
Balance, January 31, 2023	3,664	7,322	10,986
Currency translation adjustment	13	25	38
Balance, January 31, 2024	**3,677**	**7,347**	**11,024**

Reclamation bonds consist of bonds held as security by the Ghana Government in connection with mineral properties (Note 12).

The Company has irrevocable bank guarantees from Cal Bank Ltd. and Standard Chartered Bank Ghana Limited of US$7.07 million and US$21.90 million, for MGBL and CGML, respectively which are payable to the Environmental Protection Agency ("EPA") of Ghana under the following conditions: (i) failure by either of MGBL or CGML to perform their obligations pursuant to Article 23 of LI 1652 - Environmental Assessment Regulations, 1999, which failure causes an aggravation of the environmental conditions of the related site not remedied, (ii) failure by either of MGBL or CGML to comply with site rehabilitation measures imposed/required by the EPA or (iii) failure by either MGBL or CGML to pay any penalty/sanction imposed by the EPA as a result of the occurrence of (i) or (ii) above.

11. PROPERTY, PLANT AND EQUIPMENT

A summary of the Company's property, plant and equipment is as follows:

	Field tools and equipment	Office furniture and equipment	Vehicles	Mining plant and equipment	Construction in progress	Total
	$	$	$	$	$	$
Cost						
Balance, January 31, 2022	60	5	928	97,721	-	98,714
Acquired in acquisition of Red Back	-	236	980	211,750	4,470	217,436
Additions	-	1,728	5,042	106,023	1,754	114,547
Currency translation adjustment	3	217	401	12,116	221	12,958
Balance, January 31, 2023	63	2,186	7,351	427,610	6,445	443,655
Additions	-	-	-	26,141	28,423	54,564
Transfer from construction in progress	-	1,813	134	18,588	(20,535)	-
Disposals	-	-	(461)	(649)	-	(1,110)
Currency translation adjustment	-	(139)	(20)	(147)	(74)	(380)
Balance, January 31, 2024	**63**	**3,860**	**7,004**	**471,543**	**14,259**	**496,729**
Accumulated depreciation						
Balance, January 31, 2022	5	2	43	1,164	-	1,214
Depreciation	9	354	531	39,606	-	40,500
Currency translation adjustment	3	133	(5)	886	-	1,017
Balance, January 31, 2023	17	489	569	41,656	-	42,731
Depreciation	13	514	1,547	70,445	-	72,519
Disposals	-	-	(461)	(649)	-	(1,110)
Currency translation adjustment	-	(126)	(55)	(1,716)	-	(1,897)
Balance, January 31, 2024	**30**	**877**	**1,600**	**109,736**	**-**	**112,243**
Carrying amount						
Balance, January 31, 2023	46	1,697	6,782	385,954	6,445	400,924
Balance, January 31, 2024	**33**	**2,983**	**5,404**	**361,807**	**14,259**	**384,486**

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

11. PROPERTY, PLANT AND EQUIPMENT (continued)

During the year ended January 31, 2024, the Company disposed of certain fully depreciated vehicles, and mining plant and equipment for no proceeds.

As at January 31, 2024, depreciation of $3,031 was included in inventory (January 31, 2023 - $3,254) and depreciation of $65 was included in exploration and evaluation assets (January 31, 2023 - $nil). During the year ended January 31, 2024, depreciation of $69,423 was included in cost of sales (2023 - $37,246).

12. MINERAL PROPERTIES

A summary of the Company's mineral properties is as follows:

	Bibiani	**Chirano**	**Total**
	$	$	$
Cost			
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
Stripping cost additions	19,930	-	19,930
Capitalized underground development	-	23,015	23,015
Change in estimates of rehabilitation provision	2,538	874	3,412
Currency translation adjustment	685	575	1,260
Balance, January 31, 2024	**241,036**	**253,144**	**494,180**
Accumulated depletion			
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	55,180	43,535	98,715
Currency translation adjustment	(349)	(223)	(572)
Balance, January 31, 2024	**81,075**	**66,296**	**147,371**
Carrying amount			
Balance, January 31, 2023	191,639	205,696	397,335
Balance, January 31, 2024	**159,961**	**186,848**	**346,809**

As at January 31, 2024, depletion of $4,464 was included in inventory (January 31, 2023 - $7,882). During the year ended January 31, 2024, depletion of $94,251 was included in cost of sales (2023 - $40,933).

a) Bibiani

Since August 2021, following the acquisition of Mensin, the Company holds a 90% interest in the Bibiani Gold Mine situated in the western region of Ghana. The Ghana Government retains the remaining 10% free carried interest in the mining operations. First gold pour was achieved in July 2022 and the Company transferred the Bibiani Gold Mine into mineral properties during the year ended January 31, 2023.

b) Chirano

Since August 2022, following the acquisition of Red Back (Note 5), the Company holds a 90% interest in the Chirano Gold Mine situated in the western region of Ghana. The Ghana Government retains the remaining 10% free carried interest in the mining operations. Chirano Gold Mine was in commercial production prior to the acquisition.

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

13. EXPLORATION AND EVALUATION ASSETS

All of the Company's exploration and evaluation assets are located in Ghana and in the event that a mining lease is granted, the Ghana Government retains a 10% free carried interest in the mining lease.

A summary of the Company's exploration and evaluation assets is as follows:

	Fahiakoba	Betanase	Sraha	Ayiem	Kubi	Total
	$	$	$	$	$	$
Balance, January 31, 2022	4,107	501	1,028	225	2,656	8,517
Acquisition and sustaining fees	719	-	162	162	-	1,043
Field expenditures	17	17	17	17	143	211
Geology and geophysics	35	44	4	7	173	263
Other expenditures	136	76	76	76	343	707
Currency translation adjustment	223	28	60	21	983	1,315
Balance, January 31, 2023	5,237	666	1,347	508	4,298	12,056
Acquisition and sustaining fees	-	-	-	-	13,790	13,790
Field expenditures	21	21	21	21	30	114
Geology and geophysics	26	37	6	1	206	276
Other expenditures	77	82	79	80	524	842
Currency translation adjustment	18	1	4	1	(29)	(5)
Balance, January 31, 2024	**5,379**	**807**	**1,457**	**611**	**18,819**	**27,073**

a) Fahiakoba

In June 2011, the Company entered an agreement with Goknet Mining Company Limited ("Goknet") to acquire the Fahiakoba concession in Ghana. As a result of meeting the conditions under the agreement, the Company now holds 100% interest in Fahiakoba and granted Goknet a 3% net smelter return royalty on production. The prospecting license is undergoing renewal, and further exploration will proceed after the license is transferred to the Company. Due to the prohibitive transfer costs, final title transfer is delayed until significant resources are discovered.

b) Betenase

In August 2015, amended in May 2018, the Company signed an agreement with Perseus Mining (Ghana) Limited ("Perseus") to potentially acquire a 100% interest in the Betenase prospecting license in Ghana. This acquisition is contingent on the Company completing $1.00 million in exploration by December 31, 2023 and making a $1.00 million payment to Perseus. On November 20, 2023, the Company signed an amending agreement with Perseus to extend the term to complete payments to January 1, 2025. Perseus is granted a 1% underlying net smelter return (NSR) royalty. Perseus is in the process of renewing a portion of the Dunkwa prospecting license, which will become the Betenase prospecting license, situated east of the Kubi Mining Lease.

c) Sraha and Ayiem

In September 2016, the Company announced that it had entered into an agreement with Sikasante Mining Company Limited ("Sikasante"), a private Ghana corporation, to earn up to a 100% interest in their Keyhole Gold Project which consists of the Sraha license and the Ayiem license application. Currently, the Company holds a 50% interest, with the option to obtain the remaining 50% by granting Sikasante a 2% net smelter returns royalty and issuing one million common shares upon the assignment of the licenses.

d) Kubi

In December 2016, the Company finalized the agreement with Goknet to close the acquisition of the Kubi Mining Leases, subject to receipt of Ghana Government approvals, by issuing seven million shares and reserving for future delivery to Goknet a total of 8,000 ounces of gold, and thereafter granting Goknet a 2% Net Smelter Return Royalty. Royal Gold Inc. holds a 3% Net Proceeds of Production Royalty. The Minister of Lands and Natural Resources approved the transfer of the Kubi Mining Lease to Asante Gold (Ghana) Limited in April 2022. On June 5, 2023, following receipt of Ghana Government approvals, the Company issued 7,000,000 common shares with fair value of $13,790 to Goknet.

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

13. EXPLORATION AND EVALUATION ASSETS (continued)

The agreement grants the Company the option to acquire Goknet's interests in multiple prospecting licenses. To purchase these licenses, the Company will issue up to three million shares when titles are registered in its name. Goknet will retain a 2% Net Smelter Return royalty on each license.

14. TRADE AND OTHER PAYABLES

A summary of the Company’s trade and other payables is as follows:

	January 31, 2024	January 31, 2023
	$	$
Trade payables	**204,922**	148,598
Accrued liabilities	**182,756**	154,609
Tax liabilities	**15,462**	20,862
Due to related parties	**5,059**	3,203
	408,199	327,272

As at January 31, 2024, tax liabilities are comprised of withholding tax obligations of $11,162 (January 31, 2023 - $6,523), payroll tax liabilities of $2,184 (January 31, 2023 - $2,329), and accrued income taxes payable $2,116 (January 31, 2023 - $12,010).

15. LOANS PAYABLE

A summary of the Company’s loans payable is as follows:

	Asante loan	**MGBL bank loans**	**MGBL related party loans**	**MGBL revolving credit**	**CGML revolving credit**	**Total**
	$	$	$	$	$	$
Balance, January 31, 2022	-	-	-	-	-	-
Advances	-	41,421	-	-	9,979	51,400
Interest expense	-	901	-	-	11	912
Repayments	-	(4,939)	-	-	-	(4,939)
Currency translation adjustment	-	(282)	-	-	(100)	(382)
Balance, January 31, 2023	-	37,101	-	-	9,890	46,991
Advances	2,637	6,672	32,436	43,291	-	85,036
Interest expense	-	3,127	-	1,078	1,011	5,216
Repayments	(2,521)	(22,391)	-	(44,361)	(1,104)	(70,377)
Currency translation adjustment	(116)	(18)	(283)	(8)	36	(389)
Balance, January 31, 2024	**-**	**24,491**	**32,153**	**-**	**9,833**	**66,477**
Current portion	-	16,757	32,153	-	9,833	58,743
Non-current portion	-	7,734	-	-	-	7,734

Interest expense from loans payable is included in finance charges. During the year ended January 31, 2024, total interest expense from loans payable was $5,216 (2023 - $912).

a) Asante loan

On July 18, 2023, the Company entered into a loan agreement with a former director of the Company for an amount of $2,637 (US$2.00 million). The loan is non-interest bearing and is due on demand. During the year ended January 31, 2024, the Company repaid $2,521 (US$2.00 million).

15. LOANS PAYABLE (continued)

b) MGBL bank loans

In July 2022, the Company, through its subsidiary MGBL, entered into a foreign exchange swap agreement with a local bank which allowed the Company to convert, at a pre-determined exchange rate, GHS 346.21 million to USD over a twelve-month period through a series of foreign exchange trades. As part of the agreement, the Company was obligated to provide GHS 346.21 million as collateral, which was held as restricted funds in a designated account. In November 2022, pursuant to the swap agreement, the Company received $37,929 (US$28.13 million) and recorded a liability to repay USD at a fixed exchange rate. The Company sought to repay the USD before the swap agreement end date and terminate the swap agreement. Termination of the agreement was subject to a termination fee of $5,479 (GHS 30.00 million) which was applied to the Company's cash held as collateral and is included in foreign exchange loss for the year ended January 31, 2023. In order to facilitate repayment and termination of the swap agreement, the Company entered into a separate loan agreement with a second local bank. On November 25, 2022, the Company, through its subsidiary MGBL, entered into a short-term bank loan with principal amount of $38,589 (US$28.62 million) at an interest rate of 9.5% per annum, maturing after twelve months and requiring monthly payments of principal and interest. The borrowing was secured by cash collateral of $39,107 (GHS 316.21 million) which was transferred from the first bank upon termination of the swap agreement and is held in an account with the bank that issued the loan. The cash collateral is incrementally released as the Company makes repayments on the loan to the extent that the remaining cash collateral covers at minimum 125% of the loan balance at any time. In addition to the cash pledged as collateral, the loan is secured by the assignment of export proceeds from offtake gold sales of MGBL, debentures over MGBL's property, plant and equipment covering 120% of the loan amount, and a personal guarantee from a director of the Company. On December 30, 2022 and May 5, 2023, additional amounts of $2,832 (US$2.10 million) and $6,672 (US$5.00 million), respectively, were borrowed on the same debt facility with an interest rate of 11% per annum, maturing on November 29, 2023 and requiring monthly repayment of principal and interest.

On July 7, 2023, through a refinancing agreement with the same bank that issued the short-term loans, the Company transferred the outstanding balance of the short-term bank loans of $30,428 (US$23.09 million) into a new bank loan that bears interest at 11% per annum and matures on July 7, 2025. The bank loan requires monthly payments of principal and interest. There was no significant profit or loss resulting from the transfer.

As at January 31, 2024, the MGBL bank loan had principal owing of $24,491 (US$18.28 million) and accrued interest of $nil. During the year ended January 31, 2024, the Company paid transaction fees of $1,000 in respect of the new bank loan. The transaction fees were included in finance charges. As at January 31, 2024, cash held as collateral in connection with the MGBL bank loan was $28,969 (GHS 257.49 million) and is presented as restricted funds on the statement of financial position.

During the year ended January 31, 2024, the Company had interest expense of $3,127 on bank loans (2023 - $901). During the year ended January 31, 2024, the Company made principal payments of $19,704 (2023 - $4,939) and interest payments of $2,687 (2023 - $nil).

c) MGBL related party loans

On October 31, 2023, the Company, through its subsidiary Mensin Gold Bibiani Ltd, entered into a short-term loan agreement with a company controlled by a director of Asante in order to support short-term working capital requirements. The loan is for $26,794 (US$20.00 million) with no interest and was repayable on January 31, 2024. On November 27, 2023, the Company borrowed an additional amount of $5,359 (US$4.00 million) under the same terms. At January 31, 2024, the total amount borrowed of $32,153 remains outstanding. Prior to January 31, 2024, the parties had reached a verbal agreement to have the loans extended and on April 26, 2024, the Company entered into an amended agreement which extended the maturity date of the related party loans to June 17, 2024.

d) MGBL revolving credit

The Company, through its subsidiary MGBL, entered into a revolving credit facility agreement with the same bank that provided the bank loans. Under the terms of the revolving credit facility, the Company may borrow up to US$8.50 million. The facility has an interest rate of 11% per annum and expired on November 29, 2023.

As at January 31, 2024, the MGBL revolving credit balance was $nil. During the year ended January 31, 2024, interest expense on MGBL revolving credit was $1,078 (2023 - $nil).

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

15. LOANS PAYABLE (continued)

e) CGML revolving credit

On December 28, 2022, the Company, through its subsidiary CGML, entered into a revolving credit facility agreement in which the Company may borrow up to US$8.00 million. The facility's maximum borrowing amount is subject to the bank's single obligor limit, which is determined in GHS and is adjusted monthly. At the date the Company entered into the agreement and at January 31, 2024, the single obligor limit was US$8.04 million (GHS 99.00 million). The facility has an interest rate equal to the lower of 10% or 3-month secured overnight financing rate plus a margin of 7% and matured on December 31, 2023. The facility requires repayment of each drawdown plus interest to be made 30 days from the date of drawdown. As at January 31, 2024, CGML revolving credit included solely principal amount of $9,833 (US$7.34 million) that was drawn against the facility. During the year ended January 31, 2024, interest expense on the CGML revolving credit facility was $1,011 (2023 - $11) and was fully paid.

16. DEFERRED PAYMENTS

A summary of the Company's deferred payments is as follows:

	Resolute	**Kinross**	**Total**
	$	$	$
Balance, January 31, 2022	74,589	-	74,589
Recognition of deferred payments	-	163,216	163,216
Loss on amendment of deferred payments	3,410	-	3,410
Gain on modification of loan	(513)	-	(513)
Interest expense	897	-	897
Accretion expense	2,255	3,329	5,584
Repayment of deferred payments	(78,474)	-	(78,474)
Currency translation adjustment	2,329	5,945	8,274
Balance, January 31, 2023	4,493	172,490	176,983
Gain on amendment of deferred payments	-	(2,517)	(2,517)
Interest expense	148	11,636	11,784
Accretion expense	-	8,250	8,250
Repayment of deferred payments	(4,687)	(6,805)	(11,492)
Currency translation adjustment	46	611	657
Balance, January 31, 2024	**-**	**183,665**	**183,665**

a) Resolute

Pursuant to the acquisition of Mensin in August 2021, the Company recognized $71,516 (US$56.62 million), being the present value of deferred consideration payable to Resolute Mining Limited ("Resolute"). On August 24, 2022, pursuant to an arbitration decision, the Company agreed to amend the amount of the final deferred payment to Resolute to increase the amount by an additional $3,410 (US$2.70 million) due on or before November 18, 2022 in order to reimburse Resolute for a reclamation bond held in MGBL. The additional deferred payment of $3,410 was recorded as a loss on amendment of deferred payments and an increase in the deferred payments for the year ended January 31, 2023. The amendment also included an extension of the due date for the deferred payments and an interest rate of 11% per annum on outstanding amounts from August 22, 2022. As a result of modification of the timing of cash flows, the Company recorded a gain on modification of loan of $513 during the year ended January 31, 2023. During the year ended January 31, 2023, the Company repaid $78,474 (US$60.00 million) which was the original principal amount of the Resolute deferred payments.

During the year ended January 31, 2024, the Company fully repaid the remaining principal of $3,631 (US$2.70 million) and accrued interest of $1,056 (US$0.78 million).

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

16. DEFERRED PAYMENTS (continued)

b) Kinross

Pursuant to the acquisition of Red Back in August 2022, the Company recognized $163,216 (US$126.72 million) being the present value of deferred consideration payable to Kinross (Note 5). On February 13, 2023, the Company entered into an amended purchase agreement with Kinross regarding the acquisition of Red Back. Pursuant to the amendment, the payment schedule of the second cash payment, with total amount of US$60.48 million, has been modified as follows: US$10.00 million payable on February 17, 2023 (of which US$5.00 million was paid during the year ended January 31, 2024), US$10.00 million payable on March 31, 2023 (not paid), US$10.00 million payable on April 30, 2023 (not paid), and US$30.48 million payable on May 31, 2023 (not paid). As a result of this change in timing of cash flow, the Company recorded a gain from modification of deferred payments of $2,517. As part of the amendment, the deferred consideration accrues interest (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 interest is determined to be interest rate quoted by Bank of Nova Scotia for USD commercial loans plus the following margin: 3% for period from February 10, 2023 to March 31, 2023; 4% for period from April 1, 2023 to April 30, 2023; and 5% for period from May 1, 2023. As partial consideration for amending the purchase agreement, the Company agreed to issue 5,000,000 common share purchase warrants to Kinross, each of which entitles the holder to acquire one common share at an exercise price of $2.25 within 36 months after issuance. These warrants were issued to Kinross on February 17, 2023 and were valued at $1.40 per warrant (Note 20(f)). As a result of the warrant issuance, the Company recorded a loss of $7,012, resulting in the net loss on amendment of purchase agreement of $4,495. The deferred payments due to Kinross are secured by the net assets of Red Back.

During the year ended January 31, 2024, the Company repaid a principal amount of $6,805 (US$5.00 million). During the year ended January 31, 2024, interest expense from deferred payments was $11,784 (2023 - $897) and was included in finance charges. During the year ended January 31, 2024, accretion on deferred payments was $8,250 (2023 - $5,584) and was included in finance charges.

17. REHABILITATION PROVISION

A summary of the Company’s rehabilitation provision is as follows:

	Bibiani Gold Mine	Chirano Gold Mine	Total
	$	$	$
Balance, January 31, 2022	11,805	-	11,805
Initial recognition of rehabilitation provision	-	45,549	45,549
Accretion expense	532	1,144	1,676
Change in estimates	8,097	16,149	24,246
Currency translation adjustment	675	1,636	2,311
Balance, January 31, 2023	21,109	64,478	85,587
Accretion expense	808	2,449	3,257
Change in estimates of economic assumptions	(1,898)	(4,485)	(6,383)
Change in estimates of cash flows	4,436	5,359	9,795
Currency translation adjustment	68	208	276
Balance, January 31, 2024	**24,523**	**68,009**	**92,532**
Current portion	-	332	332
Non-current portion	24,523	67,677	92,200

The rehabilitation provision for Bibiani Gold Mine as at January 31, 2024 is estimated using an annual inflation rate of 2.05% (January 31, 2023 - 7.48%) and a discount rate of 3.99% (January 31, 2023 - 3.51%), with undiscounted cash flows of $29,338 (January 31, 2023 - 23,083) and the majority of cash flow expenditures projected between 2032 and 2034.

The rehabilitation provision for Chirano Gold Mine as at January 31, 2024 is estimated using an annual inflation rate of 2.05% (January 31, 2023 - 7.50%) and a discount rate of 3.99% (January 31, 2023 - 3.51%), with undiscounted cash flows of $76,359 January 31, 2023 - 66,081) and the majority of cash flow expenditures projected between 2029 and 2030.

The changes in estimates result in a total increase of $3,412 in rehabilitation provision and mineral properties (Note 12). During the year ended January 31, 2024, accretion from rehabilitation provision was $3,257 (2023 - $1,676) and was included in finance charges.

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

18. DEFERRED REVENUE

A summary of the Company's deferred revenue is as follows:

	$
Balance, January 31, 2022	-
Proceeds from contracts	130,150
Revenue recognized upon delivery of gold	(67,428)
Currency translation adjustment	4,028
Balance, January 31, 2023	66,750
Proceeds from contracts	61,207
Revenue recognized upon delivery of gold	(99,456)
Currency translation adjustment	207
Balance, January 31, 2024	**28,708**

In July 2022, the Company, through its subsidiary MGBL, entered into a metal streaming arrangement with the Bank of Ghana, wherein the Company received an upfront cash payment of $130,150 (US$100.00 million) in GHS and would settle this amount through the delivery of refined gold from its own mines. The upfront cash received was accounted for as deferred revenue. Revenue is recognized when gold is delivered. Deliveries of gold, each worth US$26.88 million at the spot rate, are due at three, six, nine, and twelve months after the agreement date. During the year ended January 31, 2024, the Company delivered 27,691 ounces of gold and recognized revenue of $67,393 (2023 - $67,428 by delivering 30,363 ounces of gold) and fully settled the agreement. During the year ended January 31, 2024, the Company delivered additional 529 ounces of gold to Bank of Ghana as interest charges on late settlement and recorded this as finance charges of $1,293.

In September 2023, the Company, through its subsidiary MGBL, entered into a metal streaming arrangement with another financial institution wherein the Company received an upfront cash payment of $54,304 (US$40.00 million) and will settle through the delivery of refined gold from its own mines. The agreement requires the Company to deliver 4,000 ounces of gold each month for 24 months following the agreement date. The price of each delivery is determined using the spot Bloomberg gold price less a 2.50% discount. On each five-month anniversary of the agreement, at the election of the Company, the financial institution will pay the Company an amount such that the deposit balance will be replenished to the initial US$40.00 million. The upfront cash received in exchange for future delivery of gold has been accounted for as deferred revenue, as the agreement is satisfied through the delivery of a non-financial asset rather than through cash or other financial assets. All cash received, and to be received, under the arrangement is denominated in GHS. In connection with this arrangement, the Company incurred a commission fee of $1,388 (US$1.00 million) which was recorded as a contract asset and will be amortized over the 24-month term. During the year ended January 31, 2024, the Company delivered 12,000 ounces of gold under this arrangement and recognized revenue of $32,063 (2023 - $nil).

During the year ended January 31, 2024, the Company received deposits of $6,903 (US$5.15 million) from a customer, which are associated with a gold sales contract involving the treatment of fine and contaminated carbons that contain gold. As at January 31, 2024, the Company has not delivered any gold to the customer.

19. OTHER CURRENT LIABILITIES

A summary of the Company's other current liabilities is as follows:

	January 31, 2024	January 31, 2023
	$	$
Provision for tax liabilities arising from the Mensin acquisition	**-**	23,630
Provision for tax liabilities arising from the Chirano acquisition	**-**	112,292
Consideration payable	**17,699**	4,830
Other accrued liabilities	**-**	686
	17,699	141,438

19. OTHER CURRENT LIABILITIES (continued)

a) Tax liabilities arising from acquisitions

The provisions for tax liabilities recorded for the Mensin and Chirano acquisitions were estimates of possible amounts owing to the Ghana Revenue Authority in respect of tax years from 2018 to 2023 for MGBL and 2020 to 2022 for CGML and were recorded in USD. In April 2024, following the conclusion of tax assessments conducted by the Ghana Revenue Authority over total tax liabilities owing by MGBL for the tax years from 2018 to 2023 and for CGML for the tax years from 2020 to 2022, the provisions for tax liabilities were deemed not applicable by the Ghana Revenue Authority. The Company recognized the outcome of the tax assessment as an adjusting subsequent event. As a result, the Company derecognized certain previously provisioned tax liabilities in connection with the Chirano and Mensin acquisitions of $135,922. The tax assessment for MGBL also determined an additional value-added tax credit of $16,059 (US$11.88 million) which could be used to offset against outstanding tax liabilities. As a result, the Company recognized a gain on tax settlement of $16,059.

b) Consideration payable

Consideration payable was initially recorded as contingent consideration from the Chirano acquisition and was initially recorded at fair value of $4,830 (US$3.75 million) at the acquisition date. This contingent consideration represented the cash in the Red Back group that was on-hand as at December 31, 2021, adjusted for activities until the acquisition date. The consideration payable was contingent upon the resolution of a Ghana Revenue Authority inquiry into Red Back's historical tax liabilities for the period from 2012 to 2019, and the consideration was subject to reduction by 50% of any settlement amount reached with the Ghana Revenue Authority up to US$25 million.

On November 27, 2023, the Company agreed to settle all tax liabilities, including customs duties and excise taxes, with the Ghana Revenue Authority for US$6.00 million. As a result, the contingent consideration payable was remeasured at $17,699, resulting in a fair value change of $12,675, which was recorded within change in fair value of contingent consideration (Note 24(d)), and unrealized foreign exchange loss of $194. The settlement amount of US$6.00 million with the Ghana Revenue Authority is recognized as a loss on tax settlement of $8,109.

20. SHARE CAPITAL AND RESERVES

a) Authorized share capital

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

b) Issued share capital

During the year ended January 31, 2024, the Company had the following transactions:

- On April 6, 2023, the Company closed a non-brokered private placement in which the Company issued 18,232,000 units for gross proceeds of $27,348. Each unit consists of one common share and one share purchase warrant. All proceeds were allocated to share capital as there was no residual fair value to allocate to the reserve for warrants.
- On June 5, 2023, following receipt of Ghana Government approval, the Company issued 7,000,000 common shares with fair value of $13,790 to Goknet pursuant to an agreement to close the acquisition of the Kubi Mining Leases (Note 13(d)).
- The Company issued 2,977,042 common shares upon the exercise of 3,255,000 options for proceeds of $435. As a result, $377 recorded in the reserve for share-based payments was reclassified to share capital. Of the total options exercised, 320,000 options were exercised on a cashless basis, leading to the issuance of 42,042 common shares. The remaining 277,958 common shares were withheld to cover the exercise price and withholding tax obligations.
- The Company issued 38,710,601 common shares upon the exercise of 38,710,601 warrants for proceeds of $9,678. As a result, $134 recorded in the reserve for warrants was reclassified to share capital.
- The Company issued 29,500 common shares upon exercise of 29,500 RSUs. As a result, $50 recorded in the reserve for share-based payments was reclassified to share capital.

During the year ended January 31, 2023, the Company had the following transactions:

- In March 2022, the Company closed a private placement financing by issuing 58,431,914 common shares at $1.75 per share for gross proceeds of $102,256. In connection with the financing, the Company incurred issuance costs of $3,224.
- In July 2022, the Company issued 250,000 common shares with a fair value of $325 in accordance with the option agreement for Sraha and Ayiem to complete the acquisition of 50% interest.
- In August 2022, the Company issued 34,962,584 common shares with a fair value of $47,185 in accordance with the acquisition of Red Back (Note 5).

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

20. SHARE CAPITAL AND RESERVES (continued)

- The Company issued 1,130,000 common shares from the exercise of options for proceeds of $370. As a result, $292 recorded in the reserve for share-based payments was reclassified to share capital.
- The Company issued 29,679,964 common shares from the exercise of warrants for proceeds of $5,934. As a result, $58 recorded in the reserve for warrants was reclassified to share capital.

c) Stock options

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

A summary the Company's stock options activity is as follows:

	Number of options	Weighted average exercise price
	#	$
Balance, January 31, 2022	11,995,000	0.48
Granted	10,079,340	1.71
Exercised	(1,130,000)	0.33
Forfeited	(100,000)	1.75
Expired	(300,000)	0.15
Balance, January 31, 2023	20,544,340	1.09
Granted	450,000	1.35
Exercised	(3,255,000)	0.28
Forfeited	(80,000)	1.50
Expired	(266,500)	1.75
Outstanding, January 31, 2024	**17,392,840**	**1.24**
Exercisable, January 31, 2024	**17,092,840**	**1.24**

On October 11, 2023, the Company granted 450,000 options to the Chief Financial Officer of the Company. The options have an exercise price of $1.35, an expiry date of October 11, 2028, and vest as follows: one-third immediately on grant date, one-third on each of the six and twelve-month anniversaries. The fair value of the options was $1.22 per option and was valued using Black-Scholes option pricing model with the following inputs: share price of $1.35, expected life of 5 years, risk-free interest rate of $4.22%, expected volatility of 143.00%, and an expected annual dividend yield of 0.00%.

During the year ended January 31, 2024, the weighted average share price on the date of option exercise was $1.65 (2023 - $1.56). During the year ended January 31, 2024, the Company recognized $828 (2023 - $13,969) in share-based payments related to the fair value of stock options vested.

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

20. SHARE CAPITAL AND RESERVES (continued)

A summary of the Company's stock options outstanding as at January 31, 2024 is as follows:

Grant date	Expiry date	Number of options	Exercise price	Remaining life
		#	$	Years
March 21, 2019	March 20, 2024	290,000	0.10	0.13
August 28, 2019	August 27, 2024	50,000	0.10	0.57
July 6, 2020	July 5, 2025	220,000	0.10	1.43
December 21, 2020	December 20, 2025	350,000	0.12	1.89
March 4, 2021	March 3, 2026	350,000	0.15	2.09
August 9, 2021	August 8, 2026	6,370,000	0.75	2.52
February 17, 2022	February 17, 2027	5,672,840	1.75	3.05
February 17, 2022	February 17, 2024	1,000,000	1.75	0.05
March 7, 2022	March 7, 2027	500,000	1.75	3.10
March 21, 2022	March 21, 2027	1,000,000	1.75	3.14
August 31, 2022	August 31, 2027	1,140,000	1.50	3.58
October 11, 2023	October 11, 2028	450,000	1.35	4.70
		17,392,840	**1.24**	**2.65**

d) Restricted share units

A summary of the Company's RSU activity is as follows:

	Number of RSUs
	#
Outstanding, January 31, 2022	-
Granted	1,515,760
Outstanding, January 31, 2023	1,515,760
Granted	4,900,000
Exercised	(29,500)
Forfeited	(59,000)
Outstanding, January 31, 2024	**6,327,260**
Exercisable, January 31, 2024	**678,153**

On February 17, 2022, the Company granted 1,515,760 RSUs to certain officers and consultants of the Company. The granted RSUs may be exchanged into common shares at the option of the holder from the date they vest until the settlement date of February 17, 2025. If the RSUs are not exchanged by the settlement date, they will be settled by the Company into common shares of the Company, or a lump sum cash payment, or a combination of both, subject to the discretion of the Company. Of the RSUs granted, 228,600 RSUs vested immediately. The remaining 1,287,160 RSUs vest as follows: one third on the first anniversary, one third on the second anniversary, and one third on the third anniversary. The RSUs have been accounted for as equity-settled share-based payments. The fair value of each RSU was determined to be the Company's share price on grant date, resulting in a total fair value of $2,577 that will be recognized in share-based compensation according to the vesting terms of the RSUs.

On October 11, 2023, the Company granted 4,900,000 RSUs to certain directors and officers of the Company. The granted RSUs may be exchanged into common shares at the option of the holder from the date they vest until the settlement date of October 11, 2028. If the RSUs are not exchanged by the settlement date, they will be settled by the Company into common shares of the Company, or a lump sum cash payment, or a combination of both, subject to the discretion of the Company. Of the granted RSUs, 4,750,000 RSUs vest as follows: one third on the first anniversary, one third on the second anniversary, and one third on the third anniversary; 150,000 RSUs vest as follows: one third on the grant date, and one third every six months thereafter. The RSUs have been accounted for as equity-settled share-based payments. The fair value of each RSU was determined to be the Company's share price on grant date, resulting in a total fair value of $6,413 that will be recognized in share-based compensation according to the vesting terms of the RSUs.

During the year ended January 31, 2024, the Company recognized $1,854 (2023 - $1,661) in share-based payments as a result of vesting of RSUs.

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

20. SHARE CAPITAL AND RESERVES (continued)

e) Deferred share units

A summary of the Company's DSU activity is as follows:

	Number of DSUs
	#
Outstanding, January 31, 2022	-
Granted	4,285,900
Outstanding, January 31, 2023	4,285,900
Granted	2,500,000
Outstanding, January 31, 2024	**6,785,900**

In February 2022, the Company granted 4,285,900 DSUs to certain directors of the Company. These DSUs vested immediately upon granting. The fair value of each DSU was determined to be the Company's share price on grant date, resulting in a total fair value of $7,286 being recorded in share-based payments.

On October 11, 2023, the Company granted 2,500,000 DSUs to certain directors of the Company. These DSUs will vest on October 11, 2024. The fair value of each DSU was determined to be the Company's share price on grant date, resulting in total fair value of $3,375 which will be recognized as share-based payments on a straight-line basis over the vesting period. During the year ended January 31, 2024, the Company recognized $1,033 (2023 - $7,286) in share-based payments related to the fair value of DSUs vested.

f) Share purchase warrants

A summary of the Company's share purchase warrants activity is as follows:

	Number of warrants	**Weighted average exercise price**
	#	$
Outstanding, January 31, 2022	68,390,565	0.23
Exercised	(29,679,964)	0.20
Outstanding, January 31, 2023	38,710,601	0.25
Issued	23,232,000	1.86
Exercised	(38,710,601)	0.25
Outstanding, January 31, 2024	**23,232,000**	**1.86**

On April 6, 2023, as part of a non-brokered private placement, the Company issued 18,232,000 share purchase warrants. Each share purchase warrant entitles the holder to acquire one common share of the Company at an exercise price of $1.75 until April 6, 2024.

On February 17, 2023, the Company issued 5,000,000 share purchase warrants to Kinross pursuant to the amended purchase agreement regarding the acquisition of Red Back (Note 16(b)). Each common share purchase warrant is exercisable into one common share of the Company at an exercise price of $2.25 until February 17, 2026. The fair value of these warrants was determined using Black-Sholes option pricing model with the following inputs: share price of $1.77, expected life of 3 years, risk-free interest rate of $3.57%, expected volatility of 149.85%, and an expected annual dividend yield of 0.00%.

During the year ended January 31, 2024, 38,710,601 share purchase warrants were exercised into common shares of the Company with a weighted average share price on the date of share purchase warrant exercise of $1.57 (2023 - $1.28).

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

20. SHARE CAPITAL AND RESERVES (continued)

A summary of the Company's outstanding share purchase warrants as at January 31, 2024 is as follows:

Date of expiry	Number of warrants	Weighted average exercise price	Weighted average remaining life
	#	$	Years
April 5, 2024	18,232,000	1.75	0.43
February 17, 2026	5,000,000	2.25	2.30
	23,232,000	**1.86**	**0.83**

21. NON-CONTROLLING INTEREST

In August 2021, following the acquisition of Mensin, the Company holds a 90% interest in MGBL with the Ghana Government retaining 10% free carried interest. In August 2022, following the acquisition of Red Back (Note 5), the Company holds a 90% interest in CGML with the Ghana Government retaining 10% free carried interest.

A summary of the Company's non-controlling interest activity is as follows:

	$
Balance, January 31, 2022	12,048
Initial recognition of non-controlling interest of Chirano (Note 5)	32,502
Net loss attributed to non-controlling interest	(11,380)
Currency translation adjustment	2,117
Balance, January 31, 2023	35,287
Net loss attributed to non-controlling interest	(8,100)
Currency translation adjustment	294
Balance, January 31, 2024	**27,481**

22. 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.

A summary of the Company's related party transactions is as follows:

	Years ended January 31,	
	2024	2023
	$	$
Compensation to key management personnel	**1,886**	2,814
Share-based payments to key management personnel	**3,165**	17,351
Management fees paid to related entities	**1,562**	1,450
Professional fees paid to related entities	**490**	476
	7,103	22,091

Transactions with related parties 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 January 31, 2024, accounts payable and accrued liabilities contains amounts due to related parties of $5,059 (January 31, 2023 - $3,203) pertaining to expense reimbursements, directors' fees, and professional fees. These amounts are unsecured, non-interest bearing and due on demand.

As at January 31, 2024, there were 10,434,800 options, 5,141,600 RSUs, and 6,357,300 DSUs outstanding that had been granted to related parties as share-based payments.

As at January 31, 2024, loans payable contains $32,153 (January 31, 2023 - $nil) due to a company controlled by a director of Asante (Note 15(c)).

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

23. REVENUE FROM CONTRACTS WITH CUSTOMERS

a) Disaggregated revenue information

A summary of the Company's revenue is as follows:

	Years ended January 31, **2024**	2023
	$	$
Gold doré	**574,098**	274,143
Silver	**1,085**	586
	575,183	274,729

b) Contract balances

The Company's contract asset as at January 31, 2024 was $1,172 (January 31, 2023 - $nil) and solely represents the commission fees related to the second metal streaming arrangement entered into in September 2023 (Note 18).

The Company's contract liabilities as at January 31, 2024 were $28,708 (January 31, 2023 - $66,750) and relate to deferred revenue (Note 18).

24. COST OF SALES, OPERATING EXPENSES, AND OTHER EXPENSES, NET

a) Cost of sales

A summary of the Company's cost of sales is as follows:

	Years ended January 31, **2024**	2023
	$	$
Production costs	**497,640**	240,314
Salaries and wages	**56,448**	31,456
Depreciation and depletion	**163,674**	78,179
Cost of obtaining contracts	**169**	5,982
	717,931	355,931

b) Management, consulting, and professional fees

A summary of the Company's management, consulting, and professional fees is as follows:

	Note	Years ended January 31, **2024**	2023
		$	$
Management and consulting fees	22	**11,072**	12,504
Professional fees	22	**5,432**	4,866
		16,504	17,370

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

24. COST OF SALES, OPERATING EXPENSES, AND OTHER EXPENSES, NET (continued)

c) Selling, general and administrative

A summary of the Company's selling, general and administrative expenses is as follows:

	Years ended January 31, **2024**	2023
	$	$
Advertising, trade shows and promotions	**1,089**	1,025
General and administrative expenses	**17,362**	6,495
Shareholder communications	**376**	559
Transfer agent and regulatory fees	**151**	366
Travel expenses	**3,288**	1,774
	22,266	10,219

d) Other expenses, net

A summary of the Company's other expenses, net is as follows:

	Note	Years ended January 31, **2024**	2023
		$	$
Change in fair value of contingent consideration	19(b)	**(12,675)**	-
Foreign exchange gain (loss)		**3,580**	(27,981)
Gain on modification of loan	16	**-**	513
Loss on amendment of deferred payments	16	**(4,495)**	(3,410)
Share-based payments	22	**(3,715)**	(22,916)
Unrealized loss on marketable securities	8	**(2,959)**	(4,296)
		(20,264)	(58,090)

25. SEGMENT INFORMATION

The Chief Operating Decision Maker ("CODM") of the Company has been identified as the Chief Executive Officer, who makes strategic decisions and allocates resources across operating segments. The CODM determines the reportable segments of the Company based on the availability of discrete financial results and the nature of operations relating to each operating segment. The CODM has identified two reportable operating segments being the Bibiani Gold Mine and the Chirano Gold Mine.

A summary of the Company's segmented financial performance for the year ended January 31, 2024 is as follows:

	Bibiani	**Chirano**	**Corporate and other reconciling items**	**Total**
	$	$	$	$
Revenue	196,941	378,242	-	575,183
Cost of sales	293,547	424,384	-	717,931
Gross loss	(96,606)	(46,142)	-	(142,748)
Operating expenses	13,541	10,077	15,152	38,770
Operating loss	(110,147)	(56,219)	(15,152)	(181,518)
Finance charges	(8,329)	(2,437)	(20,034)	(30,800)
Gain (loss) on tax settlement	16,059	(8,109)	-	7,950
Other expenses, net	3,105	2,326	(25,695)	(20,264)
Net loss before income tax	(99,312)	(64,439)	(60,881)	(224,632)
Income tax expense	30,687	53,695	-	84,382
Net loss	(68,625)	(10,744)	(60,881)	(140,250)

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

25. SEGMENT INFORMATION (continued)

A summary of the Company's segmented financial performance for the year ended January 31, 2023 is as follows:

	Bibiani	Chirano	Corporate and other reconciling items	Total
	$	$	$	$
Revenue	138,268	136,461	-	274,729
Cost of sales	172,162	183,769	-	355,931
Gross loss	(33,894)	(47,308)	-	(81,202)
Operating expenses	4,745	5,232	17,612	27,589
Operating loss	(38,639)	(52,540)	(17,612)	(108,791)
Finance charges	(1,995)	(1,148)	(6,480)	(9,623)
Other expenses, net	(17,436)	(2,042)	(38,612)	(58,090)
Net loss before income tax	(58,070)	(55,730)	(62,704)	(176,504)
Income tax expense	(7,058)	(2,792)	(2,160)	(12,010)
Net loss	(65,128)	(58,522)	(64,864)	(188,514)

A summary of the Company's segmented financial position as at January 31, 2024 is as follows:

	Bibiani	Chirano	Corporate and other reconciling items	Total
	$	$	$	$
Assets	431,162	449,528	34,949	915,639
Liabilities	335,225	301,401	222,044	858,670

A summary of the Company's segmented financial position as at January 31, 2023 is as follows:

	Bibiani	Chirano	Corporate and other reconciling items	Total
	$	$	$	$
Assets	439,662	514,714	23,256	977,632
Liabilities	360,114	286,551	198,356	845,021

26. SUPPLEMENTAL CASH FLOW DISCLOSURES

A summary of the Company's non-cash financing and investing activities that are excluded from the consolidated statements of cash flows for the years ended January 31, 2024 and 2023 is as follows:

	2024	2023
	$	$
Shares issued to acquire exploration and evaluation assets	**13,790**	325
Shares issued for acquisition of Red Back Mining Pty Ltd.	**-**	47,185
Exploration and evaluation costs included in trade and other payables	**-**	4
Purchases of property, plant and equipment included in trade and other payables	**9,347**	15,807
Expenditures on mineral properties included in trade and other payables	**7,356**	-
Depreciation of property, plant and equipment included in exploration and evaluation assets	**65**	-

27. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Fair value measurement of financial assets and liabilities

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 classification of each measurement within this hierarchy is based on the lowest-level significant input used in valuation. 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 funds, trade receivables, marketable securities, reclamation bonds, loans receivable, trade and other payables, loans payable and deferred payments.

Except for marketable securities, all financial assets and liabilities of the Company are measured at amortized cost. Marketable securities are measured at fair value through profit or loss and categorized as Level 1 in the fair value hierarchy.

The fair values of cash, restricted funds, trade receivables, trade and other payables approximate their carrying values because of their short-term nature or are subject to insignificant movements in fair value. The fair values of Company's financial liabilities including loans and deferred payments approximate their carrying values due to the expectation that all but $7,734 will be settled within the next twelve months.

During the years ended January 31, 2024 and 2023, there were no transfers between categories in the fair value hierarchy.

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to fulfill its contractual obligations. The Company's credit risk relates primarily to cash, restricted funds, trade receivables, reclamation bonds, and loans receivable.

The Company mitigates credit risk related to cash and restricted funds by transacting exclusively with sound financial institutions. The restricted funds balance represents funds held as collateral for a bank loan obtained from a recognized bank in Ghana, and the Company expects the cash to be released according to the agreed-upon loan repayment terms. 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.

c) 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 January 31, 2024, the Company is exposed to interest rate risk primarily through deferred payment with a variable interest rate and a carrying amount of $183,665. A change of 100 basis points in interest rate on the deferred payment would result in a change of $684 in finance charges.

d) 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. Due to cash constraints, the Company has been unable to meet certain obligations as they have become due (deferred payments, trade and other payables). Amounts due to Kinross of $135,333 (US$101.01 million) in the form of deferred payments are due on demand and accrue interest at a rate of prime plus 5% per annum. 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. There can be no assurances that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company (Note 1).

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

27. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

As at January 31, 2024, the Company had cash of $2,080 (January 31, 2023 - $2,811) and restricted funds of $28,969 (January 31, 2023 - $31,845) as well as working capital deficiency of $569,059 (January 31, 2023 - $561,487).

A summary of the Company's contractual undiscounted cash flow requirements as at January 31, 2024 is as follows:

	< 1 year	**1 - 3 years**	**Total**
	$	$	$
Trade and other payables	408,199	-	408,199
Loans payable	60,310	7,978	68,288
Deferred payments	184,768	-	184,768
	653,277	**7,978**	**661,255**

e) Foreign exchange risk

The Company and its subsidiaries are exposed to transactional foreign currency risk to the extent that there is a difference between the currencies in which the transactions are denominated and the respective functional currencies. The Company's transactions are primarily denominated in CAD and USD, while its subsidiaries primarily have transactions in USD and GHS. As such, the main sources of foreign exchange risk exposure stem from transactions involving USD and GHS.

A summary of the financial assets and liabilities denominated in USD and GHS of Company and its subsidiaries as at January 31, 2024 is as follows:

	USD	**GHS**
	$	$
Financial assets		
Cash	114	611
Restricted funds	-	28,969
Accounts receivable	-	-
Reclamation bonds	-	-
Loans receivable	-	-
	114	29,580
Financial liabilities		
Trade and other payables	(11,504)	(65)
Loans payable	-	-
Deferred payments	(183,665)	-
	(195,169)	(65)
Net financial (liabilities) assets	**(195,055)**	**29,515**

A 10% change in the US dollar relative to other currencies would change the Company's net loss and comprehensive loss by approximately $19,505 (January 31, 2023 - $51,940), and a 10% change in the GHS relative to other currencies would change the Company's net loss and comprehensive loss by approximately $2,644 (January 31, 2023 - $3,203).

28. CAPITAL MANAGEMENT

The Company's definition of capital is composed of 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. As at January 31, 2024, the Company had shareholders' equity of $56,969 (January 31, 2023 -$132,611).

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 evaluation stage. The Company has been dependent upon external financing to fund its activities. In order to carry out planned exploration and development and pay for administrative costs, the Company requires additional external financing (Note 1). Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company. There were no changes to the Company's approach to capital management during the year ended January 31, 2024.

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

28. CAPITAL MANAGEMENT (continued)

As at January 31, 2024, the Company was not subject to any externally imposed capital requirements.

29. INCOME TAXES

a) Income tax recovery (expense)

A summary of the Company’s income tax recovery (expense) for the years ended January 31, 2024 and 2023, is as follows:

	2024	2023
	$	$
Current tax expense (recovery)	**(145,772)**	12,010
Deferred tax expense	**61,390**	-
Income tax expense (recovery)	**(84,382)**	12,010

A summary of the Company’s reconciliation of income taxes at statutory rates for the years ended January 31, 2024 and 2023, is as follows:

	2024	2023
	$	$
Loss for the year	**(224,632)**	(176,504)
Expected income tax recovery	**(60,651)**	(47,656)
Impact of different statutory tax rates on earnings of subsidiaries	**(13,134)**	(9,221)
Non-deductible expenditures and non-taxable revenues	**6,856**	18,004
Impact of foreign exchange rates and other	**2,097**	9,399
Adjustment to prior years provision versus statutory tax returns	**5,529**	(144)
Change in unrecognized deductible temporary differences	**(24,406)**	41,628
Reversal of provision for tax liabilities arising from acquisitions of Mensin and Chirano	**(673)**	-
Income tax expense (recovery)	**(84,382)**	12,010

b) Deferred taxes

A summary of the Company's significant components of deferred tax liabilities is as follows:

	January 31, 2024	January 31, 2023
	$	$
Deferred income tax assets (liabilities)		
Non-capital losses	**37,145**	16,492
Mineral properties and equipment	**(130,097)**	(15,430)
Rehabilitation provision	**23,803**	-
Other	**7,759**	(1,062)
Net deferred tax liabilities	**(61,390)**	-

Deferred tax assets that are probable to be utilized are offset if they relate to the same taxable entity and same taxation authority.

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

29. INCOME TAXES (continued)

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	January 31, 2024	**Expiry date range**	January 31, 2023	Expiry date range
	$		$	
Temporary differences				
Allowable capital losses	4,606	No expiry date	1,982	No expiry date
Share issuance costs and financing fees	1,966	2024 to 2027	2,633	2024 to 2028
Mining properties and plant and equipment	152	No expiry date	658	No expiry date
Exploration and evaluation assets and development properties	118	No expiry date	464	No expiry date
Rehabilitation provision	24,523	No expiry date	85,588	No expiry date
Stores obsolescence provision, other provisions, loss on marketable securities and foreign exchange losses	15,038	No expiry date	49,076	No expiry date
Non-capital losses by country				
Canada	63,825	2024 to 2043	-	No expiry date
Barbados	1,465	2024 to 2030	60	2024 to 2030
Ghana	99,900	2024 to 2028	96,626	2024 to 2028

During the year ended January 31, 2024, the Company made instalment payments of $nil (2023 - $nil) in respect of income taxes payable.

30. SUBSEQUENT EVENTS

Subsequent to January 31, 2024, 290,000 stock options were exercised for gross proceeds of $29, 1,000,000 stock options expired unexercised and 18,232,000 share purchase warrants expired unexercised.

Following the conclusion of a tax audit in April 2024, the Company derecognized the provisions for certain tax liabilities and recorded an income tax recovery of $135,922 (Note 19).

On April 26, 2024, pursuant to a verbal agreement to extend the MGBL related party loans (Note 15(c)), the Company signed an amending agreement with a company controlled by a director to extend the related party loans to a maturity date of June 17, 2024. All other terms remain unmodified.