REUNION GOLD CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

For the years ended

December 31, 2021 and 2020

In Canadian dollars

Raymond Chabot Grant Thornton

Independent Auditor's Report

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To the Shareholders of
Reunion Gold Corporation

Opinion

We have audited the consolidated financial statements of Reunion Gold Corporation (hereafter "the Company"), which comprise the consolidated statements of financial position as at December 31, 2021 and 2020, and the consolidated statements of comprehensive loss, changes in equity and cash flows for the years then ended, and notes to consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

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 are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the consolidated financial statements and the auditor's report thereon

Management is responsible for the other information. The other information comprises the information, other than the consolidated financial statements and our auditor's report thereon, included in 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.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. 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 International Financial Reporting Standards (IFRS), 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 group 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.

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

Raymond Chabot Grant Thornton LLP [1]

Montréal
April 26, 2022

[1] CPA auditor, CA public accountancy permit no. A120795

Reunion Gold Corporation
Consolidated Statements of Financial Position

(audited, in Canadian dollars)	**December 31, 2021**	December 31, 2020
	$	$
ASSETS		
Current		
Cash and cash equivalents (Note 6)	**13,636,064**	3,074,827
Receivable from related parties (Note 22)	**41,469**	102,995
Sales taxes receivable	**15,092**	17,142
Other receivables	**2,027**	39,464
Prepaid expenses and deposits	**285,511**	221,901
	13,980,163	3,456,329
Non-current		
Property and equipment (Note 7)	**401,365**	647,943
Exploration and evaluation assets (Note 8)	**2,429,419**	2,499,899
TOTAL ASSETS	**16,810,947**	6,604,171
LIABILITIES		
Current		
Accounts payable and accrued liabilities	**2,172,888**	1,318,993
Payable to Barrick (Note 5)	**64,494**	14,957
Current portion of lease liabilities (Note 10)	**104,928**	100,043
	2,342,310	1,433,993
Non-current		
Lease liabilities (Note 10)	**32,394**	144,724
TOTAL LIABILITIES	**2,374,704**	1,578,717
EQUITY		
Share capital (Note 12)	**158,041,561**	140,846,631
Contributed surplus (Notes 12 and 13)	**24,673,039**	22,712,058
Deficit	**(167,065,981)**	(157,495,834)
Cumulative translation adjustment	**(1,212,376)**	(1,037,401)
TOTAL EQUITY	**14,436,243**	5,025,454
TOTAL LIABILITIES AND EQUITY	**16,810,947**	6,604,171

Going concern (Note 3), Commitments (Notes 8 and 17) and Events after the reporting date (Note 23).

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

On behalf of the Board,

/s/ David Fennell
David Fennell, Director

/s/ Elaine Bennett
Elaine Bennett, Director

Reunion Gold Corporation
Consolidated Statements of Comprehensive Loss

(audited, in Canadian dollars)	**Years ended December 31, 2021**	2020
	$	$
Expenses and other items		
Exploration and evaluation (Note 14)	**6,899,503**	4,625,284
Management and administration (Note 15)	**1,119,210**	1,161,309
Share-based compensation (Note 13)	**454,460**	890,194
Write-off of exploration and evaluation assets (Note 8)	**125,553**	958,975
Depreciation and amortization (Note 7)	**286,877**	717,100
Accretion (Notes 9 and 10)	**23,515**	11,218
Finance income	**(24,585)**	(17,824)
Gain on disposal of property and equipment	**(40,086)**	(14,933)
Loss (gain) on foreign exchange	**(86,878)**	13,729
Net loss for the year	**(8,757,569)**	(8,345,052)
Other comprehensive loss		
Item that will be subsequently reclassified to income		
Foreign currency translation adjustment	**(174,975)**	136,147
Comprehensive loss for the year	**(8,932,544)**	(8,208,905)
Basic and diluted loss per common share (Note 16)	**(0.01)**	(0.02)
Weighted average number of common shares - basic and diluted	**609,916,554**	459,022,361

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

Reunion Gold Corporation
Consolidated Statements of Changes in Equity

(audited, in Canadian dollars)	**Number of issued and outstanding common shares**	**Share capital**	**Contributed surplus**	**Deficit**	**Cumulative translation adjustment**	**Total equity**
		$	**$**	**$**	**$**	**$**
Balance at December 31, 2020	507,195,271	140,846,631	22,712,058	(157,495,834)	(1,037,401)	5,025,454
Warrant incentive program – December 2021 (Note 12)						
Warrant exercise	**67,606,028**	**9,876,694**	**(1,763,971)**	**-**	**-**	**8,112,723**
Incentive warrant value	**-**	**(1,758,959)**	**1,758,959**	**-**	**-**	**-**
Private placement – May 2021 (Note 12)	**160,938,691**	**8,839,082**	**1,621,933**	**-**	**-**	**10,461,015**
Share issue expenses (Note 12)	**-**	**-**	**127,713**	**(812,578)**	**-**	**(684,865)**
Redemption of RSUs (Note 12)	**1,142,500**	**238,113**	**(238,113)**	**-**	**-**	**-**
Share-based compensation (Note 13)	**-**	**-**	**454,460**	**-**	**-**	**454,460**
Net loss for the year	**-**	**-**	**-**	**(8,757,569)**	**-**	**(8,757,569)**
Foreign currency translation adjustment	**-**	**-**	**-**	**-**	**(174,975)**	**(174,975)**
Balance at December 31, 2021	**736,882,490**	**158,041,561**	**24,673,039**	**(167,065,981)**	**(1,212,376)**	**14,436,243**
Balance at December 31, 2019	418,605,271	134,883,021	19,778,140	(148,436,471)	(1,173,548)	5,051,142
Private placements (Note 12)	88,400,000	5,917,835	1,824,165	-	-	7,742,000
Share issue expenses (Note 12)	-	-	265,334	(714,311)	-	(448,977)
Redemption of RSUs (Note 12)	190,000	45,775	(45,775)	-	-	-
Share-based compensation (Note 13)	-	-	890,194	-	-	890,194
Net loss for the year	-	-	-	(8,345,052)	-	(8,345,052)
Foreign currency translation adjustment	-	-	-	-	136,147	136,147
Balance at December 31, 2020	507,195,271	140,846,631	22,712,058	(157,495,834)	(1,037,401)	5,025,454

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

Reunion Gold Corporation
Consolidated Statements of Cash Flows

(audited, in Canadian dollars)	Years ended December 31, **2021**	2020
	$	$
OPERATING ACTIVITIES		
Net loss for the year	**(8,757,569)**	(8,345,052)
Adjustments		
Share-based compensation (Note 13)	**454,460**	890,194
Write-off of exploration and evaluation assets (Note 8)	**125,553**	958,975
Depreciation and amortization (Note 7)	**286,877**	717,100
Accretion (Notes 9 and 10)	**23,515**	11,218
Gain on disposal of property and equipment	**(40,086)**	(14,933)
Loss (gain) on foreign exchange	**(86,878)**	13,729
Changes in working capital items (Note 19)	**949,621**	(1,139,902)
	(7,044,507)	(6,908,671)
INVESTING ACTIVITIES		
Acquisition of property and equipment (Note 7)	**(61,190)**	(6,794)
Disposal of property and equipment (Note 7)	**50,232**	49,329
Additions to exploration and evaluation assets (Note 8)	**(230,184)**	(460,475)
	(241,142)	(417,940)
FINANCING ACTIVITIES		
Private placement (Note 12)	**10,461,015**	7,742,000
Share issue expenses (Note 12)	**(645,602)**	(448,977)
Exercise of warrants (Note 12)	**8,112,723**	-
Reimbursement of note payable (Note 9)	**-**	(133,033)
Repayment of lease liabilities (Note 10)	**(124,529)**	(143,597)
	17,803,607	7,016,393
Effect of exchange rate changes on cash held in foreign currency	**43,279**	17,804
Net change in cash and cash equivalents	**10,561,237**	(292,414)
Cash and cash equivalents, beginning of year	**3,074,827**	3,367,241
Cash and cash equivalents, end of year	**13,636,064**	3,074,827

Supplemental cash flow information (Note 19)

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

1. GENERAL INFORMATION

Reunion Gold Corporation ("Reunion Gold" or the "Company") is a Canadian-based company. Reunion Gold is primarily engaged in the acquisition, exploration and development of gold mineral properties in the Guiana Shield region in South America. To date, the Company has not earned significant revenue. The Company's mineral assets include option agreements to acquire gold projects in Guyana, Suriname and French Guiana. The main projects are Oko West in Guyana, NW Extension in Suriname and Boulanger and Dorlin in French Guiana. The NW Extension project is part of a Strategic Alliance with Barrick Gold Corporation ("Barrick") (Note 5).

All financial results in these consolidated financial statements are expressed in Canadian dollars unless otherwise indicated. The address of the Company's registered office is 181 Bay Street, Toronto, Ontario, Canada, M5J 2T3. Reunion Gold's common shares are listed on the TSX Venture Exchange ("TSXV") under the symbol RGD.

The Board of Directors approved and authorized for issuance these consolidated financial statements on April 26, 2022.

COVID-19

The outbreak of the coronavirus (COVID-19) in early 2020 has resulted in a major global health crisis which at the date of these consolidated financial statements continues to have a significant impact on the global economy and the financial markets. The duration of the COVID-19 outbreak and the resultant travel restrictions, social distancing, government response actions and business disruptions, have had and continue to have an impact on the Company's activities. There can be no assurance that the Company will not be further impacted by adverse consequences of the COVID-19 pandemic, which may include reduced resource prices, share prices and financial liquidity and thereby severely limiting the financing capital available in the mineral exploration sector as well as impair access to supplies, contractors and affect the Company's ability to retain its staff and management.

2. BASIS OF PRESENTATION

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The significant accounting policies that have been applied in the preparation of these consolidated financial statements are presented in Note 4.

Basis of measurement

These consolidated financial statements have been prepared on a going concern and historical cost basis. The Company has elected to present the statement of income and comprehensive income in a single statement.

3. GOING CONCERN

These consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of operations as they come due. In assessing whether the going concern assumption is appropriate, management considers all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period.

Management of the Company believes it has sufficient funds to pay for its ongoing general and administrative expenses and to meet its liabilities, obligations and existing commitments for at least the next 12 months. The Company's ability to continue future operations beyond December 31, 2022 and fund its exploration and evaluation expenditures is dependent on management's ability to secure additional financing in the future, which may be completed in a number of ways, including the issuance of equity instruments or other type of arrangement. While management has been successful in securing financing in the past, there can be no assurance it will be able to do so in the future or that these sources of funding will be available to the Company or that they will be available on terms which are acceptable to the Company (Note 23).

At December 31, 2021, the Company had a working capital of $11,637,853 ($2,022,336 at December 31, 2020), had an accumulated deficit of $167,065,981 ($157,495,834 at December 31, 2020) and incurred a net loss of $8,757,569 during the year ended December 31, 2021 (a net loss of $8,345,052 during the year ended December 31, 2020).

The conditions and uncertainties described above indicate the existence of a material uncertainty that may cast doubt about the Company's ability to continue as a going concern and accordingly, the appropriateness of the use of IFRS applicable to a going concern. These consolidated financial statements do not reflect the adjustments to the carrying value of the assets and liabilities, expenses and financial position classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

4. SUMMARY OF ACCOUNTING POLICIES

a) Basis of consolidation

These consolidated financial statements include the accounts of Reunion Gold and its subsidiaries. All intercompany transactions, balances, income and expenses are eliminated upon consolidation. Reunion Gold and its subsidiaries have an annual reporting date of December 31. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by Reunion Gold. Details of the Company's subsidiaries are as follows:

- Ressources Reunion, French Guiana (converted on November 30, 2021 from a SAS to a limited liability company);
- Reunion Gold Inc., Guyana;
- Northwest Utilities Inc., Guyana (inactive);
- New Sleeper Gold (USA) Ltd., USA (inactive).

b) Foreign currency translation

These consolidated financial statements are presented in Canadian dollars, which is also the functional currency of Reunion Gold. The functional currency of Ressources Reunion is the Euro and the functional currency of Reunion Gold Inc. is the US dollar. The functional currencies of Reunion Gold and its subsidiaries have remained unchanged during the reporting years.

Monetary assets and liabilities denominated in a foreign currency other than the functional currency of each entity are translated at the exchange rate in effect at the reporting date, whereas non-monetary assets and liabilities denominated in a foreign currency are translated at the exchange rate in effect at the transaction date. Revenues and expenses denominated in a foreign currency are translated at the average rate in effect during the year with the exception of depreciation that is translated at the historical rate. Gains and losses on exchange arising from the translation of foreign operations are recorded in profit or loss.

On consolidation, assets and liabilities of Reunion Gold's subsidiaries are translated into Canadian dollars at the closing rate in effect at the reporting date. Income and expenses are translated into Canadian dollars at the average rate over the reporting years. Exchange differences are presented as other comprehensive income and recognized in the currency translation adjustment reserve in equity.

4. SUMMARY OF ACCOUNTING POLICIES (continued)

c) Financial instruments

Financial instruments are measured on initial recognition at fair value, plus, in the case of financial instruments other than those classified as fair value through profit or loss ("FVPL"), directly attributable transaction costs. Financial instruments are recognized when the Company becomes party to the contracts that give rise to them and are classified as amortized cost, FVPL or fair value through other comprehensive income ("FVOCI"), as appropriate. The Company considers whether a contract (other than a financial asset) contains an embedded derivative when the entity first becomes a party to it. The embedded derivatives are separated from the host contract if the host contract is not measured at fair value through profit or loss and when the economic characteristics and risks are not closely related to those of the host contract. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required. The Company has no financial assets at FVPL and at FVOCI.

Financial assets at amortized cost

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and is not designated as FVPL. Financial assets classified as amortized cost are measured subsequent to initial recognition at amortized cost using the effective interest method. Cash and cash equivalents, receivable from related parties, other receivables and deposits, are classified as and measured at amortized cost.

Financial liabilities

Financial liabilities are recognized initially at fair value, net of transaction costs. After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest method. Accounts payable and accrued liabilities and payable to Barrick are classified as and measured at amortized cost.

4. SUMMARY OF ACCOUNTING POLICIES (continued)

c) Financial instruments (continued)

Impairment of financial assets

A loss allowance for expected credit losses is recognized in net loss for financial assets measured at amortized cost and, if any, at FVOCI. At each financial position date, on a forward-looking basis, the Company assesses the expected credit losses associated with its financial assets carried at amortized cost and, if any, FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The expected credit losses are required to be measured through a loss allowance at an amount equal to the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) or full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument). A loss allowance for full lifetime expected credit losses is required for a financial instrument if the credit risk of that financial instrument has deteriorated significantly since initial recognition and whose credit risk is low.

Derecognition of financial assets and liabilities

A financial asset is derecognised when either the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party. If neither the rights to receive cash flows from the asset have expired nor the Company has transferred its rights to receive cash flows from the asset, the Company will assess whether it has relinquished control of the asset or not. If the Company does not control the asset, then derecognition is appropriate.

A financial liability is derecognised when the associated obligation is discharged or canceled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held with banks and short term investments with original maturities of three months or less.

4. SUMMARY OF ACCOUNTING POLICIES (continued)

e) Property and equipment

Property and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property and equipment consists of the purchase price, the finance expense attributable to the acquisition of the asset, and all other costs directly attributable to bringing the asset to the location and condition necessary for its intended use. Where parts of an item of property and equipment have a different useful life, they are accounted for as separate items of property and equipment. Depreciation is recognized on a straight-line basis using the cost of an item of property and equipment, less its estimated residual value, over its estimated useful life. Each asset's residual value, useful life and depreciation method are reassessed, and adjusted if appropriate, at the reporting date. Mobile equipment is depreciated over 5 years, service vehicles and other mining equipment are depreciated over 3 years, furniture is depreciated over 3 years, computer equipment is depreciated over 2 years and leasehold improvements are depreciated over 2 years. The carrying amount of an item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. The gain or loss arising from the derecognition is included in profit or loss when the item is derecognized.

f) Exploration and evaluation assets

Exploration and evaluation expenditures are costs incurred in the course of initial search for mineral deposits with economic potential. Costs incurred before the legal right to undertake exploration and evaluation activities has been obtained are recognized in profit or loss as incurred. The cost of acquiring licenses and other expenditures associated with the acquisition of exploration and evaluation assets (including option payments) are capitalized on a property-by-property basis and are carried at cost less accumulated impairment losses, if any. No amortization expense is recognized on these assets during the exploration and evaluation period. Other exploration and evaluation expenditures are expensed as incurred. Once a project has been established as commercially viable and technically feasible, the related accumulated capitalized costs are reclassified as tangible assets and subsequent development expenditures are capitalized. An impairment test is performed before reclassification and any impairment loss is then recognized in profit or loss. Whenever a mining property is no longer viable or is abandoned, the capitalized amounts are written-down to their net recoverable amounts with the related charge recognized in profit or loss.

4. SUMMARY OF ACCOUNTING POLICIES (continued)

g) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Long lived assets that are not amortized are subject to an annual impairment assessment or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset's fair value less cost to sell or its value in use. Value in use takes into account estimated future cash flows associated with the asset, such value being discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In the case of exploration and evaluation assets, impairment reviews are carried out on a property-by-property basis, with each property representing a potential cash-generating unit. A previous impairment is reversed if the asset's recoverable amount exceeds its carrying amount.

h) Provisions and contingent liabilities

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. Timing or amount of the outflow may still be uncertain. If the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized, unless it was assumed in the course of a business combination.

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the related asset, as soon as the obligation to incur such costs arises and to the extent that such cost can be reasonably estimated.

4. SUMMARY OF ACCOUNTING POLICIES (continued)

i) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option, the right-of-use asset is depreciated from the commencement date to the end of the useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is measured at amortized cost using the effective interest rate method and is re-measured when there is a change in future lease payments. When the lease liability is re-measured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets in property and equipment, and lease liabilities under lease liabilities on the consolidated statements of financial position. The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months of less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4. SUMMARY OF ACCOUNTING POLICIES (continued)

j) Income taxes

When applicable, income tax on the profit or loss for the years presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case it is recognized in other comprehensive income or directly in equity.

Current tax is the expected tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. However, deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination which affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries is not provided for if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date and which are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. A deferred tax asset is recognized only to the extent that it is probable that future taxable income will be available against which the underlying tax losses on deductible temporary differences can be utilized. Deferred tax assets and liabilities are offset only when the Company has a legally enforceable right and intention to set-off current tax assets and liabilities from the same taxation authority.

k) Equity

Share capital represents the amount received on the issue of shares. Contributed surplus includes charges related to stock options, restricted share units and warrants until such equity instruments are exercised. Deficit includes all current and prior year losses and share issuance costs. Cumulative translation adjustment includes the impact of converting the accounts of the Company's foreign operations into Canadian dollars. All transactions with owners of the parent company are recorded separately within equity.

4. SUMMARY OF ACCOUNTING POLICIES (continued)

l) Allocation of proceeds on equity financing

The Company allocates the proceeds from an equity financing between common shares and share purchase warrants based on the relative fair values of each instrument. The fair value of the common shares is calculated by using the TSXV share price on the date of the issuance and is accounted for in share capital and the fair value of the share purchase warrants is determined using the Black-Scholes valuation model or a binomial regression method, as appropriate, and is accounted for in contributed surplus.

m) Share-based payments

Equity-settled share-based payments are made in exchange for services received and are measured at their fair value. The fair value of the services rendered is determined indirectly by reference to the fair value of the equity instruments granted when the fair value of services received cannot be reliably estimated. The fair value of share-based payments to directors, officers, employees and consultants is recognized as an expense over the vesting period with a corresponding increase to contributed surplus. Financing warrants and warrants to brokers, in respect of an equity financing, are recognized as a share issue expense with a corresponding increase to contributed surplus. The fair value of stock options granted is measured at the grant date and recognized over the period during which the options vest using the Black-Scholes option pricing model and taking into account an estimated forfeiture rate and the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest. Upon the exercise of share-based payments, the proceeds received, net of any direct expenses, as well as the related compensation expense previously recorded as contributed surplus are credited to share capital.

Restricted share units (“RSU”) may be granted to directors, officers, employees and consultants as part of their compensation package entitling them to receive a payment in the form of common shares. Each RSU represents an entitlement to one common share of the Company, upon vesting. The fair value of the RSU is measured on the grant date and is recognized as an expense over the vesting period with a corresponding increase to contributed surplus.

4. SUMMARY OF ACCOUNTING POLICIES (continued)

n) Loss per share

The Company presents basic and diluted loss per share data for its common shares. Basic loss per share is calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares. Dilutive potential common shares are deemed to have been converted into common shares at the beginning of the period or, if later, at the date of issue of the potential common shares. For the purpose of calculating diluted loss per share, the Company assumes the exercise of its dilutive options. The assumed proceeds from these instruments are regarded as having been received from the issue of common shares at the average market price of its shares during the period.

o) Joint arrangement

The Company conducts a portion of its business through a joint arrangement where the parties are bound by a contractual arrangement establishing joint control and requiring unanimous consent of each of the parties regarding the conduct of operations. The Company's interest in a joint arrangement is classified as either a joint operation or a joint venture depending on its rights and obligations in the arrangement. The Alliance Projects in the Strategic Alliance Agreement ("SAA") with Barrick described in Note 5 have been classified as a joint operation. In a joint operation, the Company has rights to its share of the assets, and obligations for its share of the liabilities and the Company therefore recognizes in its consolidated financial statements, only its share of the assets, liabilities, revenue, and expenses of the joint arrangement.

The Company uses the carrying amount of excluded projects from the Alliance, prior to their exclusion from the Alliance, as the carrying amount for the Company's 100% interest in those projects.

p) Significant accounting judgments and estimates

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting periods. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain and may require accounting adjustments based on future occurrences. Revisions to accounting estimates, judgments and assumptions are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates, judgments and assumptions are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4. SUMMARY OF ACCOUNTING POLICIES (continued)

p) Significant accounting judgments and estimates (continued)

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to the following:

Title to mineral properties

Although the Company has taken steps to verify title to mineral properties in which it has an option to earn an interest, these procedures are subject to certain assumptions and do not guarantee such title ownership. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Property and equipment

Management reviews annually the carrying amounts of its property and equipment to determine whether any impairment loss has occurred and its estimate of the useful life of property and equipment, and accounts for any changes in estimates prospectively.

Exploration and evaluation assets

The application of the accounting policy for exploration and evaluation assets requires judgment in determining whether it is likely that future economic benefits will flow to the Company. If, after exploration and evaluation activities have been conducted, information becomes available suggesting that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount, the Company carries out an impairment test in the year the new information becomes available.

Lease liabilities

The determination of the interest rate used in the calculation of the lease liabilities discounted value requires judgment. The interest rate is management's best estimate of the cost of borrowing based on comparable entities and historical data. Judgement is also used to determine whether there is a reasonable certainty that a lease extension or cancellation option will be exercised.

4. SUMMARY OF ACCOUNTING POLICIES (continued)

p) Significant accounting judgments and estimates (continued)

Share-based compensation and warrants

Management assesses the fair value of stock options and warrants using the Black-Scholes valuation model or a binomial regression method, as appropriate. The Black-Scholes model and the binomial regression method require management to make estimates and assumptions with respect to inputs including the risk-free interest rate, volatility and expected stock option or warrant life. As well, management must make assumptions about anticipated forfeitures based on the historical actions of stock option plan participants.

The following items reflect judgments made by management of the Company in applying its accounting policies:

Provision and contingent liabilities

Due to the nature of the Company's activities and countries in which it operates, various tax matters are outstanding from time to time. Contingencies can be possible liabilities arising from past events which, by their nature, will only be resolved when one or more future events not wholly within the Company's control occurs. The assessment of such contingencies involves the use of significant judgment and estimates. In the event that management's estimate of the future resolution of these matters change, the Company will recognize the effects of the changes in its consolidated financial statements on the date such changes occur.

Uncertain tax positions

The Company's management has determined that the sale in 2017 of the Matthews Ridge project has resulted in a capital gains tax, based on the interpretation of the tax rules in effect in Guyana. The amount of taxes paid has been established based on the Company's best estimate and according to its best judgement. If, after assessment, the amount of taxes payable is different than the amount initially recorded and paid, such difference could impact profit or loss in the period in which such determination is made.

Going concern

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances (Note 3).

4. SUMMARY OF ACCOUNTING POLICIES (continued)

p) Significant accounting judgments and estimates (continued)

Classification of joint arrangements

The Company makes judgments as to whether the Company's investments provide it with rights to the assets and obligations for the liabilities, relating to the arrangement or the net assets of the arrangement.

q) Accounting standards issued but not yet applied

The Company has not yet adopted certain standards, interpretations to existing standards and amendments which have been issued but have an effective date of later than December 31, 2021. These updates are not expected to have a significant impact on the Company and are therefore not discussed herein.

5. STRATEGIC ALLIANCE WITH BARRICK GOLD CORPORATION

In February 2019, the Company entered into a Strategic Alliance Agreement ("SAA") with Barrick to form a 50:50 alliance to jointly explore for, develop and mine certain mineral projects in the Guiana Shield (the "Alliance" or the "Alliance Projects"). The Company initially contributed to the Alliance, the Waiamu, Arawini, Oko West, Kartuni and Aremu North projects, all located in Guyana and Barrick initially funded an agreed amount of US$4.2 million on these projects, with subsequent funding on a 50:50 basis between the Company and Barrick. Due to disappointing exploration results, Barrick elected in January 2020 to exclude the Waiamu, Arawini, Oko West and Kartuni projects from the Alliance and on January 4, 2021, to exclude the Aremu North project from the Alliance. At December 31, 2021 and 2020, no amount remained to be spent by Barrick as part of their initial contribution. On May 27, 2020, the Company entered into an agreement under which a Surinamese private company granted to the Company an option to acquire the NW Extension gold project, located in Suriname. In accordance with the SAA, the Company notified Barrick and on September 21, 2020, Barrick elected to include the NW Extension Project in the Alliance. The terms of the agreement are described in Note 8. At December 31, 2021 and 2020, each of Reunion Gold and Barrick held a beneficial interest of 50% in the assets related to the NW Extension gold project.

As long as the Alliance is in effect, if the Company acquires an interest or an option to acquire an interest in any mineral property in the Guiana Shield, it will present the new project to Barrick and Barrick will have 90 days to elect to include the new project in the Alliance. If included, Barrick will fund the initial costs and expenditures for the project in an amount equal to the Company's incurred costs on the project up to a maximum of US$250,000. Reunion Gold remains the Manager of the Alliance Projects.

Barrick can at any time designate an Alliance Project as a "Designated Project". Following such designation, Barrick will sole fund the Designated Project until the completion of a feasibility study in respect of the project. Barrick will become the Manager of the Designated Project and the project will be transferred into a separate entity to be held by each party in the same proportion as their ownership in the Alliance Project. Upon completion of a feasibility study, Barrick's interest in the Designated Project will increase to 70% and the Company will retain a 30% interest. If Barrick does not deliver a feasibility study on the Designated Project, the project returns to the Alliance as an Alliance Project. Following delivery of a feasibility study for a Designated Project, at the Company's request, Barrick will fund or arrange capital for the Company's share of any debt financing required to develop and construct a mine and related facilities on the Designated Project that Barrick has chosen to develop. Barrick will receive an additional 5% interest in the Designated Project for funding or arranging such capital.

The Company's interest in the Dorlin, Boulanger and Haute Mana Projects, located in French Guiana, were not initially included in the Alliance. However, Barrick retains a right of first refusal on these projects and can in the future define any of these projects as a Designated Project and would then, at that time, pay to the Company 50% of all costs incurred by the Company on such Designated Project to that date.

As part of the SAA, the Company has agreed to spend at least 25% of the proceeds of the private placement completed in February 2019 on the Alliance Projects (Note 6).

6. CASH AND CASH EQUIVALENTS

As at December 31, 2021, cash and cash equivalents of $13,636,064 includes $10,800,000 of guaranteed investment certificates bearing interest at a weighted-average rate of 0.7%, cashable at any time after January 20, 2022, without penalties.

Cash and cash equivalents at December 31, 2021 includes a remaining amount of $135,781 ($665,678 at December 31, 2020) to be spent on the Alliance Projects under the SAA with Barrick described in Note 5.

7. PROPERTY AND EQUIPMENT

Assets subject to depreciation and amortization are as follows:

	Mobile equipment and service vehicles	Other mining equipment	Computer equipment, leasehold improvements and furniture	Right-of-use assets	Total
	$	$	$	$	$
Cost					
Balance at December 31, 2019	1,353,289	573,656	179,573	410,572	2,517,090
Additions	-	6,794	-	246,983	253,777
Disposals	(327,488)	(307,129)	(1,813)	(414,415)	(1,050,845)
Net exchange differences	766	968	1,822	12,118	15,674
Balance at December 31, 2020	1,026,567	274,289	179,582	255,258	1,735,696
Additions	**-**	**45,944**	**15,246**	**-**	**61,190**
Disposals	**(90,259)**	**(8,493)**	**(2,138)**	**-**	**(100,890)**
Net exchange differences	**(17,611)**	**(6,150)**	**(5,226)**	**(7,329)**	**(36,316)**
Balance at December 31, 2021	**918,697**	**305,590**	**187,464**	**247,929**	**1,659,680**
Accumulated depreciation and amortization					
Balance at December 31, 2019	584,889	416,177	107,443	284,796	1,393,305
Depreciation and amortization	405,184	121,461	59,299	131,156	717,100
Disposals	(306,003)	(295,388)	(1,426)	(414,415)	(1,017,232)
Net exchange differences	(11,127)	(3,851)	(684)	10,242	(5,420)
Balance at December 31, 2020	672,943	238,399	164,632	11,779	1,087,753
Depreciation and amortization	**145,254**	**23,114**	**12,589**	**105,920**	**286,877**
Disposals	**(84,262)**	**(6,327)**	**(2,138)**	**-**	**(92,727)**
Net exchange differences	**(12,399)**	**(5,418)**	**(4,753)**	**(1,018)**	**(23,588)**
Balance at December 31, 2021	**721,536**	**249,768**	**170,330**	**116,681**	**1,258,315**
Carrying amounts					
At December 31, 2020	353,624	35,890	14,950	243,479	647,943
At December 31, 2021	**197,161**	**55,822**	**17,134**	**131,248**	**401,365**

8. EXPLORATION AND EVALUATION ASSETS

Amounts invested in exploration and evaluation assets not subject to depreciation and amortization are as follows:

	December 31, 2020	**Additions**	**Impairment**	**Net exchange difference**	**December 31, 2021**
	$	**$**	**$**	**$**	**$**
Boulanger (French Guiana)	**1,779,312**	**-**	**-**	**(138,738)**	**1,640,574**
Oko West (Guyana) (a)	**625,097**	**157,713**	**-**	**(1,890)**	**780,920**
Arawini (Guyana) (b)	**95,490**	**31,845**	**(125,553)**	**(1,782)**	**-**
NW Extension (Suriname) (c)	**-**	**7,545**	**-**	**380**	**7,925**
Total	**2,499,899**	**197,103**	**(125,553)**	**(142,030)**	**2,429,419**

	December 31, 2019	Additions	Impairment	Net exchange difference	December 31, 2020
	$	$	$	$	$
Boulanger (French Guiana)	1,662,462	-	-	116,850	1,779,312
Oko West (Guyana) (a)	200,015	443,825	-	(18,743)	625,097
Arawini (Guyana) (d)	389,640	33,081	(331,800)	4,569	95,490
Waiamu (Guyana) (d)	410,416	-	(421,981)	11,565	-
Aremu North (Guyana) (d)	192,617	16,650	(205,194)	(4,073)	-
Total	2,855,150	493,556	(958,975)	110,168	2,499,899

(a) The additions in 2021 consist of an option payment of $157,713 (US$125,000) made in accordance with the August 2018 option agreement. The additions in 2020 include a payment of $311,325 (US$236,965) to secure additional permits located within the Oko West project area, totalling approximately 2,480 acres, and an option payment of $132,500 (US$100,000) made in accordance with the August 2018 option agreement.

(b) The Company has written-off accumulated expenses of $125,553 related to the Arawini property as the remaining permit was not renewed by the titleholder.

(c) The additions in 2021 consist of the Company's share of an option payment of $7,545 (US$6,250) made in accordance with the May 2020 option agreement.

(d) On August 10, 2020, October 6, 2020 and January 4, 2021, the Company gave notice to the titleholders of the Arawini Project, the Waiamu Project and the Aremu North Project, respectively, that it was terminating the option agreements due to disappointing exploration results, and as a result has written-off accumulated exploration and evaluation assets totalling $958,975.

8. EXPLORATION AND EVALUATION ASSETS (continued)

The following table summarizes the contractual commitments of the Company to maintain in good standing the agreements under which the Company has an option to acquire mineral properties, as at December 31, 2021. Except as noted below, all agreements can be terminated by the Company at any time without further financial obligations.

	Date of option agreement	Term	Option to acquire	Annual payments 2022	2023	2024	2025
		Years	%	In US $			
Alliance project							
NW Extension, Suriname (a)	May 2020	11	100	12,500	-	-	-
Non-Alliance projects							
Oko West, Guyana (b)	Aug 2018	5	100	150,000	150,000	-	-
Boulanger, French Guiana (c)	July 2017	5	100	-	-	-	-
Dorlin, French Guiana (d)	Feb 2017	8	75 to 80	-	-	-	-
Haute Mana, French Guiana (e)	Dec 2016	7	80	-	-	-	-

(a) On May 27, 2020, the Company entered into an agreement under which a Surinamese private company granted to the Company an option to acquire the NW Extension gold project, located in Suriname. Payments of US $12,500 are due to the rights holder in the first and second year of the agreement. Upon exercise of the option and transfer of the mineral rights to the Company, the rights holder will retain a 0.25% net smelter return royalty. The amounts presented under annual payment represent 100% of the contractual commitments.

(b) Subject to a contingent consideration of US$5.00 per ounce of gold produced.

(c) On May 1, 2021, the Boulanger option agreement was amended to further extend the option period by an additional one-year period to July 27, 2023; upon the decision to exercise the option, the Company will be required to make a payment of EUR1,000,000 to the optionor; following approval of the transfer to the Company of the concessions and exploration permit by the French regulatory authorities, the Company will need to make a final payment of EUR1,000,000 to the optionor; future production is subject to 2% NSR royalty to be paid to the optionor.

(d) The Dorlin Exploitation Permit (the “Dorlin PEX”) was renewed on July 30, 2020. The approval of the renewal application which was originally filed in 2015 has extended the validity of the Dorlin PEX until July 31, 2020. On June 2, 2020, the titleholder, in collaboration with the Company, filed an application to obtain a 25-year concession to replace the Dorlin PEX. In accordance with the French Mining Code, the filing of the Dorlin concession application has the effect of extending the validity of the Dorlin PEX while the concession application is being processed by the French mining administration.

(e) On January 2, 2022, two of the seven concessions making up the Haute Mana project were renewed and the renewal of the remaining five concessions is pending.

9. NOTE PAYABLE

On May 30, 2018, the Company entered into a 2-year non-interest bearing note payable related to the purchase of mobile equipment in Guyana for a total consideration of $874,020 (US$676,896). Given that the note payable was non-interest bearing, the Company accounted for its estimated fair value using a discount rate of 12%. The balance of the note payable (the last payment was made on April 30, 2020) was determined as follows:

	Years ended December 31,	
	2021	2020
	$	$
Balance, at beginning	**-**	123,121
Accretion	**-**	3,194
Reimbursement	**-**	(133,033)
Effect of foreign exchange	**-**	6,718
Balance, at end	**-**	-

10. LEASE LIABILITIES

The Company accounts for the estimated fair value of the lease liabilities using a discount rate of 12%. The balance of the lease liabilities at December 31, 2021 and 2020 is as follows:

	Years ended December 31,	
	2021	2020
	$	$
Balance, at beginning	**244,767**	131,408
Lease liabilities	**-**	246,983
Accretion expense	**23,515**	8,024
Repayment of liabilities	**(124,529)**	(143,597)
Effect of foreign exchange	**(6,431)**	1,949
Balance, at end	**137,322**	244,767
Current liabilities	**104,928**	100,043
Non-current liabilities	**32,394**	144,724
	137,322	244,767

11. INCOME TAXES

The income tax provision differs from the amount resulting from the application of the combined Canadian statutory income tax rate as follows:

	Years ended December 31,	
	2021	2020
	$	$
Net loss before income taxes	**(8,757,569)**	(8,345,052)
Tax using the Company's domestic tax rate (26.50%)	**(2,320,756)**	(2,211,439)
Effect of changes in tax rates	**688,276**	2,960,643
Effect of tax rate in foreign jurisdictions	**74,657**	12,261
Effect of tax rate on deferred income tax balance	**6,772**	5,339
Non-deductible expenses	**120,550**	236,366
Unrecognized tax assets	**1,450,145**	(963,763)
Loss on foreign exchange recorded in other comprehensive loss	**(23,184)**	63,959
Others	**3,540**	(103,366)
Income tax expense	**-**	**-**

Unrecognized deductible temporary differences for which no deferred tax assets have been recognized are presented in the following tables. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profits will be available against which the Company can utilize the benefits therefrom.

					December 31, 2021
	Guyana	**French Guiana**	**United States**	**Canada**	**Total**
	$	**$**	**$**	**$**	**$**
Non-capital loss carryforwards	**106,858,200**	**20,011,427**	**16,779,749**	**25,599,118**	**169,248,494**
Capital loss carryforwards	**308,268**	**-**	**14,915,913**	**9,206,605**	**24,430,786**
Property and equipment	**54,387**	**-**	**-**	**177,108**	**231,495**
Exploration and evaluation assets	**927,599**	**-**	**-**	**17,349,791**	**18,277,390**
Share issue expenses	**-**	**-**	**-**	**1,235,020**	**1,235,020**
Other	**-**	**-**	**-**	**139,682**	**139,682**
	108,148,454	**20,011,427**	**31,695,662**	**53,707,324**	**213,562,867**

11. INCOME TAXES (continued)

					December 31, 2020
	Guyana	French Guiana	United States	Canada	Total
	$	$	$	$	$
Non-capital loss carryforwards	101,556,110	20,674,742	16,779,749	23,889,776	162,900,377
Capital loss carryforwards	309,581	-	14,915,913	7,692,368	22,917,862
Property and equipment	102,501	-	-	638,075	740,576
Exploration and evaluation assets	137,186	-	-	16,763,967	16,901,153
Other	-	-	-	1,178,972	1,178,972
	102,105,378	20,674,742	31,695,662	50,163,158	204,638,940

Losses carried forward as at December 31, 2021 will expire as follows:

	Canada
	$
2025	1,460,212
2026	1,458,642
2027	1,088,068
2028	1,262,881
2029	338,915
2030	833,035
2031	1,930,034
2032	1,746,086
2033	2,167,680
2034	1,718,455
2035	686,632
2036	1,488,686
2037	1,781,954
2038	2,120,550
2039	2,224,912
2040	1,696,095
2041	1,596,281
	25,599,118

The Company's wholly owned subsidiary in Guyana also has a loss carry-forward of $106,858,200 at December 31, 2021, available indefinitely to reduce taxable income in future years. The Company's wholly owned subsidiary in French Guiana has a loss carry-forward of $20,011,427 at December 31, 2021, available indefinitely to reduce taxable income in future years.

12. SHARE CAPITAL

Authorized and issued

Unlimited number of common shares and unlimited number of preferred shares, issuable in series.

At December 31, 2021, the Company had 736,882,490 issued and outstanding common shares and 100,411,712 outstanding share purchase warrants (507,195,271 issued and outstanding common shares and 91,474,495 outstanding share purchase warrants at December 31, 2020).

Issuance of securities

On December 16, 2021, the Company completed a warrant exercise incentive program, under which a total of 67,606,028 common shares of the Company were issued upon the exercise of 67,606,028 previously outstanding share purchase warrants (the "Outstanding Warrants"), resulting in aggregate gross proceeds of $8,112,723 to the Company. For every Outstanding Warrant that was exercised, the holders of such Outstanding Warrant received one share to which they were otherwise entitled under the terms of the Outstanding Warrants and one-half of one common share purchase warrant (the "Incentive Warrant"). Each whole Incentive Warrant allows the holder to acquire one share of the Company at an exercise price of $0.20 for a period of two years expiring on December 16, 2023. A total of 33,803,011 Incentive Warrants were issued pursuant to this program. The fair value of the Incentive Warrants was estimated at $0.02 per warrant by applying the Black-Scholes option pricing model, using an expected time-period of 2 years, a weighted average risk-free interest of 0.95%, a weighted average volatility rate of 96% and a 0% dividend factor. An amount of $1,758,959 was allocated to the Incentive Warrants and presented as part of contributed surplus.

On May 18, 2021, the Company completed a non-brokered private placement through the issuance of 114,788,691 units (the "Units") at $0.065 per Unit for total proceeds of $7,461,265. Each Unit consisted of one common share of the Company and one half of one common share purchase warrant (each whole warrant, a "Warrant"), with each Warrant exercisable to acquire one common share of the Company at a price of $0.12 per share until May 18, 2023. The fair value of the common shares was calculated by using the TSXV share price on the date of the issuance and the fair value of the warrants was estimated at $0.02 per warrant by applying the Black-Scholes option pricing model, using an expected time-period of 2 years, a weighted average risk-free interest rate of 0.3%, a weighted average volatility rate of 91% and a 0% dividend factor. An amount of $1,156,917 was allocated to the share purchase warrants and presented as part of contributed surplus. Finders' fees related to this private placement amounted to $371,565.

12. SHARE CAPITAL (continued)

Issuance of securities (continued)

On May 21, 2021, the Company completed a private placement with a syndicate of agents led by BMO Capital Markets (the "Brokered PP"). The Brokered PP consisted of 46,150,000 Units at $0.065 per Unit, for a total amount of $2,999,750. Each Unit consisted of one common share of the Company and one half of one common share purchase warrant (each whole warrant a "Warrant"). Each Warrant entitles its holder to acquire one common share of the Company at a price of $0.12 per share until May 21, 2023. The fair value of the common shares was calculated by using the TSXV share price on the date of the issuance and the fair value of the warrants was estimated at $0.02 per warrant by applying the Black-Scholes option pricing model, using an expected time-period of 2 years, a weighted average risk-free interest rate of 0.3%, a weighted average volatility rate of 91% and a 0% dividend factor. An amount of $465,016 was allocated to the share purchase warrants and presented as part of contributed surplus. Agent's fees related to this private placement amounted to $179,985.

During the year ended December 31, 2021, the Company issued a total of 1,142,500 common shares following the redemption of an equivalent amount of RSUs.

On August 6, 2020, the Company completed a non-brokered private placement and issued 75,000,000 units ("Units") at a price of $0.08 per Unit for total proceeds of $6,000,000. Each Unit consists of one common share and one half of one common share purchase warrant. Each whole warrant may be exercised for one common share at a price of $0.12 per common share for a period of 24 months. The fair value of the common shares was calculated by using the TSXV share price on the date of the issuance and the fair value of the warrants was estimated at $0.06 per warrant by applying the Black-Scholes option pricing model, using an expected time-period of 2 years, a weighted average risk-free interest of 0.30%, a weighted average volatility rate of 88% and a 0% dividend factor. An amount of $1,700,760 was allocated to the share purchase warrants and presented as part of contributed surplus. Finder's fees related to this private placement amounted to $350,400.

On March 27, 2020, the Company completed a non-brokered private placement and issued 13,400,000 Units at a price of $0.13 per Unit for total proceeds of $1,742,000. Each Unit consists of one common share and one half of one common share purchase warrant. Each whole warrant may be exercised for one common share at a price of $0.20 per common share for a period of 36 months. The fair value of the common shares was calculated by using the TSXV share price on the date of the issuance and the fair value of the warrants was estimated at $0.02 per warrant by applying the Black-Scholes option pricing model, using an expected time-period of 3 years, a weighted average risk-free interest of 0.50%, a weighted average volatility rate of 73% and a 0% dividend factor. An amount of $123,405 was allocated to the share purchase warrants and presented as part of contributed surplus.

During the year ended December 31, 2020, the Company issued a total of 190,000 common shares following the redemption of an equivalent amount of RSUs.

12. SHARE CAPITAL (continued)

Issuance of securities (continued)

The underlying expected volatility described above was determined by reference to historical data of the Company's share price over the expected life of the warrants.

Share purchase warrants

On May 18, 2021, as part of the private placement completed on the same date, the Company issued a total of 5,353,385 finders compensation warrants exercisable at a price of $0.12 until May 18, 2023. The fair value of the warrants was estimated at $0.02 per warrant by applying the Black-Scholes option pricing model, using an expected time-period of 2 years, a weighted average risk-free interest rate of 0.3%, a weighted average volatility rate of 91% and a 0% dividend factor. The estimated fair value of the warrants in the amount of $127,713 was presented as share issue expenses.

On August 6, 2020, as part of the private placement completed on the same date, the Company issued a total of 4,192,000 non-transferrable finders' compensation warrants, exercisable for 2 years at $0.12 per share. The fair value of each warrant was estimated at $0.06 per warrant by applying the Black-Scholes option pricing model, using an expected time-period of 2 years, a weighted average risk-free interest of 0.30%, a weighted average volatility rate of 88% and a 0% dividend factor. The estimated fair value of the warrants in the amount of $265,334 was presented as share issue expenses.

The underlying expected volatility described above was determined by reference to historical data of the Company's share price over the expected life of the warrants.

12. SHARE CAPITAL (continued)

Share purchase warrants (continued)

The following table reflects the activity related to share purchase warrants:

Grant date	Number of warrants December 31, 2020	Granted	Exercised	Expired	**Number of warrants December 31, 2021**	**Price per share**	Expiry
						$	
September 8, 2017 (i) (ii)	39,003,595	**-**	**-**	**(39,003,595)**	**-**	-	-
September 19, 2017 (i) (ii)	3,078,900	**-**	**-**	**(3,078,900)**	**-**	-	-
March 12, 2019 (ii)	1,000,000	**-**	**-**	**(1,000,000)**	**-**	-	-
March 27, 2020	6,700,000	**-**	**-**	**-**	**6,700,000**	0.20	March 27, 2023
August 6, 2020	37,500,000	**-**	**(15,920,336)**	**-**	**21,579,664**	0.12	August 6, 2022
August 6, 2020	4,192,000	**-**	**-**	**-**	**4,192,000**	0.12	August 6, 2022
May 18, 2021	-	**57,394,344**	**(28,610,692)**	**-**	**28,783,652**	0.12	May 18, 2023
May 18, 2021	-	**5,353,385**	**-**	**-**	**5,353,385**	0.12	May 18, 2023
May 21, 2021	-	**23,075,000**	**(23,075,000)**	**-**	**-**	-	-
December 16, 2021	-	**33,803,011**	**-**	**-**	**33,803,011**	0.20	December 23, 2023
	91,474,495	**119,625,740**	**(67,606,028)**	**(43,082,495)**	**100,411,712**	0.15	

(i) On August 25, 2020, the Company received the consent of the TSXV to extend the expiry date of these warrants from September 8, 2020 and September 19, 2020, respectively to March 31, 2021.

(ii) These warrants expired unexercised in March 2021.

13. SHARE-BASED PAYMENTS

The Company has two share-based compensation plans: a stock option plan (the "2004 SOP") and a performance and restricted share unit plan ("PRSU Plan").

The shareholders of the Company adopted and approved the 2004 SOP for employees, officers, directors and consultants to the Company and its affiliates. The Board of Directors has delegated the authority to oversee the 2004 SOP to the Compensation and Corporate Governance Committee of the Company (the "Compensation Committee"). The Compensation Committee may determine the time during which any options may vest. The exercise price of an option shall not be lower than the closing price of the common shares on the TSXV on the last trading day prior to the date of the grant. The options shall be for such periods as the Compensation Committee determines up to a maximum of five years.

The PRSU Plan, adopted in September 2018, sets forth the terms and conditions under which restricted share units ("RSUs") and performance share units ("PSUs") may be granted to officers, directors, key employees and consultants. The number of common shares that may be reserved for issuance under the PRSU Plan may not exceed 3,000,000.

The maximum number of common shares issuable pursuant to the 2004 SOP combined with the aggregate number of common shares issuable under the PRSU Plan shall not exceed 10% of the total number of common shares outstanding from time to time.

Stock options

The following sets out the activity in stock options:

	For the year ended December 31, 2021		For the year ended December 31, 2020	
	Number	**Weighted average exercise price ($)**	Number	Weighted average exercise price ($)
Stock options, beginning of period	**23,431,667**	**0.16**	23,885,000	0.16
Granted	**8,125,000**	**0.08**	1,100,000	0.13
Expired	**(3,200,000)**	**(0.17)**	(1,553,333)	(0.20)
Stock options, end of period	**28,356,667**	**0.14**	23,431,667	0.16

13. SHARE-BASED PAYMENTS (continued)

Stock options (continued)

On November 18, 2021, the Company granted 500,000 stock options to a consultant. The stock options have a five-year term and are exercisable at a price of $0.13 per share. The stock options granted will vest over a two-year period.

On August 16, 2021, the Company granted 7,625,000 stock options to its directors, officers and consultants. The stock options have a five-year term and are exercisable at a price of $0.08 per share. The stock options granted will vest over a two-year period.

On August 20, 2020, the Company granted 250,000 stock options to a consultant. The stock options have a five-year term and are exercisable at a price of $0.13 per share. The stock options granted will vest over a two-year period.

On June 19, 2020, the Company granted 850,000 stock options to directors and to a consultant. The stock options have a five-year term and are exercisable at a price of $0.13 per share. The stock options granted will vest over a two-year period.

The following provides a summary of stock options granted and related weighted average Black-Scholes option pricing model input factors used:

	Years ended December 31,	
	2021	2020
Number of stock options granted during the period	**8,125,000**	1,100,000
Weighted-average exercise price ($)	**0.08**	0.13
Weighted average grant date market price ($)	**0.08**	0.09
Expected stock option life (years)	**5.0**	5.0
Vesting period (years)	**2.0**	2.0
Expected volatility (%)	**88**	94
Risk-free interest rate (%)	**0.9**	0.4
Dividend yield (%)	**-**	-
Weighted-average grant date fair value (Black-Scholes value) ($)	**0.05**	0.05

13. SHARE-BASED PAYMENTS (continued)

Stock options (continued)

The underlying expected volatility of all option grants was determined by reference to historical data of the Company's share price over the expected stock option life. No special features inherent to the stock options granted were incorporated into the measurement of fair value.

The following reflects the stock options issued and outstanding at December 31, 2021:

Issue date	Number of stock options	Exercise price	Remaining contractual life (years)	Number of exercisable options	Exercise price of exercisable options
		$			$
February 9, 2017	7,145,000	0.07	0.1	7,145,000	0.07
February 14, 2017	700,000	0.10	0.1	700,000	0.10
December 4, 2017	500,000	0.16	0.9	500,000	0.16
January 4, 2018	5,500,000	0.16	1.0	5,500,000	0.16
August 19, 2019	5,820,000	0.27	2.6	5,820,000	0.27
June 19, 2020	766,667	0.13	3.5	511,111	0.13
August 16, 2021	7,425,000	0.08	4.6	2,475,000	0.08
November 18, 2021	500,000	0.13	4.9	166,667	0.13
	28,356,667	0.14	2.2	22,817,778	0.15

Restricted share units ("RSUs")

The following sets out the activity in RSUs:

	Years ended December 31,	
	2021	2020
	Number	Number
RSUs, beginning of period	**2,498,816**	2,748,816
Granted	**-**	60,000
Redeemed	**(1,142,500)**	(190,000)
Expired	**(50,000)**	(120,000)
RSUs, end of period	**1,306,316**	2,498,816

13. SHARE-BASED PAYMENTS (continued)

On June 16, 2020, the Company granted 60,000 RSUs to directors. The RSUs granted will vest in two stages, 50% on June 16, 2021 and 50% on June 16, 2022. Each vested RSU entitles the holder to receive one common share of the Company by delivering an exercise notice. The fair value of RSUs is determined on the grant date, using the prior day's closing price. The fair value of the RSUs granted is $0.07 per RSU.

The fair value of the RSUs is recognized as share-based compensation expense with a corresponding increase in contributed surplus. The total amount expensed is recognized over the vesting period.

Share-based compensation costs

During the year ended December 31, 2021, the Company recorded share-based compensation costs related to stock options in the amount of $258,327 ($613,121 in 2020).

During the year ended December 31, 2021, the Company recorded share-based compensation costs related to RSUs in the amount of $196,133 ($277,073 in 2020).

14. EXPLORATION AND EVALUATION EXPENSES

The Company incurred the following exploration expenses:

	Years ended December 31,	
	2021	2020
	$	$
Wages and fees	**2,400,472**	2,100,141
Drilling and assaying	**2,480,193**	883,474
Studies and geophysics	**140,925**	150,291
Camp costs	**510,231**	435,889
Field supplies	**261,854**	134,990
Transportation and travel	**434,122**	171,424
Property lease payments	**125,607**	234,953
Others	**546,099**	514,122
	6,899,503	4,625,284

15. MANAGEMENT AND ADMINISTRATION EXPENSES

The Company incurred the following management and administration expenses:

	Years ended December 31,	
	2021	2020
	$	$
Wages and fees	**857,924**	986,945
Professional fees	**65,340**	26,323
Office and others	**74,619**	55,088
Investor relations and travel	**89,014**	60,133
Reporting issuer costs	**32,313**	32,820
	1,119,210	1,161,309

16. LOSS PER SHARE

The calculation of basic and diluted loss per share for the year ended December 31, 2021 was based on the net loss attributable to common shareholders of $8,757,569 (net loss of $8,345,052 in 2020) and the weighted average number of common shares outstanding of 609,916,554 (459,022,361 in 2020).

17. OTHER COMMITMENT

In addition to the commitments described in Note 8, the agreements between the Company and its officers contain termination without cause and change of control provisions. Assuming that the Company's officers had all been terminated without cause on December 31, 2021, the total amount payable to the Company's officers would have totaled $433,000 and if a change in control had occurred on December 31, 2021, the total amount payable to the Company's officers would have totaled $433,000.

18. SEGMENTED INFORMATION

The Company has one reportable operating segment being the acquisition and exploration of mineral properties properties in the Guyana Shield, South America. Assets are located as follows:

					December 31, 2021
	Canada	**Guyana**	**French Guiana**	**Suriname**	**Total**
	$	**$**	**$**	**$**	**$**
Current assets	**13,559,807**	**373,830**	**46,526**	**-**	**13,980,163**
Property and equipment	**76,228**	**255,372**	**69,765**	**-**	**401,365**
Exploration and evaluation assets	**-**	**780,920**	**1,640,574**	**7,925**	**2,429,419**
Total assets	**13,636,035**	**1,410,122**	**1,756,865**	**7,925**	**16,810,947**

					December 31, 2020
	Canada	Guyana	French Guiana	Suriname	Total
	$	$	$	$	$
Current assets	3,163,757	155,604	136,968	-	3,456,329
Property and equipment	151,752	321,980	174,211	-	647,943
Exploration and evaluation assets	-	720,587	1,779,312	-	2,499,899
Total assets	3,315,509	1,198,171	2,090,491	-	6,604,171

19. CASH FLOW INFORMATION

Changes in working capital items are as follows:

	Years ended December 31,	
	2021	2020
	$	$
Receivable from related parties	**61,526**	(4,179)
Sales taxes receivable	**2,050**	35,058
Other receivables	**37,321**	(28,981)
Prepaid expenses and deposits	**(66,267)**	60,306
Accounts payable and accrued liabilities	**865,454**	(1,119,458)
Payable to Barrick	**49,537**	(82,648)
	949,621	(1,139,902)
Supplemental information		
Finance income received, included in operating activities	**5,568**	17,824
Additions to exploration and evaluation assets, included in accounts payable and accrued liabilities	**-**	33,081
Share issue expenses, include in accounts payable and accrued liabilities	**39,263**	-
Lease liabilities, included in property and equipment	**-**	246,983
Fair value of warrants granted	**127,713**	265,334
Redemption of RSUs	**238,113**	45,775

20. CAPITAL MANAGEMENT

The Company defines capital that it manages as shareholders' equity. When managing capital, the Company's objectives are a) to ensure the entity continues as a going concern; b) to increase the value of the entity's assets; and c) to achieve optimal returns to shareholders. These objectives will be achieved by identifying the right exploration projects, adding value to these projects and ultimately taking them to production or obtaining sufficient proceeds from their disposal. At December 31, 2021, managed capital totaled $14,436,243 ($5,025,454 at December 31, 2020).

The Company's properties are currently in the exploration stage. As such, the Company is dependent on external financing to fund its activities. The amount and timing of additional funding will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There were no changes in the Company's approach to capital management during the year ended December 31, 2021. As described in Notes 5 and 6, the Company agreed to spend a minimum of 25% of the proceeds from the February 2019 private placement completed by the Company on the Included Projects as part of the SAA with Barrick. At December 31, 2021, $135,781 remains to be spent on the Included Projects from such proceeds. The Company is not subject to any other externally imposed capital requirements at December 31, 2021.

21. FINANCIAL RISK MANAGEMENT

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by the Board of Directors. There were no changes to the Company's financial objectives, policies and processes during the year ended December 31, 2021.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's ability to continue as a going concern is dependent on management's ability to raise the funds required for its continued operations as the Company generates cash flow from its financing activities (Note 3).

The following summarizes the contractual maturities of the Company's financial and lease liabilities at December 31, 2021:

	Carrying amount	Settlement amount	Within 1 year	Between 1-2 years	Between 2-3 years
	$	$	$	$	$
Accounts payable and accrued liabilities (a)	**2,172,888**	**2,172,888**	**2,172,888**	**-**	**-**
Lease liabilities	**137,322**	**152,678**	**118,139**	**34,539**	**-**
Payable to Barrick	**64,494**	**64,494**	**64,494**	**-**	**-**
	2,231,639	**2,390,060**	**2,355,521**	**34,539**	**-**

a) Includes a provision of $420,150 (US$330,000) with respect to withholding taxes for the years 2011 and 2012, following an examination by the Guyana Revenue Authority (GRA). This provision is included in accounts payable and accrued liabilities as at December 31, 2021 and 2020.

Interest rate risk

The Company's interest rate risk relates to cash and cash equivalents. Cash and cash equivalents are subject to floating interest rates. Based on cash and cash equivalents on hand at December 31, 2021, sensitivity to a plus or minus 1% change in interest rates would affect profit or loss and equity by $136,000 ($31,000 at December 31, 2020).

21. FINANCIAL RISK MANAGEMENT (continued)

Currency risk

In the normal course of operations, the Company is exposed to currency risk due to business transactions conducted in a currency other than the respective functional currencies of each of the entities within the consolidated group. The Company has not entered into any derivative contracts to manage this risk. Transactions related to the Company's activities in Guyana are mainly denominated in Guyanese dollars and in United States dollars and in French Guiana in Euros. The consolidated entity seeks to minimise its exposure to currency risk by monitoring exchange rates and entering into foreign currency transactions that maximize the consolidated entity's position. The board considers this policy appropriate, taking into account the consolidated entity's size, current stage of operations, financial position and the board's approach to risk management.

At December 31, 2021, assets and liabilities denominated in a foreign currency consisted of cash of $2,143,375 ($158,216 at December 31, 2020), prepaid expenses and deposits of $119,824 ($94,353 at December 31, 2020), accounts payable and accrued liabilities of $1,714,274 ($875,513 at December 31, 2020) and payable to Barrick of $64,494 ($14,957 at December 31, 2020). The impact on comprehensive loss and equity of a 10% increase or decrease in foreign currencies to the Canadian dollar exchange rate on the Company's financial instruments balances at December 31, 2021 would be approximately $48,000 ($64,000 at December 31, 2020).

Credit risk

The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets held. At December 31, 2021, the Company's financial assets exposed to credit risk are primarily composed of cash and cash equivalents, receivable from related parties, other receivables and deposits. To mitigate exposure to the credit risk (which is deemed low), the Company has established a policy to ensure counterparties demonstrate minimum acceptable worthiness, and to ensure liquidity of available funds. The Company's cash and cash equivalents are held with large Canadian and French-based financial institutions and the credit risk of other financial assets is not significant.

Political risk

The Company carries on its exploration activities in South America. These activities may be subject to political, economical or other risks that could influence the Company's exploration and development activities and future financial situation.

22. RELATED PARTY TRANSACTIONS

The detail of transactions between the Company and its related parties, other than subsidiaries which are fully consolidated, are described below. Related party transactions are measured at their exchange amount, which is the amount of consideration established and agreed to by the related parties. Unless otherwise stated, none of these transactions included special terms or conditions. No guarantees were given.

Companies under common management

During the years ended December 31, 2021 and 2020, the Company was a party to separate agreements to provide administrative and legal services to other TSXV-listed companies, related by virtue of common management, including Highland Copper Company Inc. ("Highland") and Odyssey Resources Limited. The services are provided at cost for all direct expenses plus a fixed monthly charge to cover overhead expenses. Such amounts recovered for administrative services during the year ended December 31, 2021 totaled $81,770 ($121,946 during the year ended December 31, 2020) and were presented against office and other expenses on the consolidated statements of comprehensive loss.

At December 31, 2021, the Company had an amount receivable from companies under common management of $41,469 ($102,995 at December 31, 2020). Amounts due are non-interest bearing and are due within 30 days of invoice date.

Remuneration of directors and key management of the Company

The remuneration awarded to directors and to senior key management, including the president and Chief Executive Officer and the Chief Financial Officer, is as follows:

	Years ended December 31,	
	2021	2020
	$	$
Wages and fees	**662,578**	571,438
Share-based compensation	**302,179**	573,498
	964,757	1,144,936

23. EVENTS AFTER THE REPORTING DATE

Bought deal private placement

On February 24, 2022, the Company completed a bought deal private placement common share offering (the "Offering") with Paradigm Capital Inc. and Dundee Goodman Merchant Partners (the "Lead Underwriters") on behalf of a syndicate of underwriters (collectively with the Lead Underwriters, the "Underwriters"). Pursuant to the Offering, the Company issued 65,715,349 common shares of the Company at a price of $0.175 per share for aggregate gross proceeds to the Company of $11,500,186. As compensation, the Company paid to the Underwriters a cash fee of approximately $680,000 and issued to the Underwriters an aggregate of 3,894,064 non-transferable compensation options (the "Compensation Options"). Each Compensation Option entitles the holder thereof to purchase one common share of the Company at an exercise price of $0.175 per share until February 24, 2024.

Grant of stock options

On March 1, 2022, the Company granted incentive stock options to purchase up to 16,500,000 common shares of the Company at an exercise price of $0.26 to directors, officers, employees and key consultants of the Company pursuant to the Company's stock option plan. The stock options are exercisable for a period of five years and are vesting in three tranches over a period of two years.

Exercise of stock options

From January 1 to April 26, 2022, a total of 8,095,000 stock options were exercised for proceeds of $598,484.

Exercise of share purchase warrants

From January 1 to April 26, 2022, a total of 9,208,633 share purchase warrants were exercised for proceeds of $1,105,036.

REUNION GOLD CORPORATION
(TSXV: RGD)

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED
DECEMBER 31, 2021

REUNION GOLD CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2021

The following management's discussion and analysis ("**MD&A**") of operations, results, and financial position of Reunion Gold Corporation ("**Reunion Gold**") and its subsidiaries (together the "**Company**") covers the years ended December 31, 2021 and 2020 and should be read in conjunction with the Company's audited consolidated financial statements and related notes for the years ended December 31, 2021, and 2020 (the "**December 31, 2021 and 2020 consolidated financial statements**"). The December 31, 2021, and 2020 consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

The effective date of this MD&A is April 26, 2022.

All financial results presented in this MD&A are expressed in Canadian dollars unless otherwise indicated.

Description of Business

Reunion Gold is a Canadian-based company focused on acquiring, exploring and developing mineral projects located in the Guiana Shield region of South America. The Company has entered into agreements entitling it to acquire an interest in various gold exploration projects in Guyana, Suriname and French Guiana. Its principal projects are Oko West in Guyana, NW Extension in Suriname, and Boulanger and Dorlin in French Guiana. The NW Extension project is part of a 50-50 strategic alliance (the "**Alliance**") entered into with Barrick Gold Corporation ("**Barrick**") in February 2019.

Reunion Gold's common shares trade on the TSX Venture Exchange ("**TSXV**") under the symbol RGD. As of April 26, 2022, the Company has 819,901,477 issued and outstanding common shares.

Highlights for 2021 and events subsequent to year-end

- Significant gold mineralization was discovered at the Oko West Project in 2021; the Company completed close to 16,000 meters of drilling in 2021 and initiated in February 2022 a phase 4 drilling program of 15,000 meters.
- The Company undertook an initial drilling program at the NW Extension Project in October 2021 and completed approximately 1,900 meters in 30 holes of drilling before suspending all field activities at

the project in mid-March 2022 due to exceptional precipitation and deteriorated access to the project area.

- On December 31, 2021, the Company had a working capital of $11,638,000, including cash and cash equivalents of $13,636,000, following the completion in December 2021 of a warrant incentive exercise program for proceeds of $8,113,000 and a private placement in May 2021 for proceeds of $10,461,000.
- On February 24, 2022, the Company completed a bought deal private placement financing for gross proceeds of $11,500,000.
- Since January 1, 2022, a total of 8,095,000 stock options and 8,298,137 share purchase warrants were exercised for total proceeds of $1,594,260.
- In March 2022, Mr. Pierre Chénard was appointed to the Company's board of directors.

Exploration activities

In 2021, the Company focused its exploration activities at the Oko West Project in Guyana and at the NW Extension Project in Suriname.

Oko West Project, Guyana

The **Oko West Project** located in Guyana is part of a group of permits in the Cuyuni River basin covering an area of 10,880 acres where the Company has option agreements with Guyanese titleholders to acquire a 100% ownership interest over the project area. The Company can exercise its option to acquire a 100% interest in the Oko West Project until August 2025. Annual payments of up to US$155,000 are required to maintain the option agreements in good standing.

In 2020, the Company's geochemical survey, trenching, and initial drill program discovered and confirmed the presence of gold mineralization in shear zones stradling the contact between a greenstone belt assemblage and a granitoid unit on the east side of the project area. The mineralization coincides with a 6 km long gold-in-soil geochemical anomaly.

The trenching program, which began in September 2020, consisted of excavator dug trenches with channel samples collected on the trench walls. A total of 33 trenches were excavated at approximately 200 m intervals over the northernmost 2.5 km of the gold-in-soil geochemical anomaly (now referred to as the Kairuni zone) and totalled over 7,500 meters. The trenching program confirmed the gold mineralization in the Kairuni zone that was initially indicated by the soil geochemical anomaly.

With these encouraging results, the Company completed in early 2021 an initial 1,000-meter diamond drilling program consisting of seven drill holes averaging 143 meters in length. The drilling program tested the vertical continuity of trench anomalies and confirmed the discovery of significant gold mineralization in shear zones. Some of the drill holes confirmed the down-dip continuity of gold mineralization into weathered bedrock and intersected shear structures along intercalated volcanic and granitic rocks.

The positive results from the initial drill program prompted the Company to launch in June 2021 phase 2 and 3 drill programs totalling approximately 16,500 meters to systematically test the vertical and lateral continuity of the 2.5 km long Kairuni zone. The phase 2 and 3 drill programs were designed with east-west drill "fences" spaced at every 100 meters to facilitate future resource estimates. The program began with one diamond drill rig, and, in late July, the Company added a reverse circulation drill rig to complement the coverage of the known mineralized footprint and to allow for exploration of new mineralized zones. In October 2021, the Company added a second diamond drill rig. The phase 2 and 3 programs, completed in February 2022, consisted of 58 diamond drill holes totalling 8,184 meters and 104 reverse circulation drill holes totalling 8,576 meters.

The completion of phase 2 and 3 programs was immediately followed-up by the start of a 15,000 m phase 4 drill program, targeted for completion in late Q2 early Q3, 2022. This phase 4 program is designed to test the lateral and vertical continuity in the Kairuni zone to a depth of approximately 250 m over the 2.5 km Kairuni zone, in preparation for a maiden resource estimate in 2H 2022. On March 31, 2022, the Company had completed a total of 17 diamond drill holes totalling 2,993 meters and 52 reverse circulation drill holes totalling 4,391 meters from the ongoing phase 4 program.

The phase 4 program also includes step-out holes to test the depth extension of the Kairuni zone and scout holes to test three additional priority target areas on the Oko West Project. These targets include the Takutu zone, which represents the southern 3.5 km of the gold-in-soil geochemical anomaly and lies upstream from areas of significant alluvial working. The second target area is immediately west of the Kairuni zone and incorporates an area containing several gold-in-soil anomalies. The third target area represents the potential hard rock source for alluvial gold mineralization that has been mined downstream of the project area.

The drilling completed at Oko West since June 2021 has shown positive results, indicating continuous gold mineralization over the 2.5 km long Kairuni zone. Drilling results have been released regularly and can be consulted on the Company's website (www.reuniongold.com).

NW Extension Project, Suriname

On May 27, 2020, the Company entered into an agreement under which a Surinamese private company granted the Company an option to acquire the **NW Extension Project**, located in Suriname. A payment of

$12,500 was made on the first anniversary date of the agreement, and a similar amount of $12,500 is due on the second anniversary date of the agreement. Upon exercise of the option and transfer of the rights to the Company, the rights holder will retain a 0.25% net smelter royalty. The Company has an option to acquire a 100% interest in the project. After reviewing the project data, Barrick advised the Company in late 2020 that it had elected to include the project in the Alliance.

The NW Extension Project, comprising three rights of exploration totalling 925 square kilometers, is located 60 kilometers to the west-southwest of Paramaribo. The interpretation of available geophysical data indicates that the large, greenstone belt-scale geological structures associated with gold mineralization at the Rosebel gold deposit extends to the northwest under cover of recent sediments, underlying the project area footprint. To refine this observation and generate targets, the Alliance partners conducted a detailed airborne magnetic survey completed on April 14, 2021. After interpreting the geophysical survey and after completing a review of historical bauxite drilling data, the Company and Barrick designed a 3,000-meter drilling program to test identified targets. Following the completion of a trail access to the target area, the Alliance partners launched its drilling program on November 25, 2021. The objective of the program is to explore a "corridor" of geological structures trending from the Rosebel gold deposit area, potentially hosting gold mineralization. This program consists of drilling "fences" of holes across this corridor and sampling the bedrock for gold and gold pathfinder elements. A total of 1,901 meters in 30 holes have been completed so far on three drill fences. Assays from the first drill fence did not provide significant results and results from the remaining drill fences are pending. The drilling program was suspended in mid-March 2022 due to exceptional precipitation and deteriorated access to the project area. The Company and Barrick plan to restart the drilling program when ground conditions have improved, expected in the next dry season.

Boulanger Project, French Guiana

The Boulanger Project is located 60 kilometers to the south of Cayenne (by paved road), the capital city of French Guiana. In July 2017, the Company entered into an option agreement to acquire from Compagnie Minière de Boulanger ("**CMB**"), an arm's length private company, a 100% interest in certain mineral titles located in French Guiana, which include the Boulanger, Central Bief, Devez North and Devez South mineral concessions and the Carapa exploration permit (the "**Boulanger Project**"). In 2019, the option agreement was amended to include the Chawari exploration permit and the Saint-Michel artisanal mining permit and to extend the option period to July 2021. The option agreement was later amended to extend the option period to July 2023. To exercise the option, the Company would be required to pay an initial amount of EUR 1,000,000 to CMB and a final additional amount of EUR 1,000,000 following approval of the transfer to the Company of the concessions and permits by the French regulatory authorities. CMB would retain a 2% net smelter returns royalty on the project.

The four mining concessions, which had expired on December 31, 2018, were renewed by the French Government by Decree and published on June 7, 2021, for a period of 15 years, expiring on December 31, 2033. However, a non-governmental organization ("NGO") has initiated administrative procedures against the French government (the Council of State) seeking the annulment of the renewal of the CMB concessions. The main arguments of the NGO are the lack of a public inquiry during the renewal process and the failure to consider the environmental impact of the renewal. An interlocutory decision rendered by the French Constitutional Court *(Conseil Constitutionnel)* in response to a constitutional law question raised in the proceedings by the NGO was rendered in February 2022, declaring unconstitutional an article of the old French Mining Code. According to the Court, the article did not sufficiently consider the environmental consequences of the renewal of concessions and therefore violated articles of the French Environmental Charter.

Following the decision, the procedures have been referred back to the French Supreme Court to rule on the merit of the procedures brought by the NGO. The Company and CMB believe that the application process for the renewal of the concessions was done in accordance with applicable laws. There can be no assurance that the NGO's legal procedures seeking the cancellation of the renewal of concessions will be rejected by the Court. The Company believes that if the renewal of the CMB concessions is cancelled by the Supreme Court, CMB would have to file new renewal applications, including an environmental and social baseline study.

Early in 2021, the Company completed the interpretation of the results from the 2020 drilling program at the Crique Filon prospect, which defined two mineralized zones with lateral and depth continuity and significant gold grades. No fieldwork was conducted at the Boulanger Project in 2021, and the project is currently under care and maintenance. The Company is not planning to conduct fieldwork until the legal situation with respect to the renewal of the concessions is resolved to its satisfaction.

Dorlin Project

The Dorlin Project consists of an 84 km^2 mining permit (the "**Dorlin PEX**") for gold located in the central west region of French Guiana, approximately 190 km south-west of the capital Cayenne. The PEX is held by Société Minière Yaou-Dorlin ("**SMYD**"), a subsidiary of Auplata Mining Group, a French company listed on the Paris Stock Exchange. In February 2017, the Company entered into an option agreement to acquire a 75% interest in the Dorlin Project from SMYD. The option is valid until July 30, 2025.

In 2020, the Dorlin PEX was renewed retroactively for five years which expired on July 30, 2020. In June 2020, SMYD, in collaboration with the Company, filed an application to obtain a 25-year concession to replace the Dorlin PEX. As of the date of this MD&A, the approval of this application is pending. Pursuant to the French Mining Code, the Dorlin PEX remains valid until a decision is rendered on the application for the concession. To exercise its option to acquire an interest of 75% in the Dorlin Project, the Company must complete a feasibility study by January 30, 2025. Once the option is exercised, SMYD can maintain a 25% participating

interest or can elect to receive a 5% net profit interest. The Dorlin Project is subject to a 1.0% royalty payable to previous owners of the project.

No fieldwork was conducted at the Dorlin Project in 2021, and the project is currently under care and maintenance. Early in 2021, the Company demobilized a drill rig that had been on standby since the completion of the last drilling campaign.

Strategic Alliance with Barrick Gold Corporation

On February 3, 2019, the Company entered into a Strategic Alliance Agreement ("**SAA**") with Barrick to form an alliance (the "**Alliance**") to jointly explore for, develop and mine mineral projects in the Guiana Shield (the "**Alliance Projects**"). As long as the Alliance is in effect, if the Company acquires an interest or an option to acquire an interest in any mineral property in the Guiana Shield, Barrick will have 90 days to elect to include the new project in the Alliance. The Company will manage all exploration projects within the Alliance during the exploration stage. At the date of this MD&A, the NW Extension Project in Suriname is the sole project in the Alliance. In January 2020, Barrick elected to exclude the Waiamu, Arawini, Oko West and Kartuni projects (all located in Guyana) from the Alliance, and in January 2021, Barrick also elected to exclude the Aremu North Project (in Guyana) from the Alliance. On December 31, 2021, no amount remained to be spent by Barrick as part of Barrick's initial contribution of US$ 4.2 million. Other terms of the SAA are presented in Note 5 to the Company's December 31, 2021, and 2020 consolidated financial statements filed on SEDAR.

Outlook

In 2022, the Company plans to continue to focus its efforts on the Oko West Project in Guyana. The overall objective of the exploration program is to define the extent of gold mineralization at the Oko West project area. The phase 4 program of approximately 15,000 meters, which began in February 2022, will include drilling along the 2.5 km long Kairuni zone to confirm the vertical and depth continuity of the zone in support of a maiden resource expected to be completed in the second half of 2022. The maiden resource will be used to plan the next phase of exploration at the Oko West Project. In addition to the drilling in support of a maiden resource, the Company is planning to initiate exploration programs on the three targets outside of the Kairuni zone as described in the *Oko West Project* section above. This work will include geological mapping, power auger sampling, scout drilling and possibly trenching.

At the NW Extension Project in Suriname, the Company and Barrick plan to resume the drill program later in 2022 when ground conditions have improved, expected in the dry season. The Company does not plan to conduct any field activities at the Boulanger and Dorlin projects in 2022.

The Company is also reviewing and assessing the potential acquisition of new projects located in Guyana and Suriname. The acquisition of new projects and the execution of additional work on existing projects will depend on the Company's financial capacity and the overall assessment of the potential of the projects.

Qualified Person

Carlos H. Bertoni, P. Geo., the Company's Interim CEO and a qualified person pursuant to National Instrument 43-101, has reviewed and approved the scientific and technical data contained in this MD&A.

Financing

Bought deal private placement – February 2022

On February 24, 2022, the Company completed a bought deal private placement common share offering (the **"Offering"**) with Paradigm Capital Inc. and Dundee Goodman Merchant Partners (the **"Lead Underwriters"**) on behalf of a syndicate of underwriters (collectively with the Lead Underwriters, the **"Underwriters"**) and issued 65,715,349 common shares of the Company at a price of $0.175 per share for aggregate gross proceeds to the Company of $11,500,186. As compensation, the Company paid the Underwriters a cash fee of approximately $680,000 and issued to the Underwriters an aggregate of 3,894,064 non-transferable compensation options (the **"Compensation Options"**). Each Compensation Option entitles the holder thereof to purchase one common share of the Company at an exercise price of $0.175 per share until February 24, 2024. Dundee Resources Limited ("Dundee"), a subsidiary of Dundee Corporation and a 17.1% shareholder of the Company, acquired 28,573,907 common shares for an amount of $5,000,434. David Fennell, the Company's Executive Chairman, indirectly acquired 1,428,571 common shares for an amount of $250,000.

Warrant exercise incentive program – December 2021

On December 16, 2021, the Company completed a warrant exercise incentive program, under which a total of 67,606,028 common shares of the Company were issued upon the exercise of 67,606,028 previously outstanding share purchase warrants (the **"Outstanding Warrants"**), resulting in aggregate gross proceeds of $8,112,724 to the Company. For every Outstanding Warrant that was exercised, the holders of such Outstanding Warrant received one common share to which they were otherwise entitled under the terms of the Outstanding Warrants and one-half of one common share purchase warrant (the **"Incentive Warrant"**). Each whole Incentive Warrant allows the holder to acquire one share of the Company at an exercise price of $0.20 for a period of two years, expiring on December 16, 2023. A total of 33,803,011 Incentive Warrants were issued pursuant to this program. Dundee exercised a total of 17,067,307 Outstanding Warrants which it held for an amount of $2,048,077. Certain directors and officers of the Company participated

in the incentive program including David Fennell who exercised a total of 6,675,000 Outstanding Warrants for an amount of $801,000.

Private placement – May 2021

In May 2021, the Company completed a private placement offering and raised total gross proceeds of $10,461,015, as described below.

On May 18, 2021, the Company completed a non-brokered private placement of 114,788,691 units (the "**Units**") at $0.065 per Unit, raising gross proceeds of $7,461,265. Each Unit consisted of one common share of the Company and one half of one common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant entitles its holder to acquire one common share of the Company at a price of $0.12 per share until May 18, 2023. The Company paid finders' fees of $371,565 and issued a total of 5,353,385 finders' compensation warrants exercisable at a price of $0.12 until May 18, 2023. Dundee acquired 15,384,615 Units for an amount of $1,000,000. David Fennell also acquired 15,384,615 Units for an amount of $1,000,000. A total of 2,141,354 of the finders' warrants were issued to Dundee Goodman Merchant Partners.

On May 21, 2021, the Company completed a brokered private placement of Units (the "**Brokered PP**") with a syndicate of agents, including BMO Nesbitt Burns Inc. as the lead agent, Paradigm Capital Inc. and Dundee Goodman Merchant Partners (collectively, the "**Agents**"), consisting of 46,150,000 Units at $0.065 per Unit, for a total amount of $2,999,750. Each Brokered PP Unit consisted of one common share of the Company and one half of one Warrant, with each Warrant exercisable to acquire one common share at $0.12 until May 21, 2023. The Company paid a fee of $180,000 to the Agents.

Corporate matters

Appointment of Pierre Chenard to the Board of Directors

On March 3, 2022, the Company announced the appointment of Mr. Pierre Chenard to its Board of Directors. Mr. Chenard has held progressive roles in both the corporate development and legal areas over the past 35 years. Since February 2021, Mr. Chenard has been Executive Chairman of Allied Gold Corp, a privately-owned gold mining company. From April 2019 to February 2021, he was Executive VP, Corporate Development & Strategy at AngloGold Ashanti. Prior to that, Mr. Chenard spent 12 years with Rio Tinto Aluminum, including eight years as Vice President, Business Development and General Counsel, Aluminium (2007-2019), and eight years at Alcan Inc. (2000-2007) as Deputy Chief Legal Officer and ultimately as Vice President and General Counsel. From 1988 to 2000, Mr. Chenard was Vice President and Head of Corporate Development at Cambior Inc., a Canadian mining company that had mining operations in various countries, including Guyana

and Suriname. Mr. Chenard earned Civil and Common Law degrees from McGill University and has been a member of the Quebec Bar since 1984.

Grant of stock options

Since January 1, 2021, the Company has granted the following stock options to its directors, officers, employees and key consultants pursuant to its 10% rolling stock option plan:

- On March 1, 2022, 16,500,000 stock options at an exercise price of $0.26
- On January 17, 2022, 500,000 stock options at an exercise price of $0.15
- On November 18, 2021, 500,000 stock options at an exercise price of $0.13
- On August 16, 2021, 7,625,000 stock options at an exercise price of $0.08

All stock options granted have a five-year term and vest over a two-year period from the date of the grant.

Redemption of RSUs

In 2021, the Company issued 1,142,500 common shares following the redemption of an equivalent amount of RSUs.

Exercise of stock options

Since January 1, 2022, a total of 8,095,000 stock options were exercised for proceeds of $598,484. No stock options were exercised in 2021.

Exercise of share purchase warrants

Since January 1, 2022, a total of 9,208,633 share purchase warrants were exercised for proceeds of $1,105,036. In 2021, a total of 67,606,028 share purchase warrants were exercised under the warrant exercise incentive program described above.

CONSOLIDATED FINANCIAL INFORMATION (1)

Financial Position	**December 31, 2021**	December 31, 2020
	$	$
Cash	**13,636,064**	3,074,827
Exploration and evaluation assets	**2,429,419**	2,499,899
Total assets	**16,810,947**	6,604,171
Non-current portion of lease liabilities	**32,394**	144,724
Shareholders' equity	**14,436,243**	5,025,454

Comprehensive loss	**Year ended December 31, 2021**	Year ended December 31, 2020	Nine months ended December 31, 2019
	$	$	$
Net loss for the period	**(8,757,569)**	(8,345,052)	(11,317,394)
Basic and diluted loss per share	**(0.01)**	(0.02)	(0.03)
Cash Flows			
Operating activities	**(7,044,507)**	(6,908,671)	(6,855,730)
Investing activities	**(241,142)**	(417,940)	(112,290)
Financing activities	**17,803,607**	7,016,393	1,231,810

(1) The Consolidated Financial Information was derived from the Company's December 31, 2021 and 2020 consolidated financial statements, prepared in accordance with IFRS.

Since its incorporation, the Company has not paid any cash dividend on its outstanding common shares, and it is highly unlikely that any dividend will be paid in the foreseeable future.

Financial Review

The Company is in the exploration phase and does not yet have revenue-generating activities. Accordingly, the Company's financial performance is largely a function of the level of exploration and evaluation activities undertaken on its projects and the management and administrative expenses required to operate and carry out its activities.

The Alliance Projects in the SAA with Barrick were classified as a joint operation for purposes of preparing the Company's consolidated financial statements, resulting in the Company recognizing only its share of the assets, liabilities and expenses of the joint operation.

Below is a discussion of the major items impacting the Company's financial results for the years ended December 31, 2021 and 2020.

Exploration and evaluation assets

Amounts invested in exploration and evaluation assets during the years ended December 31, 2021 and 2020 are as follows:

	December 31, 2020	Additions	Impairment	Net exchange difference	December 31, 2021
	$	$	$	$	$
Boulanger (French Guiana)	1,779,312	-	-	(138,738)	1,640,574
Oko West (Guyana)	625,097	157,713	-	(1,890)	780,920
Arawini (Guyana)	95,490	31,845	(125,553)	(1,782)	-
NW Extension (Suriname)	-	7,545	-	380	7,925
Total	2,499,899	197,103	(125,553)	(142,030)	2,429,419

	December 31, 2019	Additions	Impairment	Net exchange difference	December 31, 2020
	$	$	$	$	$
Boulanger (French Guiana)	1,662,462	-	-	116,850	1,779,312
Oko West (Guyana)	200,015	443,825	-	(18,743)	625,097
Arawini (Guyana)	389,640	33,081	(331,800)	4,569	95,490
Waiamu (Guyana)	410,416	-	(421,981)	11,565	-
Aremu North (Guyana)	192,617	16,650	(205,194)	(4,073)	-
Total	2,855,150	493,556	(958,975)	110,168	2,499,899

In August 2021, the Company made an option payment of $157,713 in accordance with the August 2018 Oko West option agreement. On December 31, 2021, the Company wrote-off accumulated expenses of $125,553 related to the Arawini property as the remaining permit was not renewed by the titleholder. In May 2021, the Company made an option payment of $15,090 in accordance with the May 2020 NW Extension option agreement, of which $7,545 represents the Company's share of the option payment.

During the year ended December 31, 2020, the Company secured additional permits located within the Oko West project area at a cost of $311,325 and made an option payment of $132,500 in accordance with the August 2018 Oko West option agreement. On August 10, 2020, October 6, 2020, and January 4, 2021, the Company gave notice to the titleholders of the Waiamu Project, the Arawini Project and the Aremu North Project, respectively, that it was terminating the agreements and as a result has written-off accumulated exploration and evaluation assets totalling $958,975 in 2020. On December 31, 2020, the Company had an interest in one mineral property in the vicinity of the Arawini Project. An option payment related to the remaining

Arawini block of $33,081 was accrued during the year, and an option payment of $16,650 related to the Aremu North Project was made in 2020.

Exploration and evaluation expenses

During the year ended December 31, 2021, the Company's share in exploration expenses amounted to $6,899,503 ($4,625,284 in 2020), and Barrick's share of the expenses on projects within the Alliance totalled $528,630 ($929,738 in 2020). Activities by project are described in the *Exploration Activities* section.

The detail of the exploration expenses is as follows:

							Years ended
						Dec 31,	Dec 31,
	Oko	NW			Other	2021	2020
	West	Extension	Boulanger	Dorlin	projects	Total	Total
	$	$	$	$	$	$	$
Wages and fees	1,540,873	399,798	498,576	121,758	54,367	2,615,372	2,584,636
Drilling and assaying	2,281,918	119,775	30,703	111,961	545	2,544,902	988,684
Studies and geophysics	35,500	148,063	30,489	-	1,809	215,861	170,856
Camp costs	326,624	276,252	24,863	1,599	19,018	648,356	463,537
Field supplies	252,973	4,127	6,594	122	101	263,917	176,423
Transportation and travel	398,789	12,237	-	1,282	18,709	431,017	231,930
Property lease payments	28,383	19,017	-	-	87,716	135,116	227,819
Others	327,909	75,821	97,870	29,312	42,680	573,592	711,137
	5,192,969	1,055,090	689,095	266,034	224,945	7,428,133	5,555,022
Barrick's share of expenses	-	(527,545)	-	-	(1,085)	(528,630)	(929,738)
	5,192,969	527,545	689,095	266,034	223,860	6,899,503	4,625,284

Property and equipment

During the year ended December 31, 2021, the Company acquired various equipment totaling $61,190 to support the exploration program at the Oko West Project (additions in 2020 included right-of-use assets of $246,983, consisting mainly in a new two-year lease for the Company's corporate office in Longueuil, Quebec, and other equipment of $6,794). In 2021, the Company sold property and equipment for proceeds of $50,232, generating a gain on sale of $40,086 (in 2020, the Company sold property and equipment for proceeds of $49,329, generating a gain on sale of $14,933).

Results for the year ended December 31, 2021 compared to the year ended December 31, 2020

During the year ended December 31, 2021, the Company incurred a net loss of $8,757,569 ($0.01 per share) compared to a net loss of $8,345,052 ($0.02 per share) in 2020.

The net loss for the year ended December 31, 2021 consisted mostly of exploration and evaluation expenditures of $6,899,503 ($4,625,284 in 2020) as detailed above, management and administration expenses of $1,119,210 described below ($1,161,309 in 2020), share-based compensation of $454,460 described below ($890,194 in 2020), a write-down of $125,553 related to the Arawini project as the remaining permit was not renewed by the titleholder ($958,975 in 2020 following the termination of the option agreements related to the Waiamu, Arawini and Aremu North projects), depreciation and amortization of $286,877 of the Company's property and equipment ($717,100 in 2020), accretion related to lease liabilities of $23,515 (accretion related to a non-interest bearing note payable and lease liabilities of $11,218 in 2020), partially offset by finance income on liquidities held of $24,585 ($17,824 in 2020) and by a gain on the sale of property and equipment of $40,086 ($14,933 in 2020).

Management and administration expenses decreased by $42,099 during the year ended December 31, 2021 compared to the year ended December 31, 2020. Lower wages and fees of $857,924 in 2021 ($986,945 in 2020) reflect a full year of reduced wages following adjustments in wages and fees of the Company's directors and senior officers that were made at various dates in 2020. Professional fees of $65,340 in 2021 were higher than the amount of $26,323 incurred in 2020 due to higher audit and recruitment fees. Higher investor relations and travel expenses of $89,014 in 2021 ($60,133 in 2020) reflect increased participation in investor relations conferences and related travel expenses due to in-person attendance in the second half of 2021.

Share-based compensation totalled $454,460 during the year ended December 31, 2021 compared to $890,194 in 2020. The lower expense in 2021 results mostly from a lower fair value of stock options granted in 2021 and 2020 ($0.05 per option) compared to the fair value of stock options granted in 2020 and 2019 ($0.18) on a similar number of stock options granted.

Results for the fourth quarter ended December 31, 2021 compared to the fourth quarter ended December 31, 2020

During the fourth quarter ended December 31, 2021, the Company incurred a loss of $2,939,296 ($0.01 per share) compared to a loss of $2,252,340 (nil per share) during the fourth quarter ended December 31, 2020. The increased loss in the current period reflects a higher level of drilling activity at both the Oko West Project in Guyana and at the NW Extension Project in Suriname compared to the same period in 2020.

During the current period, the Company incurred $2,393,799 in exploration expenses, mostly on the Oko West Project in Guyana and the NW Extension Project in Suriname ($1,631,599 in 2020, mostly on the Oko West Project in Guyana and the Boulanger Project in French Guiana), $290,548 in management and administration expenses ($254,410 in 2020), $66,677 in share-based compensation ($93,529 in 2020), depreciation and amortization of $45,507 ($109,175 in 2020), a write-down of $125,553 of the Arawini Project, following the non-renewal of the remaining permit ($192,660 in 2020 following the termination of the Aremu Project option

agreement, accretion related to lease liabilities of $4,700 ($2,235 in 2020), partially offset by finance income of $17,694 ($6,067 in 2020).

Selected Quarterly Financial Information

The table below presents revenues, net loss and loss per share for the last eight quarters:

Period ended	Revenues	Net loss	Loss per share
	$ 000	$ 000	$
December 31, 2021	0.0	(2,939.3)	(0.01)
September 30, 2021	0.0	(2,678.2)	(0.00)
June 30, 2021	0.0	(1,603.3)	(0.00)
March 31, 2021	0.0	(1,536.8)	(0.00)
December 31, 2020	0.0	(2,252.3)	(0.00)
September 30, 2020	0.0	(2,591.7)	(0.01)
June 30, 2020	0.0	(1,366.3)	(0.00)
March 31, 2020	0.0	(2,134.7)	(0.01)

The main items included in the net loss by quarter are as follows:

Period ended	Exploration & Evaluation	Management & administration	Share-based Compensation	Write-off of E & E assets	Others	Net loss
	$	$	$	$	$	$
December 31, 2021	2,393,799	290,548	66,677	125,553	62,719	2,939,296
September 30, 2021	2,196,389	274,032	200,113	-	7,692	2,678,226
June 30, 2021	1,206,895	295,249	93,673	-	7,446	1,603,263
March 31, 2021	1,102,420	259,381	93,997	-	80,986	1,536,784
December 31, 2020	1,631,599	254,410	93,529	192,660	80,142	2,252,340
September 30, 2020	1,099,542	282,621	210,847	766,315	232,411	2,591,736
June 30, 2020	632,575	257,643	299,082	-	177,023	1,366,323
March 31, 2020	1,261,568	366,635	286,736	-	219,713	2,134,652

Liquidities and Capital Resources

On December 31, 2021, the Company had working capital of $11,637,853 compared to working capital of $2,022,336 on December 31, 2020. During the year ended December 31, 2021, the Company completed a private placement and a warrant exercise incentive program for total net proceeds of $17,928,136. Funds were used for exploration and evaluation expenses of $6,899,503, management and administration expenses of $1,119,210, the additions to exploration and evaluation assets of $197,103, partially offset by proceeds of $50,232 received on the sale of excess property and equipment.

In 2021, the Company completed a private placement through the issuance of a total of 160,938,691 Units for gross proceeds of $10,461,015 and a warrant exercise incentive program resulting in the issuance of 67,606,028 common shares for gross proceeds of $8,112,723. Share issue expenses incurred in 2021 amounted to $684,865.

In accordance with IFRS 16, *Leases*, the Company repaid an amount of $124,529 of the lease liabilities during the year.

Management of the Company believes that as of the date of this MD&A, it has sufficient working capital to complete its exploration programs currently underway at both the Oko West and at the NW Extension gold projects, and to pay for its ongoing general and administrative expenses and to meet its liabilities, obligations and existing commitments for at least the next twelve months. However, the Company will need to continue to raise funds to cover its future exploration work programs, payments under option agreements, as well as general and administrative expenses, either through the issuance of equity instruments or other means.

Capital Management

The Company defines capital that it manages as shareholders' equity. When managing capital, the Company's objectives are a) to ensure the entity continues as a going concern; b) to increase the value of the entity's assets; and c) to achieve optimal returns to shareholders. These objectives will be achieved by identifying the right exploration projects, adding value to these projects, and ultimately taking them to production or obtaining sufficient proceeds from their disposal. As at December 31, 2021, managed capital totaled $14,436,243 ($5,025,454 at December 31, 2020).

The mineral projects in which the Company has an interest are currently in the exploration stage. As such, the Company is dependent on external financing to fund its activities. The amount and timing of additional funding will depend in part upon the prevailing capital market conditions, the results of exploration activities as well as the business performance of the Company. There were no changes in the Company's approach to capital management during the year ended December 31, 2021. The Company agreed to spend a minimum of 25% of the proceeds from the February 12, 2019 private placement, or an amount of $3,273,375 on the Alliance Projects as part of the SAA with Barrick, of which an amount of $135,781 remains to be spent at December 31, 2021. The Company is not subject to any other externally imposed capital requirements at December 31, 2021.

Other Commitments

The agreements between the Company and its officers contain termination without cause and change in control provisions. Assuming that the Company's officers had all been terminated without cause on December 31,

2021, the total amount payable to the Company's officers would have totaled $433,000, and if a change in control had occurred on December 31, 2021, the total amount payable to the Company's officers would have totaled $433,000.

Off-Balance Sheet Arrangements

As of December 31, 2021, the Company has no off-balance sheet arrangements.

Other Related Party Transactions

In 2021, the Company was a party to agreements to provide administrative services to two publicly-listed companies, related by virtue of common management, namely Highland Copper Company Inc. and Odyssey Resources Limited. The services, which consist mainly of the provision of administrative services, office space and telecommunication, are provided at cost for all direct expenses plus a fixed monthly charge to cover overhead expenses. Such amounts recovered for administrative services during the year ended December 31, 2021, totaled $81,770 ($123,575 in 2020).

The remuneration awarded to directors and to senior key management, including the president and CEO and the CFO, totaled $964,757 during the year ended December 31, 2021 ($1,144,936 in 2020).

Basis of Presentation of Financial Statements

The Company's consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board. The accounting policies, methods of computation and presentation applied in the Company's consolidated financial statements are consistent with those of the previous year. The significant accounting policies of Reunion Gold are presented in Note 4 to the December 31, 2021 and 2020 consolidated financial statements filed on SEDAR.

Accounting standards issued but not yet applied

The Company has not yet adopted certain standards, interpretations to existing standards and amendments which have been issued but have an effective date of later than December 31, 2021. These updates are not expected to have a significant impact on the Company and are therefore not discussed herein.

Outstanding Share Data

The Company can issue an unlimited number of common shares, without par value. As at April 26, 2022, a total of 819,901,477 common shares are issued and outstanding. The Company also has share purchase warrants exercisable as follows:

- 16,563,026 warrants at a price of $0.12 per share by August 6, 2022;
- 6,700,000 warrants at a price of $0.20 per share by March 2023;
- 34,137,037 warrants at a price of $0.12 per share by May 2023;
- 33,803,011 warrants at a price of $0.20 per share by December 2023; and
- 3,894,064 warrants at a price of $0.18 per share by February 2024.

As of April 26, 2022, the Company also has 37,145,000 stock options with exercise prices ranging between $0.08 and $0.27 and expiring until March 2027 and 1,306,316 RSUs that are outstanding.

FINANCIAL RISK FACTORS

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include liquidity risk, interest rate risk, currency risk and credit risk. Where material, these risks are reviewed and monitored by the board of directors. There were no changes to the Company's financial objectives, policies and processes during the year ended December 31, 2021. The financial risks are described in Note 21 to the December 31, 2021 and 2020 consolidated financial statements filed on SEDAR and are incorporated herein by reference.

OTHER RISKS AND UNCERTAINTIES

The operations of the Company are highly speculative due to the high-risk nature and current stage of its business, which is the exploration and development of mineral properties. The risks and uncertainties described below are not necessarily the only ones that the Company could be facing. If any of the following risks, or any other risks and uncertainties that the Company has not yet identified, actually occur, the Company's business, financial condition, results of operations and cash flows could be materially and adversely affected.

Requirement for additional financing

The Company has no history of earnings and does not expect to receive revenues from its core business in the foreseeable future, if ever. Historically, the Company has been dependent on the equity markets as its source of operating working capital. The further exploration and development of the Company's projects and the Company's ability to meet the conditions to exercise the options to acquire an interest in its mineral projects depend upon the Company's ability to obtain financing through equity financing, strategic partnership or other means. The Company's ability to obtain such financing may be impacted by several factors, including the global economy and the strength of the capital markets, the availability of capital for junior exploration companies, commodity prices, economic and political events, the results of the exploration programs on the Company's projects and the merit of those projects, and other risk factors described hereunder. There is no

assurance that the Company will be able to obtain additional financing in the appropriate amount or at all, and, if obtained, on terms favourable to the Company. Ultimately, if the Company cannot obtain additional financial resources, it may have to discontinue its exploration and development activities, dispose of, or relinquish, some or all of its assets, any of which could have a negative impact on the business, financial condition and results of operation and the share price of the Company.

COVID-19 Pandemic

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn and supply chain issues. Travel bans and self-imposed quarantine periods may impact operational efficiency. To this date, the impact on the Company has been minimal, but it is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business at this time.

Exploration and mining risks

The Company's projects are in the exploration stage. Few properties that are explored are ultimately developed into producing mines. Substantial expenditures are required to identify mineral resources and mineral reserves, to develop metallurgical processes to extract the metal from mineral resources, and to develop the mining and processing facilities and infrastructure at any site chosen for mining.

Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices which are highly cyclical; metallurgical recoveries; the proximity and capacity of milling facilities; capital costs; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may adversely affect the development of a project and result in the Company not receiving an adequate return on invested capital.

Mineral rights

The Company has entered into agreements with various titleholders entitling the Company to conduct exploration activities and to acquire an interest in mineral rights under various terms and conditions. The Company does not currently own mineral rights to its projects in French Guiana, Suriname and in Guyana.

In French Guiana, the application, renewal and transfer of mineral titles is a very detailed and long process that may cause substantial delays. In addition, NGOs have been actively putting pressure on the French

administration and taking legal procedures to prevent or delay the issuances of mining titles and permits. The renewal of the Boulanger project concessions is currently being challenged by an NGO. Should the renewal of the concessions be cancelled, the titleholder may have to file new applications which would cause substantial delays and uncertainties. In addition, there is no certainty that the concession application for the Dorlin project will be approved as submitted or at all.

In Guyana, the mineral rights held by the current titleholders with respect to the Oko West Project are medium-scale prospecting or mining permits intended exclusively for Guyanese. The Company needs to be awarded a prospecting licence before it can exercise its option to acquire the rights on Oko West.

Foreign operations and Political risk

All of the Company's current operations are conducted in South America, more specifically in Guyana, Suriname, and French Guiana, an overseas department of France.

Investments in mining companies conducting business in foreign and/or emerging countries are subject to certain risks including political and social unrest; changes in laws or policies, including those relating to royalties, duties, imports, exports and currency; corruption; the cancellation or renegotiation of contracts; the imposition of royalties, net profits payments, tax increases or other claims by government entities; delays in obtaining or the inability to obtain necessary governmental permits or the reimbursement of refundable tax from fiscal authorities; and government regulations that favour or require the awarding of a contract to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Other risks include the potential for fraud and corruption by suppliers or personnel or government officials, which may implicate the Company; the non-compliance with applicable anti-corruption laws, including the Canadian Corruption of Foreign Public Officials Act; and the Company's possible failure to identify, manage and mitigate instances of fraud, corruption, or violations of its code of conduct and applicable regulatory requirements.

Operations in Guyana and Suriname are governed by mineral agreements with local governments that establish the terms and conditions under which the Company's affairs are conducted. The Company may need to negotiate such agreements in due course.

French Guiana has no history or tradition of large-scale commercial mining. Regulatory risks may increase as projects become more advanced and applications are made to transfer mineral titles to the Company and for the Company to obtain various permits required to develop a modern mining operation. These risks include regulatory-related delays and/or failures to receive licenses, permits and authorization required to conduct

exploration and development of mineral projects due to opposition from political and environmental groups, indigenous peoples, and other non-governmental groups. In particular, local and national environmental NGOs are strongly opposed to mining in French Guiana.

Changes, if any, in mining or investment policies or shifts in political attitude in Guyana, Suriname or French Guiana may adversely affect the operations or future profitability of the Company.

Mineral resource estimates

There are numerous uncertainties inherent in estimating mineral resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any mineral resource estimate is a function of the quality of available data and of the assumptions made and judgements used in engineering and geological interpretation. Differences between management's assumptions, including economic assumptions such as metal prices and market conditions, could have a material effect in the future on the Company's financial position and results of operations.

Gold price volatility

Gold prices fluctuate widely and are affected by numerous factors beyond the Company's control, such as worldwide economic and political events. The exploration and development of the Company's projects and future financial results of the Company is dependent to a large extent on the market price of gold.

Currency exposure

The Company's operations are subject to foreign currency fluctuations, including the Euro and the US dollar. Such fluctuations may materially affect the Company's financial position and results of operations.

Regulatory requirements

Exploration, development and mining operations are subject to extensive laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health, waste disposal, environmental protection and remediation, protection of endangered and protected species, mine safety, toxic substances and other matters. Changes in these regulations or in their application are beyond the control of the Company and could adversely affect its operations, business and results of operations. Failure to comply with the conditions set out in any permit or failure to comply with the applicable statutes and regulations may result in orders to cease or curtail operations or to install additional equipment.

Environmental risk

The Company may be subject to potential risks and liabilities associated with various environmental incidents, including pollution of the environment and the disposal of waste products that could occur as a result of its mineral exploration, development and production. To the extent the Company is subject to environmental liabilities, the payment of such liabilities or the costs that it may incur to remedy environmental pollution would reduce funds otherwise available to it and could have a material adverse effect on the Company.

Share dilution

In order to finance future operations and development efforts, the Company will need to raise additional funds through the issuance of common shares or securities convertible into common shares, and this will result in dilution, possibly substantial, to present and prospective shareholders of the Company.

Share price fluctuations

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market price of securities of many companies has experienced wide fluctuations in price that would have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur.

Competition

The Company's business is intensely competitive, and the Company will compete with other mining companies, many of which have greater resources and experience. Competition in the mining industry is primarily for mineral-rich properties which can be developed and can produce economically; the capital for the purpose of funding the acquisition, exploration and development of such properties; the technical expertise required to find, develop, and operate such properties; and the labour to operate the properties. The Company's inability to compete with other mining companies for these resources would have a material adverse effect on the Company's results of operation and business.

Conflicts of interest

A majority of the Company's directors and officers serve as directors or officers of other natural resource companies. Situations may arise where the directors and/or officers of the Company may be in competition with the Company. Any conflicts of interest will be subject to and governed by the law applicable to directors' and officers' conflicts of interest. If such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with applicable laws, the directors and officers of the Company are required to act

honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program or transaction and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

CAUTIONARY NOTE REGARDING FORWARD INFORMATION

This MD&A contains "forward-looking information", within the meaning of Canadian securities laws. Generally, forward-looking information or statements can be identified by the use of forward-looking terminology such as "plans", "expects", "budget", "scheduled", "estimates", "intends", "anticipates" or "believes", or variations of such words or statements that certain actions, events or results "may", "could"," would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking information is not historical facts. Forward-looking information is based on the reasonable assumptions, estimates, analyses and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, and is inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by the forward-looking information for various reasons discussed throughout this MD&A, and particularly in the sections entitled "*Financial Risk Factors*" and "*Other Risks and Uncertainties*". The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information, whether as a result of new information or future events or otherwise, except as may be required by law. Accordingly, readers should not place undue reliance on forward-looking information.

Additional Information and Continuous Disclosure

This MD&A has been prepared as of April 26, 2022. Additional information on the Company is available through regular filings of press releases and financial statements on SEDAR (www.sedar.com) and on the Company's website (www.reuniongold.com).