REUNION GOLD CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS
&
MANAGEMENT'S DISCUSSION AND ANALYSIS

For the years ended
December 31, 2022 and 2021

In Canadian dollars

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, 2022 and 2021, and the consolidated statements of comprehensive loss, the consolidated statements of changes in equity and the consolidated statements of 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, 2022 and 2021, 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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our auditor's report.

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 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 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.

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

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

Raymond Chabot Grant Thornton LLP[1]

Montréal
April 25, 2023

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

Reunion Gold Corporation
Consolidated Statements of Financial Position

(audited, in Canadian dollars)	**December 31, 2022**	December 31, 2021
	$	$
ASSETS		
Current		
Cash and cash equivalents (Note 4)	**43,786,923**	13,636,064
Receivable from related parties (Note 21)	**2,774**	41,469
Sales taxes receivable	**60,924**	15,092
Other receivables	**5,041**	2,027
Prepaid expenses and deposits	**387,805**	285,511
	44,243,467	13,980,163
Non-current		
Property and equipment (Note 6)	**1,268,144**	401,365
Exploration and evaluation assets (Note 7)	**1,240,583**	2,429,419
TOTAL ASSETS	**46,752,194**	16,810,947
LIABILITIES		
Current		
Accounts payable and accrued liabilities	**3,776,568**	2,172,888
Payable to Barrick (Note 5)	**164,924**	64,494
Current portion of lease liabilities (Note 8)	**185,131**	104,928
	4,126,623	2,342,310
Non-current		
Lease liabilities (Note 8)	**540,018**	32,394
TOTAL LIABILITIES	**4,666,641**	2,374,704
EQUITY		
Share capital (Note 10)	**213,395,213**	158,041,561
Contributed surplus (Notes 10 and 11)	**28,354,422**	24,673,039
Deficit	**(198,280,631)**	(167,065,981)
Cumulative translation adjustment	**(1,383,451)**	(1,212,376)
TOTAL EQUITY	**42,085,553**	14,436,243
TOTAL LIABILITIES AND EQUITY	**46,752,194**	16,810,947

Commitments (Notes 7 and 16) and Events after the reporting date (Notes 5 and 22).

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

On behalf of the Board,

/s/ Richard Howes
Richard Howes, Director

/s/ Elaine Bennett
Elaine Bennett, Director

Reunion Gold Corporation
Consolidated Statements of Comprehensive Loss

	Years ended December 31,	
(audited, in Canadian dollars)	**2022**	2021
	$	$
Expenses and other items		
Exploration and evaluation (Note 12)	**22,420,070**	6,899,503
Management and administration (Note 13)	**3,522,548**	1,119,210
Share-based compensation (Note 11)	**2,947,475**	454,460
Write-off of exploration and evaluation assets (Note 7)	**1,578,414**	125,553
Depreciation and amortization (Note 6)	**352,190**	286,877
Accretion (Note 8)	**32,289**	23,515
Finance income	**(1,018,154)**	(24,585)
Gain on disposal of property and equipment	**-**	(40,086)
Settlement of a contingent consideration (Note 14)	**(3,060,307)**	-
Gain on foreign exchange	**(107,085)**	(86,878)
Net loss for the year	**(26,667,440)**	(8,757,569)
Other comprehensive loss		
Item that will be subsequently reclassified to income		
Foreign currency translation adjustment	**(171,075)**	(174,975)
Comprehensive loss for the year	**(26,838,515)**	(8,932,544)
Basic and diluted loss per common share (Note 15)	**(0.03)**	(0.01)
Weighted average number of common shares - basic and diluted	**889,999,341**	609,916,554

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, 2021	736,882,490	158,041,561	24,673,039	(167,065,981)	(1,212,376)	14,436,243
Private placements (Note 10)	**207,363,698**	**45,699,992**	**2,628,765**	**-**	**-**	**48,328,757**
Share issue expenses (Note 10)	**-**	**-**	**1,312,801**	**(4,547,210)**	**-**	**(3,234,409)**
Exercise of warrants (Note 10)	**36,089,663**	**6,639,491**	**(1,693,332)**	**-**	**-**	**4,946,159**
Exercise of stock options (Note 10)	**13,917,668**	**2,685,766**	**(1,185,923)**	**-**	**-**	**1,499,843**
Redemption of RSUs (Note 10)	**1,216,316**	**328,403**	**(328,403)**	**-**	**-**	**-**
Share-based compensation (Note 11)	**-**	**-**	**2,947,475**	**-**	**-**	**2,947,475**
Net loss for the year	**-**			**(26,667,440)**	**-**	**(26,667,440)**
Foreign currency translation adjustment	**-**	**-**	**-**	**-**	**(171,075)**	**(171,075)**
Balance at December 31, 2022	**995,469,835**	**213,395,213**	**28,354,422**	**(198,280,631)**	**(1,383,451)**	**42,085,553**
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 10)						
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 10)	**160,938,691**	**8,839,082**	**1,621,933**	**-**	**-**	**10,461,015**
Share issue expenses (Note 10)	**-**	**-**	**127,713**	**(812,578)**	**-**	**(684,865)**
Redemption of RSUs (Note 10)	**1,142,500**	**238,113**	**(238,113)**	**-**	**-**	**-**
Share-based compensation (Note 11)	**-**	**-**	**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**

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, **2022**	2021
	$	$
OPERATING ACTIVITIES		
Net loss for the year	**(26,667,440)**	(8,757,569)
Adjustments		
Share-based compensation (Note 11)	**2,947,475**	454,460
Write-off of exploration and evaluation assets (Note 7)	**1,578,414**	125,553
Depreciation and amortization (Note 6)	**352,190**	286,877
Accretion (Note 8)	**32,289**	23,515
Gain on disposal of property and equipment	**-**	(40,086)
Gain on foreign exchange	**(107,085)**	(86,878)
Changes in working capital items (Note 18)	**1,526,090**	949,621
	(20,338,067)	(7,044,507)
INVESTING ACTIVITIES		
Acquisition of property and equipment (Note 6)	**(593,440)**	(61,190)
Incentive payment on new lease (Note 6)	**97,700**	-
Disposal of property and equipment (Note 6)	**-**	50,232
Additions to exploration and evaluation assets (Note 7)	**(396,008)**	(230,184)
	(891,748)	(241,142)
FINANCING ACTIVITIES		
Private placements (Note 10)	**48,328,757**	10,461,015
Share issue expenses (Note 10)	**(3,234,409)**	(645,602)
Exercise of warrants (Note 10)	**4,946,159**	8,112,723
Exercise of stock options (Note 10)	**1,499,843**	-
Repayment of lease liabilities (Note 8)	**(147,369)**	(124,529)
	51,392,981	17,803,607
Effect of exchange rate changes on cash held in foreign currency	**(12,307)**	43,279
Net change in cash and cash equivalents	**30,150,859**	10,561,237
Cash and cash equivalents, beginning of year	**13,636,064**	3,074,827
Cash and cash equivalents, end of year	**43,786,923**	13,636,064

Supplemental cash flow information (Note 18)

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

1. GENERAL INFORMATION AND LIQUIDITY RISK

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 Company's main project is Oko West in Guyana.

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, Suite 4400, Toronto, Ontario, Canada, M5J 2T3. Reunion Gold's common shares are listed on the TSX Venture Exchange ("TSXV") under the symbol RGD. On May 18, 2022, the Company's common shares started trading on the OTCQB Venture Market, a U.S. trading platform that is operated by the OTC Markets Group in New York. The Company trades on the OTCQB under the symbol RGDFF.

The Board of Directors approved and authorized for issuance these consolidated financial statements on April 25, 2023.

Liquidity risk

To date, the Company has incurred significant operating losses and cash outflows related to its exploration and development activities. The Company has funded its operations in the past mainly through the issuance of equity as well as the proceeds from the disposal of exploration and evaluation assets. Management of the Company believes it has sufficient funds to meet its obligations and existing commitments for at least the next 12 months. The Company's business plan is dependent on raising additional funds to pursue the exploration and development of its projects, 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.

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 3.

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. 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.

3. 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.

3. 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.

3. 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.

3. 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.

3. 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.

3. 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 or 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.

3. 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.

3. 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 or may conduct 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 with Barrick Gold Corporation 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.

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.

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:

3. SUMMARY OF ACCOUNTING POLICIES (continued)

p) Significant accounting judgments and estimates (continued)

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.

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.

3. SUMMARY OF ACCOUNTING POLICIES (continued)

p) Significant accounting judgments and estimates (continued)

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.

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, 2022. These updates are not expected to have a significant impact on the Company and are therefore not discussed herein.

4. CASH AND CASH EQUIVALENTS

As at December 31, 2022, cash and cash equivalents of $43,786,923 ($13,636,064 as at December 31, 2021) includes $39,500,000 of guaranteed investment certificates ("GICs") bearing interest at a weighted-average rate of 4.9%, maturing at various dates until March 28, 2023 ($10,800,000 of GICs as at December 31, 2021 bearing interest at a weighted-average rate of 0.7%).

Cash and cash equivalents at December 31, 2022 includes a remaining amount of nil ($135,781 at December 31, 2021) to be spent on the Alliance Projects under the Agreement with Barrick described in Note 5.

5. STRATEGIC ALLIANCE WITH BARRICK GOLD CORPORATION

In February 2019, the Company entered into a Strategic Alliance Agreement (the "Agreement") with Barrick Gold Corporation ("Barrick") to form a 50:50 alliance to jointly explore for, develop and mine certain mineral projects in the Guiana Shield (the "Alliance"). On December 5, 2022, the Company notified Barrick that it was terminating the Agreement effective February 3, 2023. At December 31, 2022, the NW Extension Project in Suriname was the only project in the Alliance. Prior to terminating the Agreement, the Company had advised Barrick that it would not conduct further work on the NW Extension Project and offered to transfer its rights in the option agreement to Barrick. As at December 31, 2022, the Company had an amount payable of $164,924 to Barrick ($64,494 at December 31, 2021).

The Company has been named as a party in a Statement of Claim (the "Claim") issued by Barrick in the Ontario Superior Court of Justice on February 10, 2023. The Claim relates to the Company's termination on December 5, 2022 of the Strategic Alliance Agreement with Barrick. The Company is vigorously defending the Claim. The Company filed a statement of defense and counterclaim in respect of Barrick's Claim on March 24, 2023.

Years ended December 31, 2022 and 2021 (in Canadian dollars)

6. 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, 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
Additions	**368,324**	**151,807**	**73,309**	**724,072**	**1,317,512**
Incentive payment on new lease	**-**	**-**	**-**	**(97,700)**	**(97,700)**
Cancellation of a lease	**-**	**-**	**-**	**(160,565)**	**(160,565)**
Net exchange differences	**61,309**	**20,205**	**(4,207)**	**(614)**	**76,693**
Balance at December 31, 2022	**1,348,330**	**477,602**	**256,566**	**713,122**	**2,795,620**
Accumulated depreciation and amortization					
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
Depreciation and amortization	**167,003**	**44,884**	**22,310**	**117,993**	**352,190**
Cancellation of a lease	**-**	**-**	**-**	**(141,921)**	**(141,921)**
Net exchange differences	**47,992**	**14,994**	**(5,732)**	**1,638**	**58,892**
Balance at December 31, 2022	**936,531**	**309,646**	**186,908**	**94,391**	**1,527,476**
Carrying amounts					
At December 31, 2021	197,161	55,822	17,134	131,248	401,365
At December 31, 2022	**411,799**	**167,956**	**69,658**	**618,731**	**1,268,144**

Years ended December 31, 2022 and 2021 (in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS

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

	December 31, 2021	**Additions**	**Impairment**	**Net exchange difference**	**December 31, 2022**
	$	**$**	**$**	**$**	**$**
Oko West (Guyana) (a)	780,920	**387,660**	**-**	**72,003**	**1,240,583**
Boulanger (French Guiana) (b)	1,640,574	**-**	**(1,562,141)**	**(78,433)**	**-**
NW Extension (Suriname) (c)	7,925	**8,348**	**(16,273)**	**-**	**-**
Total	2,429,419	**396,008**	**(1,578,414)**	**(6,430)**	**1,240,583**

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

(a) In July 2022, the Company amended its option agreement with one of the two Oko West titleholders and advanced the option payments that were due in August 2022 and August 2023, representing a total amount paid of $387,660 (US$300,000). The addition in 2021 consists of an option payment of $157,713 (US$125,000) made in accordance with the August 2018 option agreement.

(b) The Company has written-off accumulated expenses of $1,562,141 related to the Boulanger property due to the uncertainty in the renewal of the Boulanger concessions (see below) and as the Company does not anticipate conducting any exploration work on the project until such concessions have been renewed.

(c) The additions in 2022 and 2021 consist respectively of the Company's share of an option payment of $8,348 (US$6,250) and $7,545 (US$6,250) made in accordance with the May 2020 option agreement. At December 31, 2022, the Company has written-off accumulated exploration and evaluation assets of $16,273 related to the NW Extension Project due to disappointing exploration results.

(d) 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.

Years ended December 31, 2022 and 2021 (in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (continued)

The following table summarizes the contractual commitments of the Company as at December 31, 2022, to maintain in good standing the agreements under which the Company has an option to acquire mineral properties. Except as noted below, all agreements can be terminated by the Company at any time without further financial obligations.

	Date of option agreement	Term (in years)	Option to acquire (%)	Remaining option payments
Oko West, Guyana (a)	Aug 2018	5	100	No remaining option payments
Boulanger, French Guiana (b) (c)	July 2017	5	100	See note (b) below
Dorlin, French Guiana (d)	Feb 2017	8	75 to 80	No option payments
Haute Mana, French Guiana (e)	Dec 2016	7	80	No option payments
NW Extension, Suriname (f)	May 2020	11	100	No remaining option payments

(a) In September 2022, the Guyana Geology and Mines Commission approved the issuance of a Prospecting Licence covering the Oko West project area. The Oko West project is subject to a contingent consideration of US$5.00 per ounce of gold produced.

(b) 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.

(c) On July 28, 2022 the French *"Conseil d'Etat"* ruled in favor of a non-governmental organization's administrative procedure initiated in 2021 on the grounds that the French administration had exceeded its power by renewing the four Boulanger concessions. Pursuant to the decision of the *Conseil d'Etat,* the four decrees under which the Boulanger concessions had been renewed were annulled. Although the Company is entitled to pursue its exploration activities at the Boulanger Project under the original mining concessions, it currently does not intend to conduct a work program until the concessions are renewed. There can be no assurance as to if and when the concessions will be renewed.

(d) On June 2, 2020, the titleholder, in collaboration with the Company, filed an application to obtain a 25-year concession to replace the Dorlin Expolitation Permit (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.

(f) 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 were due to the rights holder in the first and second year of the agreement. Both payments were completed as of December 31,2022. 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.

Years ended December 31, 2022 and 2021 (in Canadian dollars)

8. LEASE LIABILITIES

On October 1, 2022, the Company entered into a five-year lease agreement for office space in Longueuil, Québec and on November 1, 2022, the Company entered into a two-year lease agreement for office space in Georgetown, Guyana. In accordance with IFRS 16, the Company recognized a right-of-use asset and a corresponding lease liability in the amount of $724,072. As part of the office lease in Longueuil, Québec, the Company received an incentive amount of $97,700 which was presented as a reduction of the right-of-use asset (Note 6).

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, 2022 and 2021 is as follows:

	Years ended December 31,	
	2022	2021
	$	$
Balance, beginning of year	**137,322**	244,767
Lease liabilities – rental of office space	**724,072**	-
Cancellation of a lease	**(18,644)**	-
Accretion expense	**32,289**	23,515
Repayment of liabilities	**(147,369)**	(124,529)
Effect of foreign exchange	**(2,521)**	(6,431)
Balance, end of year	**725,149**	137,322
Current liabilities	**185,131**	104,928
Non-current liabilities	**540,018**	32,394
	725,149	137,322

Years ended December 31, 2022 and 2021 (in Canadian dollars)

9. 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, 2022	2021
	$	$
Net loss before income taxes	**(26,667,440)**	(8,757,569)
Tax using the Company's domestic tax rate (26.50%)	**(7,066,872)**	(2,320,756)
Effect of changes in tax rates	**-**	688,276
Effect of tax rate in foreign jurisdictions	**275,222**	74,657
Effect of tax rate on deferred income tax balance	**10,007**	6,772
Non-deductible expenses	**782,547**	120,550
Unrecognized tax assets	**6,174,088**	1,450,145
Loss on foreign exchange recorded in other comprehensive loss	**(118,315)**	(23,184)
Others	**(56,677)**	3,540
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, 2022
	Guyana	**French Guiana**	**United States**	**Canada**	**Total**
	$	**$**	**$**	**$**	**$**
Non-capital loss carryforwards	**106,724,314**	**20,269,850**	**16,779,749**	**27,878,771**	**171,652,684**
Capital loss carryforwards	**329,325**	**-**	**14,915,913**	**7,891,919**	**23,137,157**
Property and equipment	**30,675**	**-**	**-**	**276,852**	**307,527**
Exploration and evaluation assets	**990,961**	**1,650,840**	**-**	**17,349,791**	**19,991,592**
Share issue expenses	**-**	**-**	**-**	**3,152,561**	**3,152,561**
Other	**-**	**-**	**-**	**139,682**	**139,682**
	108,075,275	**21,920,690**	**31,695,662**	**56,689,576**	**218,381,203**

Years ended December 31, 2022 and 2021 (in Canadian dollars)

9. INCOME TAXES (continued)

					December 31, 2021
	Guyana	French Guiana	United States	Canada	Total
	$	$	$	$	$
Non-capital loss carryforwards	86,456,008	20,011,427	16,779,749	25,599,118	148,846,302
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
	87,746,262	20,011,427	31,695,662	53,707,324	193,160,675

The Company has non-capital loss carry-forwards in Canada of $27,878,771, available to reduce taxable income in future years, expiring starting in 2025 until 2042. The Company's wholly owned subsidiary in Guyana also has loss carry-forwards of $106,724,314 at December 31, 2022, available indefinitely to reduce taxable income in future years.

10. SHARE CAPITAL

Authorized and issued

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

At December 31, 2022, the Company had 995,469,835 issued and outstanding common shares and 145,474,686 outstanding share purchase warrants (736,882,490 issued and outstanding common shares and 100,412,211 outstanding share purchase warrants at December 31, 2021).

Issuance of securities

On July 8, 2022, the Company completed a bought deal private placement (the “Bought Deal”) of units of the Company (the “Units”) through a syndicate of underwriters (the “Underwriters”). Concurrently with the Bought Deal, the Company also closed a non-brokered private placement of Units on the same terms as the Units issued and sold under the Bought Deal (the “Concurrent Financing” and collectively with the Bought Deal, the “Offering”). Pursuant to the Offering, the Company issued 141,648,349 Units at a price of $0.26 per Unit for gross proceeds to the Company of $36,828,571. Each Unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant of the Company (each whole warrant, a “Warrant”). Each Warrant entitles the holder thereof to purchase one common share at an exercise price of $0.39 until July 8, 2024, provided that if the volume weighted average closing price of the common shares of the Company on the TSXV or such other stock exchange on which the common shares are traded is equal to or greater than $0.55 for a period of 10 consecutive trading days, the Company may elect to accelerate the expiry of the Warrants at its option. 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 $0.04 per warrant by applying the binomial regression method, using an expected time-period of 2 years, a weighted average risk-free interest rate of 3.26%, a weighted average volatility rate of 95% and a 0% dividend factor. An amount of $2,628,765 was allocated to the share purchase warrants and presented as part of contributed surplus. Fees to the Underwriters and other share issue expenses amounted to $2,316,396.

On February 24, 2022, the Company completed a bought deal private placement common share offering (the “Offering”) through a syndicate of underwriters. Pursuant to the Offering, the Company issued 65,715,349 common shares of the Company at a price of $0.175 per common share for gross proceeds of $11,500,186. Fees to the Underwriters and other share issue expenses totalled $918,013.

During the year ended December 31, 2022, the Company issued 36,089,663 common shares following the exercise of 36,089,663 share purchase warrants for proceeds of $4,946,159.

During the year ended December 31, 2022, the Company issued 13,917,668 common shares following the exercise of 13,917,668 stock options for proceeds of $1,499,843.

10. SHARE CAPITAL (continued)

Issuance of securities (continued)

During the year ended December 31, 2022, the Company issued a total of 1,216,316 common shares following the redemption of an equivalent amount of RSUs.

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.

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.

10. SHARE CAPITAL (continued)

Issuance of securities (continued)

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.

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 July 8,2022, as compensation for the Underwriters' services rendered in connection with the Bought Deal, the Company issued to the Underwriters an aggregate of 7,058,900 non-transferable broker warrants. Each broker warrant entitles the holder thereof to purchase one common share at an exercise price of $0.26 until July 8, 2024. The fair value of each warrant was estimated at $0.11 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 3.27%, a weighted average volatility rate of 83% and a 0% dividend factor. The estimated fair value of the warrants in the amount of $796,721 was presented as share issue expenses.

On February 24, 2022, as part of the bought deal private placement completed on the same date, the Company issued to the Underwriters a total of 3,894,064 non-transferable 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. The fair value of each warrant was estimated at $0.13 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 1.50%, a weighted average volatility rate of 96% and a 0% dividend factor. The estimated fair value of the warrants in the amount of $516,080 was presented as share issue expenses.

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.

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.

Years ended December 31, 2022 and 2021 (in Canadian dollars)

10. SHARE CAPITAL (continued)

Share purchase warrants (continued)

The following tables reflect the activity related to share purchase warrants in 2022 and 2021:

Grant date	Number of warrants December 31, 2021	Granted	Exercised	Expired	Number of warrants December 31, 2022	Price per share	Expiry
						$	
March 27, 2020	6,700,000	-	-	-	6,700,000	0.20	March 27, 2023
August 6, 2020	21,579,663	-	(20,954,663)	(625,000)	-	-	-
August 6, 2020	4,192,500	-	(4,192,500)	-	-	-	-
May 18, 2021	34,137,037	-	(3,250,000)	-	30,887,037	0.12	May 18, 2023
December 16, 2021	33,803,011	-	(7,692,500)	-	26,110,511	0.20	December 23, 2023
February 24, 2022	-	3,894,064	-	-	3,894,064	0.175	February 24, 2024
July 8, 2022	-	70,824,174	-	-	70,824,174	0.39	July 8, 2024
July 8, 2022	-	7,058,900	-	-	7,058,900	0.26	July 8, 2024
	100,412,211	81,777,138	(36,089,663)	(625,000)	145,474,686	0.28	

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	37,499,999	-	(15,920,336)	-	21,579,663	0.12	August 6, 2022
August 6, 2020	4,192,500	-	-	-	4,192,500	0.12	August 6, 2022
May 18, 2021	-	62,747,729	(28,610,692)	-	34,137,037	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
	91,474,994	119,625,740	(67,606,028)	(43,082,495)	100,412,211	0.15	

Years ended December 31, 2022 and 2021 (in Canadian dollars)

11. 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, Nominating and 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. On June 9, 2022, the shareholders of the Company approved certain amendments to the PRSU Plan, including the increase of the number of common shares that may be reserved for issuance under the PRSU Plan to a maximum of 16,000,000 (was previously 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, 2022		For the year ended December 31, 2021
	Number	**Weighted average exercise price ($)**	Number	Weighted average exercise price ($)
Stock options, beginning of year	**28,356,667**	**0.14**	23,431,667	0.16
Granted	**23,050,000**	**0.29**	8,125,000	0.08
Exercised	**(13,917,668)**	**(0.11)**	-	-
Expired	**(666,667)**	**(0.22)**	(3,200,000)	(0.17)
Stock options, end of year	**36,822,332**	**0.24**	28,356,667	0.14

11. SHARE-BASED PAYMENTS (continued)

Stock options (continued)

On January 7, 2022, the Company granted 750,000 stock options to a consultant. The stock options have a five-year term and are exercisable at a price of $0.15 per share. The stock options granted will vest over a two-year period.

On March 1, 2022, the Company granted 16,500,000 stock options to its directors, officers, employees and consultants. The stock options have a five-year term and are exercisable at a price of $0.26 per share. The stock options granted will vest over a two-year period.

On June 9, 2022, the Company granted 100,000 stock options to a consultant. The stock options have a five-year term and are exercisable at a price of $0.27 per share. The stock options granted will vest over a two-year period.

On September 26, 2022, the Company granted 3,500,000 stock options to a director and officers. The stock options have a five-year term and are exercisable at a price of $0.35 per share. The stock options granted will vest over a two-year period.

On November 28, 2022, the Company granted 2,200,000 stock options to an officer and to an employee. The stock options have a five-year term and are exercisable at a price of $0.44 per share. The stock options granted will vest over a two-year period.

The weighted average share price at the time of the exercise of the stock options was $0.27 for the year ended December 31, 2022.

On August 16, 2021, the Company granted 7,625,000 stock options to its directors, officers, employees 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 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.

Years ended December 31, 2022 and 2021 (in Canadian dollars)

11. SHARE-BASED PAYMENTS (continued)

Stock options (continued)

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

	Years ended December 31,	
	2022	2021
Number of stock options granted during the period	**23,050,000**	8,125,000
Weighted-average exercise price ($)	**0.29**	0.08
Weighted average grant date market price ($)	**0.29**	0.08
Expected stock option life (years)	**5.0**	5.0
Vesting period (years)	**2.0**	2.0
Expected volatility (%)	**81**	88
Risk-free interest rate (%)	**2.0**	0.9
Dividend yield (%)	**-**	-
Weighted-average grant date fair value (Black-Scholes value) ($)	**0.19**	0.05

The following reflects the stock options issued and outstanding at December 31, 2022:

Issue date	Number of stock options	Exercise price	Remaining contractual life (years)	Number of exercisable options	Exercise price of exercisable options
		$			$
January 4, 2018	764,000	0.16	0.0	764,000	0.16
August 19, 2019	5,520,000	0.27	1.6	5,520,000	0.27
June 19, 2020	600,000	0.13	2.5	600,000	0.13
August 16, 2021	6,921,666	0.08	3.6	4,614,444	0.08
November 18, 2021	166,666	0.13	3.9	111,111	0.13
January 7, 2022	750,000	0.15	4.0	250,000	0.15
March 1, 2022	16,300,000	0.26	4.2	5,433,333	0.26
June 9, 2022	100,000	0.27	4.4	33,333	0.27
September 26, 2022	3,500,000	0.35	4.7	1,166,667	0.35
November 28, 2022	2,200,000	0,44	4.9	733,333	0.44
	36,822,332	0.24	3.7	19,226,221	0.22

Years ended December 31, 2022 and 2021 (in Canadian dollars)

11. SHARE-BASED PAYMENTS (continued)

Stock options (continued)

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,	
	2022	2021
	Number	Number
RSUs, beginning of year	**1,306,316**	2,498,816
Redeemed	**(1,216,316)**	(1,142,500)
Expired	**(30,000)**	(50,000)
RSUs, end of year	**60,000**	1,306,316

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.

Years ended December 31, 2022 and 2021 (in Canadian dollars)

11. SHARE-BASED PAYMENTS (continued)

Share-based compensation costs

During the year ended December 31, 2022, the Company recorded share-based compensation costs related to stock options in the amount of $2,946,986 ($389,450 in 2021).

During the year ended December 31, 2022, the Company recorded share-based compensation costs related to RSUs in the amount of $489 ($65,010 in 2021).

12. EXPLORATION AND EVALUATION EXPENSES

The Company incurred the following exploration expenses:

	Years ended December 31,	
	2022	2021
	$	$
Wages and fees	**3,497,937**	2,400,472
Drilling and assaying	**14,387,624**	2,480,193
Studies and geophysics	**959,327**	140,925
Camp costs	**1,204,542**	510,231
Field supplies	**376,159**	261,854
Transportation and travel	**1,118,711**	434,122
Property lease payments	**16,410**	125,607
Others	**859,360**	546,099
	22,420,070	6,899,503

13. MANAGEMENT AND ADMINISTRATION EXPENSES

The Company incurred the following management and administration expenses:

	Years ended December 31,	
	2022	2021
	$	$
Wages and fees	**2,642,091**	857,924
Professional fees	**167,987**	65,340
Office and others	**162,110**	74,619
Investor relations and travel	**445,726**	89,014
Reporting issuer costs	**104,634**	32,313
	3,522,548	1,119,210

14. SETTLEMENT OF A CONTINGENT CONSIDERATION

In February 2017, the Company sold its Matthews Ridge manganese project to Bosai Minerals Group Co. ("Bosai"). The Company had received a payment of US$5 million at closing. A contingent consideration of up to US$5 million was also payable by Bosai to the Company once the mine entered production, at the rate of US$2.00 per tonne of manganese concentrate or ore shipped from the project. These payments were to be settled on a quarterly basis. The Company had not previously recorded this contingent consideration. In August 2022, following the start of production at the Matthews Ridge project, the Company and Bosai agreed to settle the additional contingent consideration for a lump sum payment of $3,060,307 (US$2,350,000), which the Company has received. The amount of the settlement was presented as a settlement of a contingent consideration on the consolidated statements of comprehensive loss.

15. LOSS PER SHARE

The calculation of basic and diluted loss per share for the year ended December 31, 2022 was based on the net loss attributable to common shareholders of $26,667,440 (net loss of $8,757,569 in 2021) and the weighted average number of common shares outstanding of 889,999,341 (609,916,554 in 2021).

16. OTHER COMMITMENT

In addition to the commitments described in Note 7, 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, 2022, the total amount payable to the Company's officers would have totaled $718,905 and if a change in control had occurred on December 31, 2022, the total amount payable to the Company's officers would have totaled $1,556,320.

Years ended December 31, 2022 and 2021 (in Canadian dollars)

17. 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, 2022
	Canada	**Guyana**	**French Guiana**	**Suriname**	**Total**
	$	**$**	**$**	**$**	**$**
Current assets	**43,695,265**	**514,378**	**33,824**	**-**	**44,243,467**
Property and equipment	**504,678**	**735,657**	**27,809**	**-**	**1,268,144**
Exploration and evaluation assets	**-**	**1,240,583**	**-**	**-**	**1,240,583**
Total assets	**44,199,943**	**2,490,618**	**61,633**	**-**	**46,752,194**

					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

Years ended December 31, 2022 and 2021 (in Canadian dollars)

18. CASH FLOW INFORMATION

Changes in working capital items are as follows:

	Years ended December 31,	
	2022	2021
	$	$
Receivable from related parties	**38,695**	61,526
Sales taxes receivable	**(45,832)**	2,050
Other receivables	**(2,805)**	37,321
Prepaid expenses and deposits	**(86,641)**	(66,267)
Accounts payable and accrued liabilities	**1,522,243**	865,454
Payable to Barrick	**100,430**	49,537
	1,526,090	949,621

Supplemental information

Finance income received, included in operating activities	**751,262**	5,568
Share issue expenses, included in accounts payable and accrued liabilities	-	39,263
Lease liabilities, included in property and equipment	**724,072**	-
Fair value of warrants granted	**1,312,801**	127,713
Redemption of RSUs	**328,403**	238,113

19. 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, 2022, managed capital totaled $42,085,553 ($14,436,243 at December 31, 2021).

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, 2022. The Company is not subject to any externally imposed capital requirements at December 31, 2022.

Years ended December 31, 2022 and 2021 (in Canadian dollars)

20. 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, 2022.

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, 2022:

	Carrying amount	Settlement amount	Within 1 year	Between 1-2 years	Between 2-3 years
	$	$	$	$	$
Accounts payable and accrued liabilities	**3,776,568**	**3,776,568**	**3,776,568**	**-**	**-**
Lease liabilities	**725,149**	**925,645**	**262,186**	**216,652**	**162,476**
Payable to Barrick	**164,924**	**164,924**	**164,924**	**-**	**-**
	4,666,641	**4,867,137**	**4,203,678**	**216,652**	**162,476**

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, 2022, sensitivity to a plus or minus 1% change in interest rates would affect profit or loss and equity by $438,000 ($136,000 at December 31, 2021).

20. 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. 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, 2022, assets and liabilities denominated in a foreign currency consisted of cash of $3,153,770 ($2,143,375 at December 31, 2021), prepaid expenses and deposits of $54,723 ($119,824 at December 31, 2021), accounts payable and accrued liabilities of $2,668,466 ($1,714,274 at December 31, 2021) and payable to Barrick of $164,924 ($64,494 at December 31, 2021). 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, 2022 would be approximately $38,000 ($48,000 at December 31, 2021).

Credit risk

The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets held. At December 31, 2022, 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-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.

Years ended December 31, 2022 and 2021 (in Canadian dollars)

21. 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, 2022 and 2021, 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 St Charles Resources Inc. 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, 2022 totaled $16,000 ($81,770 during the year ended December 31, 2021) and were presented against office and other expenses on the consolidated statements of comprehensive loss.

At December 31, 2022, the Company had an amount receivable from companies under common management of $2,774 ($41,469 at December 31, 2021). 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,	
	2022	2021
	$	$
Wages and fees	**1,725,044**	662,578
Share-based compensation	**2,382,127**	302,179
	4,107,171	964,757

As at December 31, 2022, accounts payable and accrued liabilities included an amount of $134,391 due to an officer of the Company (nil at December 31, 2021).

22. EVENTS AFTER THE REPORTING DATE

Exercise of share purchase warrants

From January 1 to April 25, 2023, a total of 36,114,539 share purchase warrants were exercised for proceeds of $5,468,447.

Grant of stock options

On March 16, 2023, the Company granted 21,075,000 stock options to its directors, officers, employees and consultants. The stock options have a five-year term and are exercisable at a price of $0.38 per share. The stock options granted will vest over a two-year period.

REUNION GOLD CORPORATION

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

FOR THE YEAR ENDED DECEMBER 31, 2022

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, 2022 and 2021 and should be read in conjunction with the Company's audited consolidated financial statements and related notes for the years ended December 31, 2022, and 2021 (the "**December 31, 2022 and 2021 consolidated financial statements**"). The December 31, 2022, and 2021 consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

The effective date of this MD&A is April 25, 2023.

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's flagship project is its 100%-owned Oko West Project located in Guyana. The Company also has an interest in other gold exploration projects in Suriname and French Guiana.

Reunion Gold's common shares trade on the TSX Venture Exchange ("**TSXV**") under the symbol RGD and on the OTCQX Market under the symbol RGDFF.

Highlights for 2022 and events subsequent to year-end

- As of the date of this MD&A, the Company has approximately $37.0 million in cash and cash equivalents, following the completion in 2022 of two private placements for total gross proceeds of $48.3 million and the exercise of share purchase warrants and stock options for proceeds of $12.0 million since January 1, 2022. The Company has 1,032,378,374 issued and outstanding common shares.
- In 2022, the Company completed over 40,000 meters of diamond drilling and more than 16,000 meters of RC drilling at the Oko West Project, resulting in a significant number of high-grade intercepts, mostly at the Oko West's 2.0-km long Kairuni zone, particularly in the exploration block 4 area, where the bulk of the drilling has occurred.

- Since January 1, 2023, approximately 26,000 meters of diamond drilling and 8,500 meters of RC drilling have been completed at Oko West, including approximately 6,500 meters of scout drill holes to test beneath duricrust-covered zones in the center and west of the Oko West Project area.

- There are presently five diamond drill rigs and two RC drill rigs dedicated to the ongoing exploration program at the Oko West Project.

- Rick Howes joined the board of directors of the Company on November 28, 2022 and became President and CEO of Reunion Gold on January 1, 2023, replacing Carlos Bertoni, who had been acting as interim CEO since November 2020.

- Pierre Chenard and Frederick Stanford were appointed to the board of directors in March and August 2022, respectively; Justin van der Toorn was appointed VP Exploration in August 2022.

- The Company has been named as a party in a Statement of Claim issued by Barrick Gold Corporation ("**Barrick**") in the Ontario Superior Court of Justice on February 10, 2023; the Claim relates to the Company's termination on December 5, 2022 of the Strategic Alliance Agreement with Barrick. The Company is vigorously defending the claim. The Company filed a statement of defense in respect of Barrick's claim on March 24, 2023.

- In February 2023, the Company has retained G Mining Services Inc. ("**G Mining**") to provide full engineering and project development services for its Oko West Project, which includes the preparation of a maiden mineral resource estimate by mid-year 2023 to be followed by a preliminary economic assessment by year-end.

- On May 18, 2022, the Company's common shares began trading on the OTCQB Venture Market under the symbol RGDFF. On April 4, 2023, the Company moved up to the OTCQX Best Market after it qualified to upgrade to the highest market tier of OTC Markets. OTCQB and OTCQX are US trading platforms operated by the OTC Markets Group in New York.

- In August 2022, the Company received a payment of US$2,350,000 on the settlement of the additional consideration related to the sale in 2017 of the Matthews Ridge manganese project to Bosai Minerals Group Co, Ltd.

- The Company won the Mines and Money Exploration Discovery of the Year Award in December 2022 and was one of the 50 top performers stock on the TSXV in 2022, ranking second in the mining category.

- The Company incurred a loss of $26.7 million for the year ended December 31, 2022 ($0.03 per share) compared to a loss of $8.8 million during the comparative period in 2021 ($0.01 per share); the loss during the current period included $22.4 million in exploration expenses, mostly at the Oko West Project.

Oko West Project, Guyana

The **Oko West Project** is located in the Cuyuni and Mazaruni mining districts in north-central Guyana. The Company has a 100% interest in the Oko West Project.

In September 2022, the Guyana Geology and Mines Commission issued a Prospecting License ("**PL**") to the Company's 100%-owned Guyanese subsidiary, Reunion Gold Inc. The PL covers an area of 10,890 acres (approximately 44 km^2), replacing the eleven medium-scale mining permits previously optioned by the Company from Guyanese entrepreneurs. The PL has a three-year term and can be renewed twice for periods of one year each time.

In February 2023, the Company exercised the two options it had with Guyanese titleholders and acquired all of the rights to the Oko West Project for no additional consideration, the Company having satisfied all the annual option payments that were due. In accordance with one of the option agreements, the optionor will be entitled to receive a contingent consideration of US$5.00 per ounce of gold to be produced from his former permits area (representing approximately 86.5% of the Oko West Project licence area).

In early March 2023, the Company concluded an Investment Agreement with the Government of Guyana. This agreement allows the duty-free importation of capital items required for the project advancement.

Oko West Project, Exploration

In 2020, the Company's geochemical survey, trenching, and initial drill program had 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 Oko West Project area. The mineralization coincided with a 6 km long gold-in-soil geochemical anomaly. The northernmost 2.0 km of the gold-in-soil geochemical anomaly (referred to as the Kairuni zone) has been the area where the bulk of the subsequent drilling has occurred. The southern 4.0 km extension of the same shear zones is referred to as the Takutu zone.

Since June 2021, when the first significant drill program commenced at Kairuni, the Company has completed approximately 75,000 meters of diamond drilling and approximately 34,600 meters of RC drilling at the Oko West Project. Drilling results since June 2021 have shown a strong level of gold mineralization continuity at the Oko West´s Kairuni zone in terms of widths, grades and geology, particularly in the exploration block 4 area, where to date the Company has outlined continuous gold mineralization over 2,000 meters of strike and to a depth of 600 meters.

Highlights of high-grade results since June 2021 are as follows:

- OKWD21-038; block 4; 66.87 g/t Au over 8.5 m
- OKWD22-185; block 4; 21.32 g/t Au over 17.6 m
- OKWD21-099; block 4; 18.98 g/t Au over 16.0 m
- OKWD22-096; block 4; 6.62 g/t Au over 26.4 m
- OKWD22-176; block 4; 7.36 g/t Au over 22.9 m
- OKWD22-187; block 4; 5.71 g/t Au over 40.9 m

The results from two deep holes completed in the latter part of 2022 also show the potential to extend the mineralization by over 400 meters to a depth of almost 1 kilometer. All drilling results can be consulted on the Company's website (www.reuniongold.com).

In addition to drilling at the Kairuni zone, the Company has started exploring the Takutu zone in 2022. This zone is believed to be the source area of alluvial gold historically mined in several creeks downstream of the Takutu zone and coincides with gold soil geochemical anomalies. In the latter part of 2022, the Company began a drill program at Takutu using the reverse circulation rig to scout-drill along the mapped shear zones. This program will be followed by diamond drilling of any new gold mineralization discovered.

In early 2023, the Company started an 8,000 meter program of scout RC drilling using a smaller rig designed to drill 30 to 40 meter deep holes over the Bryan Zone, to build a more comprehensive geochemical anomaly map of the west of the permit where duricrust and alluvial cover prevent the use of shallow soil surveys. Downstream alluvial working in particular point to the potential for gold sources in the topographically higher areas capped by duricrust. Follow up of any generated targets will be conducted in the second half of 2023.

Given the successful results of the drilling program so far, the Company has added in 2022 two higher-capacity diamond drill rigs, supplied by Major Drilling Group International Inc., to accelerate its resource definition drilling program of the Kairuni zone and a smaller scout RC rig. This takes the total drill rig count to five diamond rigs and two reverse circulation rigs. With this additional drilling capacity, the Company is working to complete a resources definition drilling at an 80-meter or less nominal spacing, down to approximately 600 meters.

Additional scientific and technical information on the Oko West Project are available in a National Instrument 43-101 Technical Report titled *Oko West Gold Project, Cuyuni Mining District, Guyana* filed on SEDAR on March 20, 2023.

Oko West Project, Studies

On February 23, 2023, the Company announced that G Mining Services Inc. ("**G Mining**") was chosen to provide full engineering and project development services for its Oko West Project in Guyana. The Company is already working with G Mining towards the release of a maiden mineral resource estimate ("**MRE**") on the Kairuni zone, by around mid-year 2023. The services to be provided by G Mining would follow up on the MRE and include a planned Preliminary Economic Assessment on the Oko West Project. G Mining will be available to be drawn upon by the Company if warranted, for pre-feasibility and feasibility studies, as well as basic and detailed engineering and procurement, construction and commissioning services.

Early in 2022, the Company retained the services of Environmental Resource Management ("**ERM**") to conduct planned environmental baseline work at the Oko West Project. The Company also retained the services of Sustainability Frameworks, a Washington, DC-based company to provide baseline peer review services of the findings and final documentation following each phase of field work, to ensure compliance to IFC Performance Standards. In 2022, ERM completed a wet-season survey of terrestrial biodiversity, aquatic biodiversity and ground / surface water quality and soils as well as a dry-season survey of fauna and sampling surface and ground waters. Surface waters from local streams were also sampled for environmental DNA (eDNA) analysis to map aquatic fauna biodiversity using technology developed by NatureMetrics. The wet and dry season results are being reviewed, and further work is being planned for 2023 based on the results.

The Company has engaged Base Met Labs to perform comprehensive metallurgical testing on approximately 20 core samples from the Oko West project. A total of 1,200 Kg of material has been shipped to the Base Met laboratory in Kamloops, BC, Canada. Testing will comprise Bond Work Index determination, QEMSCAN analysis for quantitative mineralogy assessment, Extended-Gravity Recoverable Gold determination and bottle roll tests for a range of grind sizes. The results from this program are expected in mid-year 2023.

The Company has also engaged NewFields to perform an initial geotechnical assessment based on drill core and available drill data with the objective of defining possible slope angles for future expected pit designs.

The Company contracted Instream Energy Systems, a Canadian group specialized in electrical "run of river" power generation with hydrokinetic technology, to conduct a pre-feasibility study to investigate its use for the Oko West Project. This technology uses modular in-stream equipment deployed in rivers without water reservoirs.

Oko West Project, Social Responsibility

Malaria is endemic in the Cuyuni and Mazaruni region where the Oko West Project is located. The Company has partnered with the Guyana Ministry of Health to provide prevention and treatment services to all its workers and nearby mining communities. The Company's medical staff at the project site provides free malaria testing and medication and general medical attention to surrounding communities. This malaria eradication program has led to a significant decrease in malaria cases in the area.

NW Extension Project, Suriname

The **NW Extension** Project, comprising three rights of exploration totalling 925 square kilometers, is located 60 kilometers to the west-southwest of Paramaribo in Suriname. The Company has an option to acquire a 100% interest in the project. This project was included in the Alliance with Barrick in September 2020.

A 3,000-meter drilling program was planned to test identified targets from the interpretation of a geophysical survey conducted in 2021. In early 2022, a total of 1,901 meters in 30 holes were completed on three drill fences before the program was suspended in mid-March 2022 due to exceptional precipitation and deteriorated access to the project area. Due to disappointing results from the exploration program, and for the fact that the project is located adjacent to a nature reserve and a bird sanctuary, with serious risk of negative environmental impact, the Company advised Barrick that it would not pursue further work on the project. As agreed with Barrick, the Company fully demobilized and rehabilited the project area and the Company has offered to transfer its rights in the option agreement to Barrick, for no consideration.

Boulanger Project, French Guiana

The Boulanger Project is located 60 kilometers to the south of Cayenne, 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. Following the renewal of the four mining concessions, a non-governmental organization ("**NGO**") initiated administrative procedures against the French government (the Council of State) seeking the annulment of the renewal of the CMB concessions, arguing the lack of a public inquiry during the renewal process and the failure to consider the environmental impact of the renewal.

On July 28, 2022, the French "*Conseil d´Etat*" ruled in favor of the NGO's administrative procedure initiated in 2021 on the grounds that the French government had exceeded its power by renewing the four Boulanger concessions. Thus, the four decrees under which the Boulanger concessions had been renewed were annulled. CMB has recently submitted new renewal applications for the four concessions. Although the Company is entitled to pursue its exploration activities at the Boulanger Project under the original mining concessions, it currently does not intend to conduct a work program until the concessions are renewed. There can be no assurance as to if and when the concessions will be renewed.

No fieldwork was conducted at the **Boulanger** Project in 2022, and the project is currently on care and maintenance. The Company is currently in discussion to extend the option period.

On December 31, 2022, the Company wrote-off capitalized expenses of $1.6 million related to the Boulanger project due to the uncertainty in the renewal of the Boulanger concessions and as the Company does not anticipate conducting any exploration work on the project until such concessions have been renewed.

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 Dorlin 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 has been conducted at the Dorlin Project since the first quarter of 2020, and the Company is not planning to conduct additional exploration until the concession is granted. There can be no assurance as to if and when the concession will be granted.

Qualified Person

Justin van der Toorn (CGeol FGS, EurGeol), the Company's VP Exploration and a qualified person pursuant to National Instrument 43-101, has reviewed and approved the scientific and technical data contained in this MD&A.

Termination of Strategic Alliance with Barrick

On February 3, 2019, the Company entered into a Strategic Alliance Agreement (the "**Alliance Agreement**") with Barrick (the "**Alliance**") to jointly explore for, develop and mine mineral projects in the Guiana Shield. The Company initially contributed to the Alliance the Waiamu Project, the Aremu Project, the Arawini Project and the Oko Project, all located in Guyana (the "**Initial Included Projects**"). In January 2020, Barrick elected to exclude all the Initial Included Projects from the Alliance including the Oko West Project. In September 2020, the NW Extension Project was added to the Alliance and no new projects were included after that date.

In 2022, the NW Extension Project in Suriname was the only project in the Alliance. In August 2022, the Company advised Barrick that it would not conduct further work on the NW Extension Project. In October 2022, Barrick and the Company agreed on, and completed, a rehabilitation and demobilization plan for the NW Extension Project. On December 5, 2022, the Company notified Barrick that it was terminating the Alliance Agreement effective February 3, 2023 and offered to transfer its rights in the NW Extension Project option agreement to Barrick, allowing it to continue exploring the project on its own should it decide to do so.

The Company has been named as a party in a Statement of Claim issued by Barrick in the Ontario Superior Court of Justice on February 10, 2023. The Claim relates to the Company's termination on December 5, 2022 of the Strategic Alliance Agreement with Barrick dated February 3, 2019, as amended. The Company is vigorously defending the Claim. The Company filed a statement of defence and counterclaim in respect of Barrick's claim on March 24, 2023 denying that the Alliance Agreement is perpetual in nature and seeking orders to that effect.

Corporate Activities

July 8, 2022 bought deal private placement

On July 8, 2022, the Company completed a bought deal private placement (the "**Bought Deal**") of units of the Company (the "**Units**") underwritten by Sprott Capital Partners LP and Paradigm Capital Inc., as co-lead underwriters, on behalf of a syndicate of underwriters comprised of Cormark Securities Inc., iA Private Wealth Inc. and Dundee Goodman Merchant Partners (collectively with the Co-Lead Underwriters, the "**Underwriters**"). Concurrently with the Bought Deal, the Company also closed a non-brokered private placement of Units with Dundee Resources Limited, a then 16.3% shareholder of the Company, on the same terms as the Units issued and sold under the Bought Deal (the "**Concurrent Financing**" and collectively with the Bought Deal, the "**Offering**"). Pursuant to the Offering, the Company issued 141,648,349 Units at a price of $0.26 per Unit, including 23,500,000 Units issued pursuant to the Concurrent Financing, for total gross proceeds of $36,828,570. Each Unit consists of one common share in the capital of the Company and one-half of one Common Share purchase warrant of the Company (each whole warrant, a "**Warrant**"). Each Warrant entitles the holder thereof to purchase one common share at an exercise price of $0.39 until July 8, 2024, provided that if the volume weighted average closing price of the common shares of the Company on the TSXV or such other stock exchange on which the common shares are traded is equal to or greater than $0.55 for a period of 10 consecutive trading days, the Company may elect to accelerate the expiry of the Warrants at its option. As compensation for the Underwriters' services rendered in connection with the Bought Deal, the Company paid to the Underwriters a cash fee of $1,835,314 and issued to the Underwriters an aggregate of 7,058,900 non-transferable broker warrants. Each broker warrant entitles the holder thereof to purchase one common share at an exercise price of $0.26 until July 8, 2024.

February 24, 2022 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"**) 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 to purchase one common share of the Company at an exercise price of $0.175 per share until February 24, 2024. Dundee Resources Limited, a subsidiary of Dundee Corporation and a then 16.9% shareholder of the Company, acquired 28,573,907 common shares for an amount of $5,000,434. David Fennell, the Company's Executive Chairman, and Richard Cohen, a director, have also participated in the Offering acquiring 1,428,571 and 200,000 common shares, respectively.

Settlement of a contingent consideration

In February 2017, the Company had sold its Matthews Ridge manganese project to Bosai Minerals Group Co. ("**Bosai**"). The Company had received a payment of US$5 million at closing. A contingent consideration of up to US$5 million was also payable by Bosai to the Company once the mine entered production, at the rate of US$2.00 per tonne of manganese concentrate or ore shipped from the project. These payments were to be settled on a quarterly basis. In August 2022, following the start of production at the Matthews Ridge project, the Company and Bosai agreed to settle the additional contingent consideration for a lump sum payment of $3,060,307 (US$2,350,000), which the Company has received.

Appointment of Richard Howes as President, CEO and Director

On January 1, 2023, Mr. Richard (Rick) Howes became President and Chief Executive Officer of the Company. Mr. Howes is a mining engineer with over 39 years of experience in the mining industry, most recently as CEO of Dundee Precious Metals. Mr. Howes has extensive operating, technical and project development experience in both underground and open pit mines throughout Canada and internationally. Mr. Howes holds a Bachelor of Applied Science with Honours in Mining Engineering from Queens University, Kingston, Ontario and is a member of the Institute of Corporate Directors. Mr. Howes was previously appointed as director on the Company's board of directors effective November 28, 2022.

Appointment of Fred Stanford to the Board of Directors

On August 18, 2022, Mr. Frederick Stanford was appointed to serve as an independent director on the Company's board of directors. Mr. Stanford, an industrial engineer with 40 years of mining experience, has a long track record of success in company building and operations. Mr. Stanford was CEO and a director of Rhyolite Resources Ltd. from September 2021 to December 2022. Prior to that, he served as President and CEO of Torex Gold Resources Inc. for over a decade. From 1981 to 2009, he progressed through senior roles in Sudbury for Vale Canada Limited (formerly Vale Inco and Inco Limited).

Appointment of Pierre Chenard to the Board of Directors

On March 1, 2022, Mr. Pierre Chenard was appointed to serve as independent director on the Company's Board of directors. Mr. Chenard is an experienced international business executive. He has held progressive roles in both the corporate development and legal areas over the past 35 years, most notably with AngloGold Ashanti, Rio Tinto Aluminum and Cambior Inc. Mr. Chenard is currently Executive Vice President and Head of Strategy at Allied Gold Corp, a privately-owned gold mining company. Mr. Chenard earned Civil and Common Law degrees from McGill University and has been a member of the Quebec Bar since 1984.

Appointment of Justin van der Toorn as VP Exploration

On August 18, 2022, Mr. Justin van der Toorn was appointed VP Exploration for Reunion Gold. Justin is an exploration geologist with 18 years' experience in the minerals industry, leading and managing exploration teams from grassroots activities through to discovery and resource definition drilling. With a focus on gold exploration, he has worked across various regions, including Eastern Europe, North America and the Guiana Shield. Justin holds an MSci Geology from the Royal School of Mines, Imperial College London. He is registered as a Chartered Geologist (CGeol) of the Geological Society and a European Geologist (EurGeol) by the European Federation of Geologists.

Grant of stock options

Since January 1, 2022, 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 16, 2023, 21,075,000 stock options at an exercise price of $0.38
- On November 28, 2022, 2,200,000 stock options at an exercise price of $0.44
- On September 26, 2022, 3,500,000 stock options at an exercise price of $0.35
- On June 9, 2022, 100,000 stock options at an exercise price of $0.27
- On March 1, 2022, 16,500,000 stock options at an exercise price of $0.26
- On January 7, 2022, 750,000 stock options at an exercise price of $0.15

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

Redemption of RSUs

In 2022, the Company issued 1,216,316 common shares following the redemption of an equivalent amount of restricted share units ("RSUs"), pursuant to the Company's RSU plan.

Exercise of share purchase warrants and stock options

In 2022, a total of 36,089,663 share purchase warrants were exercised for proceeds of $4,946,159. Since January 1, 2023, a total of 36,114,539 share purchase warrants were exercised for proceeds of $5,468,447.

In 2022, a total of 13,917,668 stock options were exercised for proceeds of $1,499,843. Since January 1, 2023, a total of 764,000 stock options were exercised for proceeds of $122,240.

Outlook

In 2023, the Company's efforts at its Oko West Project will be focused on the following initiatives:

- To continue the step out and infill drilling on the Kairuni zone in support of a maiden resource estimate by mid-year 2023; this includes both ongoing expansion drilling in Block 4 to approximately 600 m depth and step out drilling along strike and to depth in Blocks 1, 5 and 6;

- To explore areas that lie outside of the current resource definition drilling program, but within the Oko West PL, to identify additional new zones of gold mineralization; this program will include: 1) follow-up exploration and drill testing on the Takutu zone; 2) conducting ground magnetics (mag) surveys over the area proximal to the main shear zone (Carol Zone, located immediately west of the current definition drilling); and 3) carrying out approximately 8,000 m of scout RC drilling over the Bryan Zone, to build a more comprehensive geochemical anomaly map of the west of the PL where duricrust and alluvial cover prevent the use of shallow soil surveys; follow-up of any generated targets will be conducted in the second half of 2023;

- To complete a comprehensive metallurgical testing program on approximately 20 core samples by mid-year 2023 and to conduct a second phase of environmental baseline studies; and

- To complete a Preliminary Economic Assessment by the end of 2023, to be led by G Mining.

CONSOLIDATED FINANCIAL INFORMATION *(1)*

Financial Position	**December 31, 2022**	December 31, 2021
	$	$
Cash	**43,786,923**	13,636,064
Exploration and evaluation assets	**1,240,853**	2,429,419
Total assets	**46,752,194**	16,810,947
Non-current portion of lease liabilities	**540,018**	32,394
Shareholders' equity	**42,085,553**	14,436,243

Comprehensive loss	**Year ended December 31, 2022**	Year ended December 31, 2021	Year ended December 31, 2020
	$	$	$
Net loss for the period	**(26,667,440)**	(8,757,569)	(8,345,052)
Basic and diluted loss per share	**(0.03)**	(0.01)	(0.02)
Cash Flows			
Operating activities	**(20,338,067)**	(7,044,507)	(6,908,671)
Investing activities	**(891,748)**	(241,142)	(417,940)
Financing activities	**51,392,981**	17,803,607	7,016,393

(1) The Consolidated Financial Information was derived from the Company's December 31, 2022, 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.

During the year ended December 31, 2022, the Company incurred a loss of $26,667,440 ($0.03 per share) compared to a loss $8,757,569 ($0.01 per share) during the year ended December 31, 2021.

The net loss for the year ended December 31, 2022 consisted mostly of exploration and evaluation expenditures of $22,420,070 ($6,899,503 in 2021) as detailed in the table below, management and administration expenses of $3,522,548 ($1,119,210 in 2021), share-based compensation of $2,947,475 ($454,460 in 2021), a write-down of exploration and evaluation assets of $1,578,414 mainly related to the Boulanger property ($125,553 in 2021 related to the Arawini project), depreciation and amortization of $352,190 of the Company's property and equipment ($286,877 in 2021), accretion related to lease liabilities of $32,289 ($23,515 in 2021), partially offset by finance income on liquidities held of $1,018,154 ($24,585 in 2021) and by a settlement of a contingent consideration of $3,060,307 (nil in 2021).

The Company's share in exploration expenses during the year ended December 31, 2022 amounted to $22,420,070 ($6,899,503 in 2021), and Barrick's share of the expenses on projects within the Alliance at that time totalled $453,928 ($528,630 in 2021). 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**	**2022**	2021
	West	**Extension**	**projects**	**Total**	Total
	$	**$**	**$**	**$**	$
Wages and fees	**3,257,730**	**257,809**	**111,302**	**3,626,841**	2,615,372
Drilling and assaying	**14,162,435**	**451,021**	**(322)**	**14,613,134**	2,544,902
Studies and geophysics	**941,113**	**36,430**	**-**	**977,543**	215,861
Camp costs	**1,158,929**	**112,916**	**(10,845)**	**1,261,000**	648,356
Field supplies	**364,348**	**8,009**	**7,806**	**380,163**	263,917
Transportation and travel	**1,116,136**	**578**	**2,286**	**1,119,000**	431,017
Property lease payments	**16,410**	**-**	**-**	**16,410**	135,116
Others	**779,760**	**41,092**	**59,055**	**879,008**	573,592
	21,796,861	**907,855**	**169,282**	**22,873,998**	7,428,133
Barrick's share of expenses	**-**	**(453,928)**	**-**	**(453,928)**	(528,630)
	21,796,861	**453,927**	**169,282**	**22,420,070**	6,899,503

Management and administration expenses increased by $2,403,338 during the year ended December 31, 2022 compared to the year ended December 31, 2021. Wages and fees of $2,642,091 in 2022 ($857,924 in 2021) reflect adjustments made in early 2022 to base remuneration to the Company's directors and senior officers, bonus payments of $465,000 to the Company's senior officers for their contribution to the Company's success in 2021, a special bonus of $300,000 in September 2022 paid to the Company's then Interim CEO for his significant role in the discovery at the Company Oko West Project in Guyana, a bonus accrual of $500,000 relating to the target performance bonus incentive plan approved by the Board of the Company for the year

2022, and the addition of corporate support staff. Professional fees of $167,987 in 2022 were higher than the amount of $65,340 incurred in 2021 due to recruitment fees and higher legal fees. Investor relations and travel expenses of $445,726 consisted mostly of expenses related to in-person attendance at several mining conferences during the year (including PDAC, Beaver Creek, London and other US and European-based conferences), fees related to the Company's online presence with the global investment community and several analyst visits to the Company's Oko West Project in 2022 ($89,014 in 2021). Higher reporting issuer costs of $104,634 ($32,313 in 2021) result mostly from the Company`s listing in 2022 on the OTCQB Venture Market in the US. The Company incurred in 2022 office expenses of $162,110 ($74,619 in 2021)

Share-based compensation totalled $2,947,475 during the year ended December 31, 2022 compared to $454,460 in 2021. The stock-based compensation expense during the current year results mostly from the grant to directors, officers, employees and consultants of 23,050,000 stock options during the twelve months ended December 31, 2022 at a weighted-average fair value of $0.19 per option, which amount is being amortized over the vesting period of 24 months (compared to the grant of 8,125,00 stock options during the comparative period in 2021 at a fair value of $0.05 per option).

On December 31, 2022, the Company wrote-off capitalized expenses of $1,562,141 related to the Boulanger Project due to the uncertainty in the renewal of the Boulanger concessions and as the Company does not anticipate conducting any exploration work on the project until such concessions have been renewed. The Company also wrote-off an amount of $16,273 related to the NW Extension property in Suriname due to its decision not to pursue exploration on that project.

The increased finance income in 2022 resulted mostly from higher liquidities held following the completion of a warrant incentive program in December 2021 for proceeds of $8.1 million and the bought-deal private placements completed in February 2022 and July 2022 for net proceeds of $45.1 million.

In August 2022, the Company settled a contingent consideration for an amount of $3,060,307 (US$2,350,000) related to the sale in February 2017 to Bosai Minerals Group Co. ("**Bosai**") of its then wholly-owned Matthews Ridge manganese project. The Company had received an amount of US$5 million at closing of the sale transaction and a contingent consideration of up to US$5 million was payable by Bosai to the Company once the mine entered production, at the rate of US$2.00 per tonne of manganese concentrate or ore shipped from the project, which payments were to be settled on a quarterly basis. Following the start of production at the Matthews Ridge project, the Company and Bosai agreed to settle the additional contingent consideration for a lump sum payment of $3,060,307 (US$2,350,000), which the Company has received. The Company had not previously recorded this contingent consideration.

Results for the fourth quarter ended December 31, 2022 compared to the fourth quarter ended December 31, 2021

During the fourth quarter ended December 31, 2022, the Company incurred a loss of $11,873,814 ($0.01 per share) compared to a loss of $2,939,296 ($0.01 per share) during the fourth quarter ended December 31, 2021. The increased loss in the current period reflects a higher level of drilling activity at the Oko West Project compared to the same period in 2021 and the write-off of exploration and evaluation assets related to the Boulanger and NW Extension projects.

During the current period, the Company incurred $8,681,050 in exploration expenses, mostly on the Oko West Project ($2,393,799 in 2021, on the Oko West and the NW Extension projects), $1,225,806 in management and administration expenses, which includes a bonus accrual of $500,000 relating to the target performance bonus incentive plan for the year 2022 ($290,548 in 2021), $729,339 in share-based compensation ($66,667 in 2021), depreciation and amortization of $111,183 ($45,507 in 2021), a write-down of $1,578,414 mainly related to the Boulanger Project due to the uncertainty related to the renewal of the mining concessions ($125,553 in 2021 following the non-renewal of the remaining permit of the Arawini Project), partially offset by finance income of $522,003 ($17,694 in 2021).

Investing Activities

During the year ended December 31, 2022, the Company acquired various equipment totaling $593,440 ($61,190 in 2021) to support the exploration program at the Oko West Project, including various service vehicles for an amount of $368,324 (nil in 2021), computer equipment and furniture for an amount of $73,309 ($15,246 in 2021) and other various equipment for an amount of $151,807 ($45,944 in 2021). In 2021, the Company sold property and equipment for proceeds of $50,232, generating a gain on sale of $40,086.

On October 1, 2022, the Company entered into a five-year lease agreement for office space in Longueuil, Québec and on November 1, 2022, the Company entered into a two-year lease agreement for office space in Georgetown, Guyana and in accordance with IFRS 16, the Company recognized a right-of-use asset and a corresponding lease liability for an amount of $724,072. As part of the office lease in Longueuil, Québec, the Company received an incentive amount of $97,700 which was presented as a reduction of the right-of-use asset.

In July 2022, the Company agreed to amend its then option agreement with one of the two Oko West titleholders and advanced the payments that were due in August 2022 and August 2023, representing a total amount paid of $387,660 (US$300,000) and in May 2022, the Company paid its share of the option payment related to the NW Extension for an amount of $8,348 (option payments of $197,103 during the comparative period in 2021 related to the Oko West Project for $157,713, the Arawini project for $31,845 and the NW Extension Project for $7,545).

Financing Activities

On July 8, 2022, the Company completed a bought deal private placement and a concurrent non-brokered private placement and issued a total of 141,648,349 Units at a price of $0.26 per common share for proceeds of $36,828,571 and paid fees to the underwriters and other share issue expenses of $2,316,396.

On February 24, 2022, the Company completed a bought deal private placement and issued a total of 65,715,349 common shares at a price of $0.175 per common share for proceeds of $11,500,186 and paid fees to the underwriters and other share issue expenses of $918,013.

During the year ended December 31, 2022, a total of 36,089,663 share purchase warrants and 13,917,668 stock options were exercised for total proceeds of $6,446,002.

The repayment of lease liabilities in accordance with IFRS 16 totaled $147,369 during the year ended December 31, 2022 ($124,529 in 2022).

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, 2022	0.0	(11,873.8)	(0.01)
September 30, 2022	0.0	(4,342.8)	(0.00)
June 30, 2022	0.0	(5,532.0)	(0.01)
March 31, 2022	0.0	(4,918.9)	(0.01)
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)

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, 2022	8,681,050	1,225,806 (a)	729,339	1,578,414 (b)	(340,795)	11,373,814
September 30, 2022	6,318,971	850,759 (c)	674,719	-	(3,501,688) (d)	4,342,761
June 30, 2022	4,552,144	573,475	416,551	-	(10,184)	5,531,986
March 31, 2022	2,867,905	872,508 (e)	1,126,866	-	51,600	4,918,879
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

(a) Includes a bonus accrual of $500,000 relating to the target performance bonus incentive plan for the year 2022.

(b) Write-dpwn of exploration and evaluation assets related to the Boulanger Project in French Guiana ($1,562,141) and to the NW Extension Project in Suriname ($16,273).

(c) Includes a special bonus of $300,000 paid to the Company`s then Interim CEO for his significant role in the discovery at the Company`s Oko West project.

(d) Includes a gain of $3,060,307 on the settlement of a contingent consideration not previously recorded.

(e) Includes bonus payments of $465,000 to the Company`s senior officers for their contribution to the Company's success in 2021.

Liquidities and Capital Resources

On December 31, 2022, the Company had working capital of $40,116,844 compared to working capital of $11,637,853 on December 31, 2021. The increase in the working capital during the year ended December 31, 2022 is mainly attributable to the net proceeds of $45,094,348 received from the February 2022 and July 2022 private placements, the proceeds of $6,446,002 received on the exercise of 36,089,663 share purchase warrants and 13,917,668 stock options, the settlement of a contingent consideration in the amount of $3,060,307 related to the Mathhews Ridge manganese project sold in 2017 and finance income of $1,018,154, partially offset by exploration expenses of $22,420,070, management and administration expenses of $3,522,548, the acquisition of property and equipment in the amount of $593,440 and the option payments related to the Oko West Project and the NW Extension Project totalling $395,773. Working capital at December 31, 2022 included cash and cash equivalents of $43,786,923.

See *Corporate Activities* and *Financing activities* sections for a description of capital transactions completed in 2022.

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 the Oko West Project, 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, 2022, managed capital totaled $42,085,553 ($14,436,243 at December 31, 2021).

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, 2022. The Company is not subject to any other externally imposed capital requirements at December 31, 2022.

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, 2022, the total amount payable to the Company's officers would have totaled $718,905, and if a change in control had occurred on December 31, 2022, the total amount payable to the Company's officers would have totaled $1,556,320.

Off-Balance Sheet Arrangements

As of December 31, 2022, the Company has no off-balance sheet arrangements.

Other Related Party Transactions

In 2022, the Company was a party to agreements to provide administrative services to two publicly-listed companies, related by virtue of common management, namely St Charles Resources 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, 2022, totaled $16,000 ($81,770 in 2021).

The remuneration awarded to directors and to senior key management, including the Interim CEO and the CFO, totaled $4,107,171 during the year ended December 31, 2022, including an amount of $2,382,127 related to share-based compensation ($964,757 in 2021, including $302,179 related to share-based compensation).

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 3 to the December 31, 2022 and 2021 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, 2022. 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 25, 2023, a total of 1,032,378,374 common shares are issued and outstanding. The Company also has share purchase warrants exercisable as follows:

- 5,441,354 warrants at a price of $0.12 per share by May 2023;
- 26,060,511 warrants at a price of $0.20 per share by December 2023;
- 3,504,658 warrants at a price of $0.18 per share by February 2024;
- 70,824,174 warrants at a price of $0.39 per share by July 2024; and
- 3,529,450 warrants at a price of $0.26 per share by July 2024.

As of April 25, 2022, the Company also has 57,133,332 stock options with exercise prices ranging between $0.08 and $0.44 and expiring until March 2028 and 30,000 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, 2022. The financial risks are described in Note 20 to the December 31, 2022 and 2021 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 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.

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 and Suriname.

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.There is no certainty that the concession applications for the Boulanger and Dorlin projects will be approved as submitted or at all.

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. The legal framework for mining remains uncertain in French Guiana at this time and local and national environmental NGOs are strongly opposed to mining in French Guiana. Moreover, French Guiana has no history or tradition of large-scale commercial mining. Regulatory risks in French Guiana 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.

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.

Legal and litigation

All industries, including the exploration industry, are subject to legal claims, with and without merit. Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which Reunion Gold may become subject could have a material adverse effect on Reunion Gold's business, prospects, financial condition, and operating results. Defense and settlement of costs of legal claims can be substantial.

On February 10, 2023, the Company was named as a party in a Statement of Claim issued by Barrick in the Ontario Superior Court of Justice in connection with the Company's termination of the Alliance Agreement. Barrick alleges, among other things, that the Alliance Agreement should continue in perpetuity and that the Company's termination of the Alliance Agreement is invalid. Barrick is seeking relief in the form of, among other things, declarations affirming its position, orders compelling the Company to perform its obligations under the Alliance Agreement, related injunctive relief, and damages. The Company intends to vigorously defend against it but there can be no assurance that the Company will be successful and the resolution of the Claim could have a material adverse effect on Reunion Gold's business, prospects, financial condition, and operating results.

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 Regulations, Health & Safety Risks

The Company is subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation and regulation provide for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain exploration industry operations, such as from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Future legislation and regulations could cause additional expenses, capital expenditures, restrictions, liabilities and delays in exploration of any of Reunion Gold’s projects, the extent of which cannot be predicted. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

Although the Company believes its operations are in compliance in all material respects with all relevant permits, licenses and regulations involving worker health and safety as well as the environment, there can be no assurance regarding continued compliance or ability of the Company to meet stricter environmental regulation, which may also require the expenditure of significant additional financial and managerial resources.

Moreover, mining companies are often targets of actions by non-governmental organizations and environmental groups in the jurisdictions in which they operate. Such organizations and groups may take actions in the future to disrupt the Company’s operations. They may also apply pressure to local, regional and national government officials to take action which are adverse to the Company’s operations. Such actions could have an adverse effect on the Company’s ability to advance its projects and, as a result on its operations and financial performance.

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.

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". Specific forward-looking statements in this AIF include: the Company’s exploration, development and financing plans, the likelihood of discovering or expanding resources; the potential for development of the Company’s Oko West Project, including potentially extractable mineralization; timelines to complete a mineral resource estimate and a preliminary economic assessment of the Oko West Project; any objectives, expectations, intentions, plans, results, levels of activity, goals or achievements; the timing and amount of estimated exploration expenditures and capital raises for the Company; the liquidity of the common shares in the capital of the Company and other events or conditions that may occur in the future.

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 25, 2023. Additional information on the Company is available through regular filings of documents on SEDAR (www.sedar.com) and on the Company's website (www.reuniongold.com) including press releases and financial statements.