



NEWS RELEASE

NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR
DISTRIBUTION TO U.S. WIRE SERVICES

May 30, 2023

TSXV/AIM: THX

**THOR EXPLORATIONS ANNOUNCES FIRST QUARTER 2023 FINANCIAL AND OPERATING RESULTS, FOR
THE THREE MONTHS ENDING MARCH 31, 2023**

Thor Explorations Ltd. (TSXV / AIM: THX) ("Thor Explorations", "Thor" or the "Company") is pleased to provide an operational and financial review for its Segilola Gold mine, located in Nigeria ("Segilola"), and for the Company's mineral exploration properties located in Nigeria and Senegal for the three months to March 31, 2023 ("Q1 2023" or the "Period").

The Company's Unaudited Consolidated Financial Statements together with the notes related thereto, as well as the Management's Discussion and Analysis for the three months ended March 31, 2023, are available on Thor Explorations' website at <https://thorexpl.com/investors/financials/>.

All figures are in US dollars ("US\$") unless otherwise stated.

Operational Highlights

Segilola Production

- Gold production for the Period totaled 20,629 ounces ("oz")
 - Mill feed grade was 2.95 grammes per tonne ("g/t") gold with recovery at 94.1%
 - An increase in mining rates and the mining of higher grade ore zones is expected in Q2 2023
- The main operating units of the process plant continue to perform better than expected, with the plant operating above nameplate capacity

Segilola Near-Mine Exploration

- Identification of new high grade quartz vein system within 15 kilometers ("km") of Segilola, with multiple high grade drillhole intercepts including 1 meter ("m") at 310 g/t gold which equates to 10 oz of gold per tonne
 - Ongoing drilling will test both the strike length and depth potential of this system with additional drill

results expected in Q2 2023

- Regional exploration is continuing with ongoing drilling programs, stream sediment sampling programs and soil/auger programs with drilling results also expected in Q2 2023.

Douta

- Mineral Resource Estimate ("MRE") at Douta supported by a total of 64,567 meters of drilling updated to a global resource of approximately 1.78 million oz of gold, an increase of 144% from its maiden resource.
 - Updated Douta Resource encompasses the Makosa, Makosa Tail and the recently discovered Sambara prospects, all of which remain open along strike and down dip
- During the Period, workstreams designed to advance the project to the prefeasibility stage ("PFS") commenced including metallurgical and geotechnical drilling and also infill resource drilling. Drilling results from Douta are also expected in Q2 2023.

Financial Highlights

- 21,553 oz of gold sold with an average gold price of US\$1,902 per oz
- Cash operating cost of US\$899 per oz sold and all-in sustaining cost ("AISC") of US\$1,346 per oz sold
- Q1 2023 revenue of US\$40.3 million (Q1 2022: US\$24.9 million)
- Q1 2023 EBITDA of US\$16.1 million (Q1 2022: US\$13.4 million)
- Q1 2023 net profit of US\$4.3 million (Q1 2022: US\$3.5 million)
- Cash and cash equivalents of US\$4.5 million as at 31 March 2023 (Q1 2022: US\$6.3 million)
- Senior debt facility with Africa Finance Corporation amended and restated to facilitate the Company's growth opportunities
 - Senior debt facility reduced to US\$27.9 million as at 31 March 2023
- Repayment of all outstanding EPC invoices
- Net debt of US\$25 million as at 31 March 2023

Environment, Social and Governance

- The full operation of 6 MW compressed natural gas ("CNG") generators was achieved in January 2023 so as to reduce GHG generated by diesel
 - In Q1 2023, the Company's GHG emissions were 5,303 tons. For the equivalent period in 2022, the GHG emissions were 8,392 tons, a reduction of 3,089 tons representing a drop of 36% in GHG emissions and a significant step in the reduction of its carbon footprint
- Vegetable farm construction commenced in the Period, including the erection of a greenhouse. Construction of fish farming ponds and associated processing and administration structures also commenced using two contractors from the host communities

Outlook

- Production guidance of 85,000 to 95,000 oz for 2023 maintained, weighted towards the second half of the year, with an AISC guidance of US\$1,150 to US\$1,350 per oz
- Advance exploration programs across the portfolio, including near mine and underground projects at Segilola, extension and infill programs at Douta and the assessment of potential targets in Nigeria
- Completion of the Douta preliminary feasibility study ("PFS") in Q4 2023
- Applications for and acquisition of identified prospective exploration properties in Nigeria

Segun Lawson, President & CEO, stated:

"This was envisaged to be a difficult quarter with a lower mined grade, difficult mining conditions in the Segilola Pit west wall and a higher utilization of heavy equipment. The Company's performance during the period demonstrates the amount of progress we have made at Segilola. The main operating units continue to perform better than expected and operate above capacity, so our production at the mine totaled 20,629 ounces. Our costs were at the higher end of our guidance, however we expect our costs to reduce materially in the second half of the year as we complete our mining in the current difficult areas. We have also had significant significant exploration success outside the Segilola

mining in the current circuit areas. We have also had our first significant exploration success outside the Segilola Mine footprint, identifying a new high grade quartz vein system within 15 kilometres of mine and have already begun expanding exploration with multiple drillhole intercepts. We look forward to updating the market with drill results from this program and an additional two ongoing exploration drilling programs in Nigeria.

"We also continue to progress exploration at a fast pace at the Douta Project. Further to the significant growth in the MRE we are excited about the upcoming drilling results from the ongoing exploration program. We also look forward to completing the various PFS work streams in the coming months.

"As always, we have remained committed to our ESG goals, and this Period really reflects our ability to safeguard the environment and the local communities. The full operation of 6MW compressed natural gas generators was achieved in January and will greatly aid in our attempt to reduce GHG emissions. Elsewhere, we have been proudly progressing our livelihood restoration program and we look forward to offering further updates on all things ESG related throughout the year.

"When compared to the same operating period last year, we have significantly improved our numbers across the board, which is a testament to the hard work and efficiencies created in the Company.

"Our production guidance remains between 85,000 and 95,000 oz for 2023, one that is weighted towards the second half of the year, where we foresee less difficult operating conditions and correspondingly, a more efficient six months operationally."

About Thor Explorations

Thor Explorations Ltd. is a mineral exploration company engaged in the acquisition, exploration, development and production of mineral properties located in Nigeria, Senegal and Burkina Faso. Thor Explorations holds a 100% interest in the Segilola Gold Project located in Osun State, Nigeria and has a 70% economic interest in the Douta Gold Project located in south-eastern Senegal. Thor Explorations trades on AIM and the TSX Venture Exchange under the symbol "THX".

THOR EXPLORATIONS LTD.

Segun Lawson

President & CEO

For further information please contact:

Thor Explorations Ltd

Email: info@thorexpl.com

Canaccord Genuity (Nominated Adviser & Broker)

Henry Fitzgerald-O'Connor / James Asensio / Thomas Diehl

Tel: +44 (0) 20 7523 8000

Hannam & Partners (Broker)

Andrew Chubb / Matt Hasson / Jay Ashfield / Franck Nganou

Tel: +44 (0) 20 7907 8500

Fig House Communications (Investor Relations)

Tel: +1 416 822 6483

Email: investor.relations@thorexpl.com

Ibu Lawson (Investor Relations)

Tel: +447909825446

Email: ibu.lawson@thorexpl.com

Management Discussion & Analysis for Q1 2023

HIGHLIGHTS AND ACTIVITIES - FIRST QUARTER 2023

Operating results for the quarter were highlighted by the selling of 21,553 ounces ("oz") of gold during the year at a cash operating cost¹ of \$899 per oz sold, with an AISC¹ of \$1,346 per oz sold.

The Company maintains its production guidance at 85,000 to 95,000 oz for the year, while AISC¹ guidance for 2023 is also maintained at US\$1,150 per ounce to US\$1,350 per ounce.

During the Period, the international price of key consumables used by the Company, in particular ammonium nitrate and diesel have reduced significantly from the levels experienced in the second half of 2022. These reductions in price are expected to result in lower than forecast consumable costs at Segilola as the Company resupplies.

Table 1.1 Key Operating and Financial Statistics

Operating	Three Month period ended March 31, 2022		
	Three Month period ended March 31, 2023	Three Month period ended March 31, 2022	Three Month period ended March 31, 2022
Gold Sold	Au	21,553	13,463
Average realized gold price ¹	\$/oz	1,902	1,824
Cash operating cost ¹	\$/oz	899	688
AISC (all-in sustaining cost) ¹	\$/oz	1,346	1,108
EBITDA ¹	\$/oz	745	996

Financial	Three Month period ended March 31, 2022		
	Three Month period ended March 31, 2023	Three Month period ended March 31, 2022	Three Month period ended March 31, 2022
Revenue	\$	40,287,830	24,865,482
Net Income/(Loss)	\$	4,331,347	3,490,938
EBITDA ¹	\$	16,065,334	13,414,642

Financial	Year ended December 31, 2022		
	Three Month period ended March 31, 2023	Three Month period ended March 31, 2022	Year ended December 31, 2022
Cash and cash equivalents	\$	4,505,071	6,688,037
Deferred Income	\$	-	6,581,743
Net Debt ¹	\$	24,940,762	31,650,722

¹ Refer to "Non-IFRS Measures" section.

Segilola Gold Mine, Nigeria

Mining

During the three months ended March 31, 2023, 4,194,689 tonnes of material was mined, equivalent to a mining rate of 46,608 tonnes of material per day. In this period, 198,425 tonnes of ore were mined, equivalent to mining rates of 2,205 tonnes of ore per day, at an average grade of 2.85g/t. Tonnes were affected by difficult mining conditions encountered in the West wall of the pit. Conditions are improving and an increase in mining rates is expected in the second quarter of 2023.

Grade was lower than planned due to geotechnical problems encountered in the North of the pit, delaying access to the

higher-grade ore zones in this area. These zones will now be mined during the second quarter of 2023.

The stockpile balance at the end of the period was 270,215 tonnes of ore at an average of 1.14g/t. This comprised 2,130 tonnes (4.35g/t) at high grade, 4,327 tonnes (2.03g/t) at medium grade, 273,903 tonnes (1.04g/t) at low grade and 3,442 tonnes (2.65g/t) on the coarse ore stockpile.

Processing

During the three months ended March 31, 2023, a total of 231,001 tonnes of ore, equivalent to a throughput rate of 2,567 tonnes per day, was processed. Throughput was affected by an unplanned reline of the SAG mill.

The mill feed grade was 2.95g/t gold with recovery at 94.1% for a total of 20,629 ounces of gold produced. A delay in the commissioning of an additional crusher, specifically used to reduce mill rejected ore bearing material ("scats"), which was held for several weeks at the Nigerian border crossing, affected grade during the quarter. The scats will be processed during quarter 2.

All of the main operating units of the process plant continue to perform better than expected, with the plant operating above nameplate capacity. Several improvement projects are being undertaken through the remainder of 2023.

Table 1.2: Production Metrics

	Units	Q1 - 2023	Q4 - 2022	Q3 - 2022	Q2 - 2022	Q1 - 2022
Mining						
Total Mined	Tonnes	4,194,689	4,296,494	4,018,431	4,031,584	3,759,524
Waste Mined	Tonnes	3,996,264	3,974,073	3,793,249	3,747,504	3,533,610
Ore Mined	Tonnes	198,425	322,421	225,182	284,079	226,314
Grade	g/t Au	2.85	3.51	4.43	3.63	2.68
Daily Total Mining Rate	Tonnes/Day	46,608	46,701	43,679	44,303	41,772
Daily Ore Mining Rate	Tonnes/Day	2,205	3,505	2,448	3,122	2,515
Stockpile						
Ore Stockpiled	Tonnes	270,215	300,531	229,909	249,281	179,758
Ore Stockpiled	g/t Au	1.14	1.48	1.19	1.46	1.23
Ore Stockpiled	oz	9,904	14,300	8,796	11,701	7,109
Processing						
Ore Processed	Tonnes	231,001	254,824	241,434	211,582	221,900
Grade	g/t Au	2.95	3.38	3.58	3.66	3.18
Recovery	%	94.1	95.0	95.5	95.5	94.1
Gold Recovered	oz	20,629	26,331	26,523	23,785	21,343
Milling Throughput	Tonnes/Day	2,567	2,770	2,624	2,325	2,466

NON-IFRS MEASURES

This MD&A refers to certain financial measures, such as average realized gold price, cash operating costs, all-in sustaining costs, net debt and EBITDA which are not recognized under IFRS and do not have a standardized meaning prescribed by IFRS. These measures may differ from those made by other companies and accordingly may not be comparable to such measures as reported by other companies. These measures have been derived from the Company's financial statements because the Company believes that, with the achievement of gold production, they are of assistance in the understanding of the results of operations and its financial position.

Average realised gold price per ounce sold

The Group believes that, in addition to conventional measures prepared in accordance with GAAP, the average realised gold price, which takes into account the impact of gain/losses on forward sale of commodity contracts, is a metric used to better understand the gold price realised during a period. Management believes that reflecting the impact of these

Better understand the gold price realised during a period. Management believes that reflecting the impact of these contracts on the Group's realised gold price is a relevant measure and increases the consistency of this calculation with our peer companies.

In addition to the above, in calculating the realised gold price, management has adjusted the revenues as disclosed in the consolidated financial statement to exclude by product revenue, relating to silver revenue, and has reflected the by product revenue as a credit to cash operating costs. The revenues as disclosed in the interim financial statements have been reconciled to the gold revenue for all periods presented.

Table 2.1: Average annual realised price per ounce sold

	Units	Three Month period ended March 31, 2023	Three Month period ended March 31, 2022 ¹
Revenues	\$	40,287,830	24,865,482
By product revenue	\$	(43,773)	(15,520)
Gold Revenue	\$	40,244,057	24,849,962
Gain/(Loss) on forward sale of commodity contracts	\$	750,482	(294,922)
Gold Revenue	\$	40,994,539	24,555,040
Gold ounces sold	oz Au	21,553	13,463
Average realized price per ounce sold	\$	1,902	1,824

¹ The figures for the Three Month period ended March 31, 2022 have been restated in connection with the restatement of the interim financial statements. Refer to note 22 of the interim financial statements for further details.

Cash operating cost per ounce

Cash operating cost per oz sold, combined with revenues, can be used to evaluate the Company's performance and ability to generate operating income and cash flow from operating activities. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors may find this information useful to evaluate the costs of production per ounce.

By product revenues are included as a credit to cash operating costs.

Table 2.2: Average annual cash operating cost per ounce of gold

	Units	Three Month period ended March 31, 2023	Three Month period ended March 31, 2022 ¹
Production costs	\$	18,306,502	8,219,530
Transportation and refining	\$	342,291	502,222
Royalties	\$	768,282	550,765
By product revenue	\$	(43,773)	(15,520)
Cash Operating costs	\$	19,373,302	9,256,997
Gold ounces sold	Oz Au	21,553	13,463
Cash operating cost per ounce sold	\$/oz	899	688

¹ The figures for the Three Month period ended March 31, 2022 have been restated in connection with the restatement of the interim financial statements. Refer to note 22 of the interim financial statements for further details.

All-in sustaining cost per ounce

AISC provides information on the total cost associated with producing gold.

The Group calculates AISC as the sum of total cash operating costs (as described above), other administration expenses and sustaining capital, all divided by the gold ounces sold to arrive at a per oz amount.

Other administration expenses includes administration expenses directly attributable to the Segilola Gold Mine plus a percentage of corporate administration costs allocated to supporting the operations of the Segilola Gold Mine. For the Three Month periods ended March 31, 2023 and 2022, this was deemed to be 50%.

Other companies may calculate this measure differently as a result of differences in underlying principles and policies applied.

Table 2.3: Average annual all-in sustaining cost per ounce of gold

	Units	Three Month period ended March 31, 2023	Three Month period ended March 31, 2022 ¹
Cash operating costs ²	\$	19,373,302	9,256,997
Adjusted other administration expenses	\$	3,775,777	1,458,731
Sustaining capital ³	\$	5,864,894	4,196,996
Total all-in sustaining cost	\$	29,013,973	14,912,724
 Gold ounces sold	Oz Au	21,553	13,463
All-in sustaining cost per ounce sold	\$/oz	1,346	1,108

¹ The figures for the Three Month period ended March 31, 2022 have been restated in connection with the restatement of the interim financial statements. Refer to note 22 of the interim financial statements for further details.

² Refer to Table - 3.2 Cash operating costs.

³ Refer to Table - 3.3a Sustaining and Non-Sustaining Capital

The Group's all-in sustaining costs include sustaining capital expenditures which management has defined as those capital expenditures related to producing and selling gold from its on-going mine operations. Non-sustaining capital is capital expenditure related to major projects or expansions at existing operations where management believes that these projects will materially benefit the operations. The distinction between sustaining and non-sustaining capital is based on the Company's policies and refers to the definitions set out by the World Gold Council.

This non-GAAP measure provides investors with transparency regarding the capital costs required to support the on-going operations at its operating mine, relative to its total capital expenditures. Readers should be aware that these measures do not have a standardized meaning. It is intended to provide additional information and should not be considered in isolation, or as a substitute for measures of performance prepared in accordance with IFRS.

Table 2.3a: Sustaining and Non-Sustaining Capital

	Units	Three Month period ended March 31, 2023	Three Month period ended March 31, 2022 ¹
Property, plant and equipment additions during the period	\$	5,719,158	8,484,914
Non-sustaining capital expenditures ²	\$	(1,109,993)	(5,501,596)
Payment for sustaining leases	\$	1,255,729	1,213,678
Sustaining capital³	\$	5,864,894	4,196,996

¹ The figures for the Three Month period ended March 31, 2022 have been restated in connection with the restatement of the interim financial statements. Refer to note 22 of the interim financial statements for further details.

² Includes EPC and other construction costs for the Segilola Mine

³ Includes capitalized production stripping costs of \$4,609,165 (March 31, 2022: \$2,983,318)

Net Debt

Net debt is calculated as total debt adjusted for unamortized deferred financing charges less cash and cash equivalents and short-term investments at the end of the reporting period. This measure is used by management to measure the Company's debt leverage. The Group considers that in addition to conventional measures prepared in accordance with

IFRS, net debt is useful to evaluate the Group's performance.

Table 2.4: Net Debt

		Three Month period ended March 31, 2023	Year Ended December 31, 2022
Loans from the Africa Corporation	Finance	\$ 24,257,746	24,459,939
Due to EPC contractor		\$ 1,463,353	10,196,105
Deferred element of EPC contract		\$ 3,724,734	3,682,715
Less:			
Cash		(4,505,071)	(6,688,037)
Net Debt		\$ 24,940,762	31,650,722

Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)

EBITDA is calculated as the total earnings before interest, taxes, depreciation and amortisation. This measure helps management assess the operating performance of each operating unit.

Table 2.5: Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)

	Units	Three Month period ended March 31, 2023	Three Month period ended March 31, 2022 ¹
Net profit/(loss) for the period	\$	4,331,347	3,490,938
Amortization and depreciation - owned assets	\$	7,165,523	5,004,617
Amortization and depreciation - right of use assets	\$	1,194,587	1,158,255
Impairment of Exploration & Evaluation assets	\$	3,096	2,701
Interest expense	\$	3,370,781	3,758,131
EBITDA	\$	16,065,334	13,414,642
Gold ounces sold	Oz Au	21,553	13,463
EBITDA per ounce sold	\$/oz	745	996

¹ The figures for the Three Month period ended March 31, 2022 have been restated in connection with the restatement of the interim financial statements. Refer to note 22 of the interim financial statements for further details.

OUTLOOK AND UPCOMING MILESTONES

This Section 5 of the MD&A contains forward looking information as defined by National Instrument 51-102. Refer to Section 16 of this MD&A for further information on forward looking statements.

We are focused on advancing the Company's strategic objectives and near-term milestones which include:

- 2023 Operational Guidance and Outlook

Gold Production	oz	85,000-95,000
All-in Sustaining Cost	US\$/oz Au sold	\$1,150 - \$1,350
Capital Expenditure ¹	US\$	8,000,000 - 10,000,000
<i>Exploration Expenditure:</i>		
Nigeria ²	US\$	4,200,000
Senegal	US\$	3,000,000

¹ This excludes production stripping costs capitalizations.

- The critical factors that influence whether Segilola can achieve these targets include:
 - Segilola's ability to maintain an adequate supply of consumables (in particular ammonium nitrate, flux and cyanide) and equipment
 - Fluctuations in the price of key consumables, in particular ammonium nitrate, and diesel
 - Segilola's workforce remaining healthy
 - Continuing to receive full and on-time payment for gold sales
 - Continuing to be able to make local and international payments in the ordinary course of business
- Continue to advance the Douta project towards preliminary feasibility study ("PFS")
- Continue to advance exploration programmes across the portfolio:
 - Segilola near mine exploration
 - Segilola underground project
 - Segilola regional exploration programme
 - Douta extension programme
 - Douta infill programme
 - Assess regional potential targets in Nigeria
 - Acquiring new concessions and joint venture options on potential targets

SUMMARY OF QUARTERLY RESULTS

The table below sets forth selected results of operations for the Company's eight most recently completed quarters.

Table 3.1: Summary of quarterly results

\$	2023 Q1 Mar 31	2022 Q4 Dec 31	2022 Q3 Sep 30	2022 Q2 Jun 30
Revenues	40,287,830	43,251,204	55,703,098	41,354,747
Net profit for period	4,331,347	14,908,460	4,126,066	6,163,942
Basic profit per share (cents)	0.67	2.21	0.65	0.97

\$	2022 Q1 Mar 31	2021 Q4 Dec 31	2021 Q3 Sep 30	2021 Q2 Jun 30
Revenues	24,865,482	6,049,485	-	-
Net profit/(loss) for period	3,490,938	3,116,416	463,844	(5,582,090)
Basic profit/(loss) per share (cents)	0.55	0.47	0.07	(0.87)

RESULTS FOR THREE MONTHS ENDED MARCH 31, 2023

The review of the results of operations should be read in conjunction with the Interim Financial Statements and notes thereto.

The Group reported a net profit of \$4,331,347 (0.58 cents per share) for the three-month period ended March 31, 2023, as compared to a net profit of \$3,490,938 (0.55 cents per share) for the three-month period ended March 31, 2022. The increase in profit for the period was largely due to:

- revenue during the period of \$40,287,830 (Q1 2022: \$24,865,482)

These were offset partially by:

- Amortization and depreciation of \$8,360,110 (Q4 2021: \$6,162,872);
- Interest of \$3,370,781 (Q1 2022: \$3,758,131); and
- Production costs of \$18,306,502 (Q1 2022: \$8,219,530)

No interest was earned during the three-month period ended March 31, 2023, and 2022.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2023, the Group had cash of \$4,505,688 (December 31 2022: \$6,688,037) and a working capital deficit of \$38,308,404 (December 31, 2022: deficit of \$29,116,915).

The decrease in cash from December 31, 2022 is due mainly to cash generated in operations of \$19,214,348 offset by cash used in investing and financing activities of \$15,515,468 and \$5,976,329, respectively.

The total EPC amount has been finalized with our EPC contractor, and we have paid all due outstanding EPC payments at the date of this report.

Working Capital Calculation

The Working Capital Calculation excludes \$9,979,413 (2022: \$10,187,630) of Gold Stream liabilities, and \$805,801 (2022: \$2,215,585) in third party royalties included in current accounts payable, that are contingent upon the achievement of the revised gold sales forecast of 85,000 to 95,000 ounces for the year ending December 31, 2023.

Included in working capital, in Accounts payable and accrued liabilities, is a balance of \$1,463,353 (2022: \$10,196,105) due to our EPC contractors. As of the date of this report, the Company has made all outstanding due payments in relation to the EPC contract.

Table 4.1: Working Capital

		March 31, 2023	December 31, 2022
Current Assets			
Cash and Restricted Cash	\$	4,505,071	6,688,037
Inventory	\$	25,080,808	19,901,262
Amounts receivable, prepaid expenses, advances and deposits	\$	8,461,572	10,697,365
Total Current Assets for Working Capital	\$	38,047,451	37,286,664
Current Liabilities			
Accounts Payable and accrued liabilities	\$	60,555,348	56,337,289
Deferred Income	\$	-	6,581,743
Lease Liabilities	\$	4,815,512	4,811,991
Gold Stream Liability	\$	9,979,413	10,187,630
Loan and other borrowings	\$	11,790,796	888,141
	\$	87,141,069	78,806,794
Less: Current Liabilities contingent upon future gold sales	\$	(10,785,214)	(12,403,215)
Working Capital Deficit	\$	(38,308,404)	(29,116,915)

Inventory

Gold inventory is recognised in the ore stockpiles and in production inventory, comprised principally of ore stockpile and doré at site or in transit to the refinery, with a component of gold-in-circuit.

Table 4.2: Inventory

	March 31 2023	December 31 2022
Plant spares and consumables	\$ 9,146,279	4,751,922
Gold ore in stockpile	\$ 12,479,805	11,869,168
Gold in circuit	\$ 3,454,724	1,160,237
Gold doré	\$ -	2,119,935
	\$ 25,080,808	19,901,262

Liquidity and Capital Resources

The Group has generated positive operating cash flow during Q1 2023 and expects to continue to do so based on its production and AISC guidance. This operating cash flow will support debt repayments, regional exploration and underground expansion drilling at Segilola, planned capital expenditures and corporate overhead costs.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Group's financial instruments are classified as follows:

March 31, 2023	Measured at amortized cost	Measured at fair value through profit and loss	Total
Assets			
Cash and cash equivalents	\$ 4,505,071	-	4,505,071
Amounts receivable	240,009	-	240,009
Total assets	\$ 4,745,080	-	4,745,080
Liabilities			
Accounts payable and accrued liabilities	\$ 59,749,547	805,801	60,555,348
Loans and borrowings	27,982,480	-	27,982,480
Gold stream liability	-	23,507,987	23,507,987
Lease liabilities	14,465,191	-	14,465,191
Total liabilities	\$ 102,197,218	24,313,788	126,511,006

December 31, 2022	Measured at amortized cost	Measured at fair value through profit and loss	Total
Assets			
Cash and cash equivalents	\$ 6,688,037	-	6,688,037
Amounts receivable	220,442	-	220,442
Total assets	\$ 6,908,479	-	6,908,479
Liabilities			
Accounts payable and accrued liabilities	\$ 54,121,704	2,215,585	56,337,289
Loans and borrowings	28,142,654	-	28,142,654
Gold stream liability	-	25,039,765	25,039,765
Lease liabilities	15,409,285	-	15,409,285
Total liabilities	\$ 97,673,643	27,255,350	124,928,993

The fair value of these financial instruments approximates their carrying value.

As noted above, the Group has certain financial liabilities that are held at fair value. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques to measure fair value:

Classification of financial assets and liabilities

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

As at March 31, 2023 and December 31, 2022, all the Group's liabilities measured at fair value through profit and loss are categorized as Level 3 and their fair value was determined using discounted cash flow valuation models, taking into account assumptions with respect to gold prices and discount rates as well as estimates with respect to production and operating results for the Segilola mine.

DISCLOSURE OF OUTSTANDING SHARE DATA

As at the date of this MD&A, there were 644,696,185 common shares issued and outstanding stock options to purchase a total of 26,901,000 common shares.

Authorized Common Shares

Table 5.1: Common shares issued

	March 31, 2023	December 31, 2022
Common shares issued	644,696,185	644,696,185

Warrants

There were no warrants that were outstanding at March 31, 2023, and as at the date of this report.

During the quarter ended March 31, 2023, no warrants were issued.

Stock Options

The number of stock options that were outstanding and the remaining contractual lives of the options at March 31, 2023, were as follows.

Table 5.2: Options outstanding

Exercise Price	Number Outstanding	Weighted Remaining Life	Average Contractual	Expiry Date
C\$0.145	12,111,000	0.21		June 15, 2023
C\$0.140	750,000	0.52		October 5, 2023
C\$0.200	14,040,000	1.80		January 16, 2025
Total	26,901,000			

The Company has granted employees, consultants, directors and officers share purchase options. These options were granted pursuant to the Company's stock option plan.

No options were issued during the three months period ended March 31, 2023 and year ended December 31, 2022.

A total of 9,250,000 options were exercised at a price of C\$0.12 each and 689,000 at a price of C\$0.145 during the year ended December 31, 2022.

Under the Company's Omnibus Incentive Plan approved by shareholder on December 17, 2021, 44,900,000 common shares of the Company are reserved for issuance upon exercise of options or other securities.

During the year ended December 31, 2022, 2,399,176 Restricted Share Units ("RSUs") were granted to members of Executive Management under the Company's Long Term Incentive Plan ("LTIP").

In March 2023, the Board considered that it was subject to a share trading restriction. As a result, the Board resolved to extend the expiry date of 12,111,000 shares with an exercise price of C\$0.145 past the original expiry date of March 12, 2023 up until June 15, 2023.

Condensed Interim Consolidated Financial Statements

For the Three Months Ended March 31, 2023, and 2022

(in United States Dollars)

THOR EXPLORATIONS LTD.

March 31, 2023

Table of contents

Condensed interim consolidated statements of financial position.....	4
Condensed interim consolidated statements of comprehensive income.....	5
Condensed interim consolidated statements of cash flows.....	6
Condensed interim consolidated statements of changes in equity.....	7
Notes to the condensed interim consolidated financial statements.....	8-30

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of condensed interim consolidated financial statements by an entity's auditor.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF
FINANCIAL POSITION
In United States dollars (unaudited)

	Note	March 31, 2023	December 31, 2022	March 31, 2022
		\$	\$	\$
(restated)				
ASSETS				
Current assets				
Cash		4,505,071	6,688,037	6,276,376
Inventory	4	25,080,808	19,901,262	16,534,943
Amounts receivable	5	240,009	220,442	191,876
Prepaid expenses, advances and deposits	6	8,221,563	10,476,923	918,219

Prepaid expenses, advances and deposits		38,047,451	37,286,664	23,921,414
Total current assets		38,047,451	37,286,664	23,921,414
Non-current assets				
Deferred income tax assets		89,061	87,797	84,794
Prepaid expenses, advances and deposits	6	244,331	282,825	103,790
Right-of-use assets	7	15,667,650	16,849,402	19,707,915
Property, plant and equipment	12	148,063,401	149,513,917	149,421,654
Intangible assets	13	20,718,491	19,231,208	15,773,637
Total non-current assets		184,782,934	185,965,149	185,091,790
TOTAL ASSETS		222,830,385	223,251,813	209,013,204
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	14	60,555,348	56,337,289	31,834,095
Deferred income		-	6,581,743	6,233,347
Lease liabilities	7	4,815,512	4,811,991	4,854,714
Gold stream liability	8	9,979,413	10,187,630	12,889,957
Loans and borrowings	9	11,790,796	888,141	28,441,348
Total current liabilities		87,141,069	78,806,794	84,253,461
Non-current liabilities				
Accounts payable and accrued liabilities	14	-	-	1,031,309
Lease liabilities	7	9,649,679	10,597,294	12,587,430
Gold stream liability	8	13,528,574	14,852,135	16,860,524
Loans and borrowings	9	16,191,684	27,254,513	25,733,198
Provisions	11	4,971,736	4,959,638	5,341,369
Total non-current liabilities		44,341,673	57,663,580	61,553,830
SHAREHOLDERS' EQUITY				
Common shares	15	80,439,693	80,439,693	79,949,297
Option reserve	15	3,351,133	3,351,133	3,455,454
Currency translation reserve	15	(2,278,054)	(2,512,911)	(3,690,038)
Retained earnings/(deficit)	15	9,834,871	5,503,524	(16,508,800)
Total shareholders' equity		91,347,643	86,781,439	63,205,913
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		222,830,385	223,251,813	209,013,204

These condensed interim consolidated financial statements were approved for issue by the Board of Directors on May 29, 2023, and are signed on its behalf by:

(Signed) "Adrian Coates"

Director

(Signed)
"Olusegun
Lawson"

Director

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

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS
FOR THE THREE MONTHS ENDED MARCH 31,
In United States dollars (unaudited)

		2023	2022
	Note	\$	\$ (restated)
Continuing operations			
Revenue	3	40,287,830	24,865,482
Production costs	3	(18,306,502)	(8,219,530)
Transportation and refining	3	(342,291)	(502,222)
Royalties	3	(768,282)	(550,765)
Amortization and depreciation of operational assets - owned assets	3	(6,893,372)	(4,732,780)
Amortization and depreciation of operational assets - right of use assets	3	(1,159,537)	(1,158,255)
Cost of sales		(27,469,984)	(15,163,552)
Loss on forward sale of commodity contracts		(750,482)	(294,922)
Gross profit from operations		12,067,364	9,407,008
Amortization and depreciation - owned assets	3	(272,151)	(271,837)
Amortization and depreciation - right of use assets	3	(35,050)	-
Other administration expenses	3	(4,054,939)	(1,883,401)

Impairment of Exploration & Evaluation assets	13	(3,096)	(2,701)
Profit from operations		7,702,128	7,249,069
Interest expense		(3,370,781)	(3,758,131)
Net profit before income taxes		4,331,347	3,490,938
Income Tax		-	-
Net profit for the period		4,331,347	3,490,938
Attributable to:			
Equity shareholders of the Company		4,331,347	3,490,938
Net profit for the period		4,331,347	3,490,938
Other comprehensive profit			
Foreign currency translation profit (loss) attributed to equity shareholders of the company		234,857	(800,528)
Total comprehensive income profit for the period		4,566,204	2,690,410
Net profit per share			
Basic	16	\$ 0.007	\$ 0.005
Diluted	16	\$ 0.007	\$ 0.005

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

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31,
In United States dollars (unaudited)

	Note	2023	2022
(restated)			
Cash flows from/(used in):			
Operating			
Net profit		\$ 4,331,347	3,490,938
Adjustments for:			
Impairment of unproven mineral interest	13	3,096	2,701
Amortization and depreciation	3	8,360,110	5,004,617
Loss on forward sale commodity contracts		750,482	294,923
Unrealized Foreign exchange (gains)/losses	3	(3,800,994)	865,075
Interest expense		3,370,781	3,752,766
		13,014,822	13,411,020
Changes in non-cash working capital accounts			
Inventory		(5,179,546)	41,150
Receivables		(19,567)	(340,269)
Current prepaid expenses, advances and deposits		2,223,366	-
Non-current prepaid expenses, advances and deposits		38,494	-
Accounts payable and accrued liabilities		15,718,522	(5,663,278)
Deferred income		(6,581,743)	6,204,508
Net cash flows from operating activities		19,214,348	13,653,131
Investing			
Restricted cash		-	3,495,992
Purchase of intangible assets	13	(6,733)	(169)
Assets under construction expenditures	12	-	-
Property, Plant & Equipment	12	(14,453,933)	(10,556,466)
Exploration & Evaluation assets expenditures	13	(1,054,802)	(1,022,773)
Net cash flows used in investing activities		(15,515,468)	(8,083,416)
Financing			
Share subscriptions received	15	-	919,162
(Payment of) / Proceeds from loans and borrowings	10	(3,533,772)	(230,446)
Arrangement fees paid		(126,874)	-
Interest paid	10	(1,059,954)	(1,214,587)
Payment of lease liabilities	7	(1,255,729)	(1,213,678)
Net cash flows (used in)/from financing activities		(5,976,329)	(1,739,549)
Effect of exchange rates on cash		94,483	1,169,940
Net change in cash		\$ (2,182,966)	5,000,106
Cash, beginning of the period		\$ 6,688,037	1,276,270
Cash, end of the period		\$ 4,505,071	6,276,376

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF
CHANGES IN EQUITY
In United States dollars (unaudited)

	Note	Common shares	Option reserve	Currency translation reserve	(Deficit)/ Retained earnings	Total shareholders' equity
Balance on December 31, 2021		\$ 79,027,183	\$ 4,513,900	\$ (2,889,510)	\$ (21,058,184)	\$ 59,593,389
Net profit for the period		-	-	-	3,490,938	3,490,938
Other comprehensive loss		-	-	(800,528)	-	(800,528)
Total comprehensive profit for the period		-	-	(800,528)	3,490,938	2,690,410
Options exercised	19	922,114			1,058,446	922,114
				(1,058,446)		
Balance on March 31, 2022 (restated)		\$ 79,949,297	\$ 3,455,454	\$ (3,690,038)	\$ (16,508,800)	\$ 63,205,913
Balance on December 31, 2022		\$ 80,439,693	\$ 3,351,133	\$ (2,512,911)	\$ 5,503,524	\$ 86,781,439
Net profit for the period		-	-	-	4,331,347	4,331,347
Other comprehensive income		-	-	234,857	-	234,857
Total comprehensive profit for the period		-	-	234,857	4,331,347	4,566,204
Balance on March 31, 2023		\$ 80,439,693	\$ 3,351,133	\$ (2,278,054)	\$ 9,834,871	\$ 91,347,643

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

1. CORPORATE INFORMATION

Thor Explorations Ltd. (the "Company"), together with its subsidiaries (collectively, "Thor" or the "Group") is a West African focused gold producer and explorer, dually listed on the TSX-Venture Exchange (THXV) and AIM Market of the London Stock Exchange (THXL).

The Company was formed in 1968 and is organized under the [Business Corporations Act \(British Columbia\)](#) (BCBCA) with its registered office at 550 Burrard St, Suite 2900 Vancouver, BC, CA, V6C 0A3. The Company evolved into its current form in August 2011 following a reverse takeover and completed the transformational acquisition of its flagship Segilola Gold Project in Nigeria in August 2016.

2. BASIS OF PREPARATION

a) Statement of compliance

These condensed interim consolidated financial statements ("interim financial statements") have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, of International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").

These interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2022, which have been prepared in accordance with IFRS.

These interim financial statements were authorized for issue by the Board of Directors on May 29, 2023.

b) Basis of measurement

These interim financial statements are presented in United States dollars ("US\$").

These interim financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period.

The Group's accounting policies have been applied consistently to all periods in the preparation of these interim financial statements. In preparing the Group's interim financial statements for the three months ended March 31, 2023, the Group applied the critical judgments and estimates as disclosed in note 3 of its annual financial statements for the year ended December 31, 2022.

These interim financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are entities controlled by the Company, which is defined as having the power over the entity, rights to variable returns from its involvement with the entity, and the ability to use its power to affect the amount of returns. All intercompany transactions and balances are eliminated on consolidation. The Company's subsidiaries at March 31, 2023 are consistent with the subsidiaries as at December 31, 2022 as disclosed in note 3 to the annual financial statements.

None of the new standards or amendments to standards and interpretations applicable during the period has had a material impact on the financial position or performance of the Group. The Group has not early adopted any standard, interpretation or amendment that was issued but is not yet effective.

c) Nature of operations and going concern

The Board of Directors have performed an assessment of whether the Company and Group would be able to continue as a going concern until at least May 2024. In their assessment, the Group has taken into account its financial position, expected future trading performance, its debt and other available credit facilities, future debt servicing requirements, its working capital and capital expenditure commitments and forecasts.

At March 31, 2023, the Group had a cash position of \$4.5 million and a net debt position of \$24.9 million, calculated as total debt adjusted for unamortized deferred financing charges less cash and cash equivalents and short-term investments. Cash flows from operating activities for the three months ended March 31, 2023 were inflows of \$19.2 million.

The Directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for at least the next twelve months and that, as at the date of this report, there are no material uncertainties regarding going concern.

The Board of Directors is satisfied that the going concern basis of accounting is an appropriate assumption to adopt in the preparation of the interim financial statements as at, and for the period ended March 31, 2023.

3. PROFIT FROM OPERATIONS

3a. REVENUE

	Three Months Ended March 31, 2023	2022
Gold revenue	40,244,057	24,849,962
Silver revenue	43,773	15,520
	\$ 40,287,830	\$ 24,865,482

The Group's revenue is generated in Nigeria. All sales are made to the Group's only customer.

3b. COST OF SALES

	Three Months Ended March 31, 2023	2022
Mining	20,037,387	7,698,414
Processing	4,108,785	926,517
Support services and others	1,405,062	1,778,410
Foreign exchange (gains)/losses on production costs*	(7,244,732)	(2,183,811)
Production costs	\$ 18,306,502	\$ 8,219,530
Transportation and refining	342,291	502,222
Royalties	768,282	550,765
Amortization and depreciation - operational assets - owned assets	6,893,372	4,732,780
Amortization and depreciation - operational assets - right of use assets	1,159,537	1,158,255
Cost of sales	27,469,984	15,163,552

* The total foreign exchange gain for the current period was \$7,244,732, which comprises of realized foreign exchange gains of \$3,443,738 and unrealized foreign exchange gains of \$3,800,994. During the period, SROL purchased its local currency on a spot basis. The foreign exchange gains and losses from these trades are generated from the differences between the local currency values achieved on the trades versus the currency translation rate at the time of the trade.

3c. AMORTISATION AND DEPRECIATION

	Three Months Ended March 31, 2023	2022
Amortization and depreciation - operational assets - owned assets	6,893,372	4,732,780
Amortization and depreciation - operational assets - right of use assets	1,159,537	1,158,255
Amortization and depreciation - owned assets	272,151	271,837
Amortization and depreciation - right-of-use assets	35,050	-
	\$ 8,360,110	\$ 6,162,872

3d. OTHER ADMINISTRATION EXPENSES

	Note	Three Months Ended March 31, 2023	2022
Audit and legal		150,806	47,173
Bank charges		93,476	29,974
Consulting fees		503,400	324,354
Directors' fees	17	137,472	90,328
Investor relations and transfer agent		126,887	111,226
Listing and filing fees		12,186	5,556
Camp costs		1,356,729	418,047
Office and miscellaneous		765,226	364,203
Salaries and benefits		693,299	325,986
Travel		215,458	166,554
		\$ 4,054,939	\$ 1,883,401

4. INVENTORY

	March 31, 2023	December 31, 2022
Plant spares and consumables	\$ 9,146,279	\$ 4,751,922
Gold ore in stockpile	12,479,805	11,869,168
Gold in CIL	3,454,724	1,614,267
Gold Dore	-	2,119,935
	\$ 25,080,808	\$ 19,901,262

There were no write downs to reduce the carrying value of inventories to net realizable value during the periods ended March 31, 2023 and 2022.

5. AMOUNTS RECEIVABLE

	March 31, 2023	December 31, 2022
Accounts receivable	\$ 60,569	\$ 67,084
GST	1,673	993
Other receivables	177,767	152,365
	\$ 240,009	\$ 220,442

The value of receivables recorded on the balance sheet is approximate to their recoverable value and there are no expected material credit losses.

6. PREPAID EXPENSES, ADVANCES AND DEPOSITS

	March 31, 2023	December 31, 2022
Current:		
Gold Stream liability arrangement fees	33,186	33,186
Advance deposits to vendors	163,012	9,625,204
Other prepayments	8,025,365	818,533
	\$ 8,221,563	10,476,923
Non-current:		
Gold Stream liability arrangement fees	-	74,667
Other prepayments	244,331	208,158
	\$ 244,331	282,825

Included in Advance deposits to vendors, are payment deposits towards key equipment, materials and spare parts, with longer lead times to delivery, which are of critical importance to maintain efficient operations of the mine and process plant. These were made to mitigate against price volatility and inflation currently affecting the sector.

7. LEASES

The Group accounts for leases in accordance with IFRS 16. The definition of a lease under IFRS 16 was applied only to contracts entered into or changed on or after January 1, 2019. The Group has elected not to recognize right-of-use assets and lease liabilities for leases which have low value, or short-term leases with a duration of 12 months or less. The payments associated with such leases are charged directly to the income statement on a straight-line basis over the lease term. There were no such leases for the periods ended March 31, 2023 and 2022.

Leases relate principally to corporate offices and the mining fleet at the Segilola mine. Corporate offices are depreciated over 5 years and mining fleet over the life of mine of Segilola.

The key impacts on the Statement of Comprehensive Income and the Statement of Financial Position for the period ended March 31, 2023, were as follows:

	Right of use asset	Lease liability	Income statement
Carrying value December 31, 2022	\$ 16,849,402	\$ (15,409,285)	\$
New leases entered in to during the period	-	-	-
Depreciation	(1,194,587)	-	(1,194,587)
Interest	-	(298,438)	(298,438)
Lease payments	-	1,255,729	-
Foreign exchange movement	12,835	(13,197)	(13,197)
Carrying value at March 31, 2023	\$ 15,667,650	\$ (14,465,191)	\$ (1,506,222)
Current liability		(4,815,512)	
Non-current liability		(9,649,679)	

The key impacts on the Statement of Comprehensive Loss and the Statement of Financial Position for the year ended December 31, 2022, were as follows:

	Right of use asset	Lease liability	Income statement
Carrying value December 31, 2021	\$ 20,843,612	\$ (18,274,374)	\$ -
New leases entered in to during the period	660,064	(660,064)	-
Depreciation	(4,724,100)	-	(4,724,100)
Interest	-	(1,052,329)	(1,052,329)
Lease payments	-	4,882,786	-
Foreign exchange movement	69,826	(305,304)	(305,304)
Carrying value at December 31, 2022	\$ 16,849,402	\$ (15,409,285)	\$ (6,081,733)
Current liability		(4,811,991)	
Non-current liability		(10,597,294)	

8. GOLD STREAM LIABILITY

Gold stream liability

	March 31, 2023	December 31, 2022
Balance at Beginning of period	\$ 25,039,765	\$ 30,262,279
Repayments	(2,940,730)	(11,534,441)
Interest at the effective interest rate	1,408,952	6,311,927
Balance at End of period	\$ 23,507,987	\$ 25,039,765
Current liability	9,979,413	10,187,630
Non-current liability	13,528,574	14,852,135

On April 29, 2020, the Group announced the closing of project financing for its flagship Segilola Gold Project ("Segilola") in Osun State, Nigeria. The financing included a \$21 million gold stream upfront deposit ("the Prepayment") over future gold production at Segilola under the terms of a Gold Purchase and Sale Agreement ("GSA") entered into between the Group's wholly owned subsidiary SROL and the AFC. The Prepayment is secured over the shares in SROL as well as over SROL's assets and is not subject to interest. The initial term of the GSA is for ten years with an automatic extension of a further ten years. The AFC will receive 10.27% of gold production from the Segilola ML41 mining license until the \$21 million Prepayment has been repaid in full. Thereafter, the AFC will continue to receive 10.27% of gold production from material mined within the ML41 mining license until a further \$26.25 million is received, representing a total money multiple of 2.25 times the value of the Prepayment, at which point the GSA will terminate. The AFC are not entitled to receive an allocation of gold production from material mined from any of the Group's other gold tenements under the terms of the GSA.

The \$26.25 million represented interest on the Prepayment. A calculation of the implied interest rate was made as at drawdown date with interest being apportioned over the expected life of the Stream Facility. The principal input variables used in calculating the implied interest rate and repayment profile were the production profile and gold price. The future gold price estimates were based on market forecast reports for the years 2021 to 2025 and, the production profile was based on the latest life of mine plan model. The liability was to be re-estimated on a periodic basis to include changes to the production profile, any extension to the life of mine plan and movement in the gold price. Upon commencement of production, any change to the implied interest rate will be expensed through the Condensed Interim Consolidated Statement of Income (Loss).

In December 2021, the Group entered into a cash settlement agreement with the AFC where the gold sold to the AFC is settled in a net-cash sum payable to the AFC instead of delivery of bullion in repayment of the gold stream arrangement.

The following table represents the Group's loans and borrowings measured and recognised at fair value.

	Level 1	Level 2	Level 3	Total
Financial liability at fair value through profit or loss	\$ -	-	23,507,987	23,507,987

The liabilities included in the above table are carried at fair value through profit and loss.

9. LOANS AND BORROWINGS

	March 31, 2023	December 31, 2022
Current liabilities:		
Loans payable to the Africa Finance Corporation less than 1 year	\$ 10,828,365	\$ 356,155
Deferred element of EPC contract	962,431	531,986
	\$ 11,790,796	888,141
Non-current liabilities:		
Loans payable to the Africa Finance Corporation more than 1 year	\$ 13,429,381	\$ 24,103,784
Deferred element of EPC contract	2,762,303	3,150,729

Balanced amount of EPC contract	\$ 16,191,684	\$ 27,254,513
---------------------------------	---------------	---------------

Loans from the Africa Finance Corporation

	March 31, 2023	December 2022	31, 31,
Balance at Beginning of period	\$ 24,459,939	\$ 46,859,966	
Drawdown	-	-	
Principal repayments	(526,538)	(24,220,764)	
Arrangement fees	(126,874)	-	
Interest paid	(986,800)	(4,645,014)	
Unwinding of interest in the period	1,438,019	6,465,751	
Foreign exchange movement	-	-	
Balance at End of period	\$ 24,257,746	\$ 24,459,939	
Current liability	10,828,365	356,155	
Non-current liability	13,429,381	24,103,784	

On December 1, 2020, the Group announced that its subsidiary Segilola Resources Operating Limited ("SROL") had completed the financial closing of a \$54 million project finance senior debt facility ("the Facility") from the Africa Finance Corporation ("AFC") for the construction of the Segilola Gold Project in Nigeria. The Facility could be drawn down at the Group's request in minimum disbursements of \$5 million. As at December 31, 2022, SROL has received total disbursements of \$52.6 million (2021: \$52.6 million), with \$nil drawn down in 2022 (2021: \$31.2 million) and the remaining \$1.35m undrawn facility cancelled by the Group during the period under review (2021: \$nil). Total disbursements received represent 97% of the Facility. The Facility is secured over the share capital of SROL and its assets, with repayments commencing in March 2022 and to conclude in March 2025.

Repayment of the aggregate Facility will be made in instalments over a 36-month period by repaying an amount on a series of repayment dates, as set out in the Facility Agreement, which reduces the amount of the outstanding aggregate Facility by the amount equal to the relevant percentage of Loans borrowed as at the close of business in London on the date of Financial Close. Interest accrues at SOFR plus 9% and is payable on a quarterly basis in arrears.

In conjunction with the granting of the Facility, Thor issued 33,329,480 bonus shares to the AFC. Thor also incurred transaction costs of \$4,663,652 in relation to the loan facility. The fair value of the liability at inception was determined at \$45,822,943 taking into account the transaction costs and equity component and recognized at amortized cost using an effective rate of interest, with the fair value of the shares issued in April 2020 of \$5,666,011 recognized within equity.

On 31 January 2023, the Group entered into an agreement with the AFC amending the terms of its senior debt facility.

The amended facility removes the project finance cash sweep requirement and allows for free distributions from SROL (subject to a 20% distribution sweep to the senior debt facility), as well as releasing the Group from restrictions regarding acquisitions, distribution of dividends and certain indebtedness covenants. The payment timetable was also re-scheduled to reallocate a higher percentage of the repayments to a later period in the Facility's term.

Deferred payment facility on EPC contract for the construction of the Segilola Gold Mine

The Group has constructed its Segilola Gold Mine through an engineering, procurement, and construction contract ("EPC Contract"). The EPC Contract has been agreed on a lump sum turnkey basis which provides Thor with a fixed price of \$67.5 million for the full delivery of design, engineering, procurement, construction, and commissioning of the proposed 715,000 ton per annum gold ore processing plant.

The EPC Contract includes a deferred element ("the Deferred Payment Facility") of 10% of the fixed price. As at March 31, 2023, a total of \$2,762,303 (December 31, 2022: \$3,682,715) was deferred under the facility. The 10% deferred element is repayable in instalments over a 36-month period by repaying an amount on a series of repayment dates, as set out in the Deferred Payment Facility. Repayments commenced in March 2022 and will conclude in 2025. Interest on this element of the EPC deferred facility accrues at 8% per annum from the time the Facility taking over Certificate was issued.

accrues at 0% per annum from the time the facility taking-over certificate was issued.

	March 31, 2023	December 31, 2022
Balance at beginning of period	\$ 3,682,715	\$ 6,210,090
Offset against EPC payment	-	440,263
Principal repayments	(66,504)	(3,440,449)
Interest paid	(73,154)	-
Unwinding of interest in the period	181,677	472,811
Balance period end	\$ 3,724,734	\$ 3,682,715
Current liability	962,431	531,986
Non-current liability	2,762,303	3,150,729

10. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

March 31, 2023	Gold stream liability	AFC loan	EPC deferred facility	Total
January 1, 2023	\$ 25,039,765	24,459,939	3,682,715	53,182,419
Cash flows:				
(Remittance of) / Proceeds from loans and borrowings	(2,940,730)	(526,538)	(66,504)	(3,533,772)
Arrangement fees	-	(126,874)	-	(126,874)
Interest paid	-	(986,800)	(73,154)	(1,059,954)
Non-cash changes:				
Unwinding of interest in the year	1,408,952	1,438,019	181,677	3,028,648
March 31, 2023	\$ 23,507,987	24,257,746	3,724,734	51,490,467

December 31, 2022	Gold stream liability	Short term advance	AFC loan	EPC deferred facility	Total
January 1, 2022	\$ 30,262,279	668,570	46,859,966	6,210,090	84,000,905
Cash flows:					
(Remittance of) / Proceeds from loans and borrowings	(11,534,441)	(668,570)	(24,220,764)	(3,440,449)	(39,864,224)
Interest paid	-	-	(4,645,014)	-	(4,645,014)
Non-cash changes:					
Unwinding of interest in the year	6,311,927	-	6,465,751	472,811	13,250,489
Offset against EPC payment	-	-	-	440,263	440,263
December 31, 2022	\$ 25,039,765	-	24,459,939	3,682,715	53,182,419

11. PROVISIONS

March 31, 2023	Other	Fleet demobilization costs	Restoration costs	Total
Balance at Beginning of period	\$ 18,157	\$ 173,442	\$ 4,768,039	\$ 4,959,638
Initial recognition of provision	-	-	-	-
Changes in estimates	-	-	-	-
Unwinding of discount	-	-	11,701	11,701
Foreign exchange movements	397	-	-	397
Balance at period end	\$ 18,554	\$ 173,442	\$ 4,779,740	\$ 4,971,736
Current liability	-	-	-	-
Non-current liability	18,554	173,442	4,779,740	4,971,736

December 31, 2022	Other	Fleet demobilization costs	Restoration costs	Total
Balance at Beginning of period	\$ -	\$ 173,241	\$ 5,064,935	\$ 5,238,176
Initial recognition of provision	18,415	-	-	18,415
Changes in estimates	-	-	(404,859)	(404,859)
Unwinding of discount	-	201	107,963	108,164
Foreign exchange movements	(258)	-	-	(258)
Balance at period end	\$ 18,157	\$ 173,442	\$ 4,768,039	\$ 4,959,638
Current liability	-	-	-	-
Non-current liability	18,157	173,442	4,768,039	4,959,638

The restoration costs provision is for the site restoration at Segilola Gold Project in Osun State Nigeria. The

value of the above provision is measured by unwinding the discount on expected future cash flows using a discount factor that reflects the credit-adjusted risk-free rate of interest. It is expected that the restoration costs will be paid in US dollars, and as such US forecast inflation rates of 2.9% and the interest rate of 4% on 5-year US bonds were used to calculate the expected future cash flows, which are in line with the life of mine. The provision represents the net present value of the best estimate of the expenditure required to settle the obligation to rehabilitate environmental disturbances caused by mining operations at mine closure.

The fleet demobilization costs provision is the value of the cost to demobilize the mining fleet upon closure of the mine.

12. PROPERTY, PLANT AND EQUIPMENT

	Motor vehicles	Plant and machinery	Office furniture	Land	Decommissioning Asset	Processing Plant	Segilola Mine	Assets under construction	T
Costs									
Balance, December 31, 2021	\$ 2,059,982	\$ 489,374	\$ 1,175,069	\$ 16,808	\$ 5,064,935	\$ -	\$ -	\$ 144,577,201	153
Transfers	-	-	-	-	-	60,687,651	83,889,550	(144,577,201)	
Additions	148,862	5,649,341	668,936	-	-	7,459,467	8,946,765	1,884,352	24
Revisions to decommissioning assets	-	-	-	-	(404,859)	-	-	-	
Disposals	-	-	-	-	-	-	-	-	
Foreign exchange movement	(40,004)	(12,091)	(9,118)	-	-	-	-	-	
Balance, December 31, 2022	\$ 2,168,840	\$ 6,126,624	\$ 1,834,887	\$ 16,808	\$ 4,660,076	\$ 68,147,118	\$ 92,836,315	\$ 1,884,352	\$ 177
Transfers	-	105,968	-	-	-	-	-	(105,968)	
Additions	246,126	83,818	210,047	-	-	-	5,179,167	-	
Disposals	-	-	-	-	-	-	-	-	
Foreign exchange movement	1,127	3,343	31,333	-	-	-	-	-	
Balance, March 31, 2023	\$ 2,416,093	\$ 6,319,753	\$ 2,076,267	\$ 16,808	\$ 4,660,076	\$ 68,147,118	\$ 98,015,482	\$ 1,778,384	\$ 183
Accumulated depreciation and impairment losses									
Balance, December 31, 2021	\$ 754,516	\$ 263,647	\$ 251,289	\$ -	\$ -	\$ -	\$ -	\$ -	1
Depreciation	457,259	354,275	306,542	-	952,322	10,247,764	14,603,113	-	26
Disposals	-	-	-	-	-	-	-	-	
Foreign exchange movement	(14,966)	(11,780)	(2,878)	-	-	-	-	-	
Balance, December 31, 2022	\$ 1,196,809	\$ 606,142	\$ 554,953	\$ -	\$ 952,322	\$ 10,247,764	\$ 14,603,113	\$ -	\$ 26
Depreciation	136,665	332,811	91,508	-	214,785	2,641,685	3,775,226	-	7
Disposals	-	-	-	-	-	-	-	-	
Foreign exchange movement	(912)	3,086	10,643	-	-	-	-	-	
Balance, March 31, 2023	\$ 1,332,562	\$ 942,019	\$ 657,104	\$ -	\$ 1,167,107	\$ 12,889,449	\$ 18,378,339	\$ -	\$ 34
Carrying amounts									
Carrying value at December 31, 2020	\$ 1,305,466	\$ 225,727	\$ 923,780	\$ 16,808	\$ 5,064,935	\$ -	\$ -	\$ 144,577,201	\$ 153
Balance, December 31, 2022	\$ 972,031	\$ 5,520,482	\$ 1,279,934	\$ 16,808	\$ 3,707,754	\$ 57,899,354	\$ 78,233,202	\$ 1,884,352	\$ 146
Balance, March 31, 2023	\$ 1,063,531	\$ 5,377,734	\$ 1,419,163	\$ 16,808	\$ 3,492,969	\$ 55,257,669	\$ 79,637,143	\$ 1,778,384	\$ 146

A summary of depreciation capitalized is as follows:

	Three months ended March 31, 2022	Total depreciation Capitalized	December 31, 2022	December 31, 2022
	2022	2021		
Exploration expenditures	55,718	23,418	676,070	620,352
Total	\$ 55,718	\$ 23,418	\$ 676,070	\$ 620,352

a) Segilola Project, Osun Nigeria:

Classification of Expenditure on the Segilola Gold Project

On January 1, 2022, the Group achieved Commercial Production at the Segilola Gold Project in Nigeria ("the Project") Upon achieving Commercial Production, the Assets under Construction was reclassified within Property, Plant and Equipment, and transferred to Mining Asset, Processing Plant and Decommissioning Asset.

Decommissioning Asset

The decommissioning asset relates to estimated restoration costs at the Group's Segilola Gold Mine as at March 31, 2023. Refer to Note 11 for further detail.

EPC payments

During the three-month period ended March 31, 2023, the Group paid \$8,732,752 (December 31, 2022: \$4,321,856) to the EPC contractor in relation to the construction of the Segilola Mine and processing plant.

13. INTANGIBLE ASSETS

The Group's exploration and evaluation assets costs are as follows:

	Douta Project, Senegal	Gold Project, Burkina Faso	Central Houndé Burkina Faso	Exploration licenses, Nigeria	Software	Total
Balance, December 31, 2021	\$14,219,982	\$ -	\$ 895,301	\$230,136	\$15,345,419	
Acquisition costs	-	-	24,103	-	24,103	
Exploration costs	3,745,803	12,014	1,693,863	-	5,451,680	
Additions	-	-	-	43,599	43,599	
Amortisation	-	-	-	(122,988)	(122,988)	
Impairment	-	(12,014)	-	-	(12,014)	
Foreign exchange movement	(1,427,912)	-	(70,679)	-	(1,498,591)	
Balance, December 31, 2022	\$16,537,873	\$ -	\$ 2,542,588	\$150,747	\$19,231,208	
Acquisition costs	-	-	-	-	-	
Exploration costs	749,926	3,096	348,301	-	1,101,323	
Additions	-	-	-	6,733	6,733	
Amortisation	-	-	-	(28,561)	(28,561)	
Impairment	-	(3,096)	-	-	(3,096)	
Foreign exchange movement	263,121	-	147,763	-	410,884	
Balance, March 31, 2023	\$17,550,920	\$ -	\$ 3,038,652	\$128,919	\$20,718,491	

a) Douta Gold Project, Senegal:

The Douta Gold Project consists of an early-stage gold exploration license located in southeastern Senegal, approximately 700km east of the capital city Dakar.

The Group is party to an option agreement (the "Option Agreement") with International Mining Company ("IMC"), by which the Group has acquired a 70% interest in the Douta Gold Project located in southeast Senegal held through African Star SARL.

Pursuant to the terms of the Option Agreement, IMC's 30% interest will be a "free carry" interest until such time as the Group announces probable reserves on the Douta Gold Project (the "Free Carry Period"). Following the Free Carry Period, IMC must either elect to sell its 30% interest to African Star at a purchase price determined by an independent valuer commissioned by African Star or fund its 30% share of the exploration and operating expenses.

b) Central Houndé Project, Burkina Faso:

(i) Bongui and Legue gold permits, Burkina Faso:

AFC Constelor SARL holds a 100% interest in the Bongui and Legue gold permits covering an area of approximately 233 km² located within the Houndé belt, 260 km southwest of the capital Ouagadougou, in western Burkina Faso.

(ii) Ouere Permit, Central Houndé Project, Burkina Faso:

Argento BF SARL holds a 100% interest in the Ouere gold permit, covering an area of approximately 241 km² located within the Houndé belt.

The three permits together cover a total area of 474km² over the Houndé Belt which form the Central Houndé Project.

The Group carried out an impairment assessment of the Central Houndé Project at December 31, 2020, and a decision was taken to fully impair the value of the Central Houndé Project. It is the Group's intention to focus on Segilola development and Douta exploration in the short term, and it does not plan to undertake significant work on the license areas in the near future.

c) Exploration Licenses, Nigeria

The high grade Segilola gold deposit is located on the major regional shear zone that extends for several hundred kilometers through the gold-bearing Ilesha schist belt (structural corridor) of Nigeria. The Group's gold exploration tenure currently comprises 16 wholly owned exploration licenses and nine

The Group's gold exploration tenure currently comprises 10 wholly-owned exploration licenses and two joint venture partnership exploration licenses. Together with the mining lease over the Segilola Gold Deposit, Thor's total gold exploration tenure amounts to 1,542 km². The Group's exploration strategy includes further expansion of its Nigerian land package as and when attractive new licenses become available.

14. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2023	December 31, 2022
Trade payables	\$ 51,912,663	\$ 46,914,333
Accrued liabilities	6,273,782	6,213,977
Other payables	2,368,903	3,208,979
	\$ 60,555,348	\$ 56,337,289
Current liability	60,555,348	56,337,289
Non-current liability	-	-

Accounts payable and accrued liabilities are classified as financial liabilities and approximate their fair values.

Included in trade payables is a balance of \$1,463,353 due to our EPC contractor (December 31, 2022: \$10,196,105). The total EPC amount has been finalized with our EPC contractor, and this balance has been paid at the date of release of these interim financial statements.

Also included in trade payables is a total of \$805,801 (2021: \$2,215,585) that relates to third party royalties that will become payable upon future gold sales. All these royalties' creditors are included in current liabilities.

The following table represents the Group's trade payables measured and recognized at fair value.

	Level 1	Level 2	Level 3	Total
Trade payables	\$ -	-	805,801	805,801
Third party royalties				

15. CAPITAL AND RESERVES

a) Authorized

Unlimited common shares without par value.

b) Issued

	March 31, 2023 Number	March 31, 2023	December 31, 2022 Number	December 31, 2022
As at start of the year	644,696,185	\$ 80,439,693	632,358,009	\$ 79,027,183
Issue of new shares:				
- Share options exercised ⁱ	-	-	9,939,000	960,546
- RSU awards vested ⁱⁱ	-	-	2,399,176	451,964
	644,696,185	\$ 80,439,693	644,696,185	\$ 80,439,693

ⁱ Value of 9,250,000 options exercised at a price of CAD\$0.12 per share and 289,000 options exercised at a price of CAD\$0.145 per share, both on January 19, 2022, and 400,000 options exercised at a price of CAD\$0.145 per share on December 13, 2022.

ⁱⁱ Value of 2,399,176 RSU awards that were granted and vested on October 11, 2022, at a deemed price of CAD\$0.26 per share.

c) Share-based compensation

Stock option plan

The Group has granted directors, officers and consultants share purchase options. These options

were granted pursuant to the Group's stock option plan.

Under the current Share Option Plan, 44,900,000 common shares of the Group are reserved for issuance upon exercise of options.

- On January 16, 2020, 14,250,000 stock options were granted at an exercise price of C\$0.20 per share for a period of five years. The options vested immediately.
- On October 5, 2018, 750,000 stock options were granted at an exercise price of C\$0.14 per share for a period of five years.
- On March 12, 2018, 12,800,000 stock options were granted at an exercise price of C\$0.145 per share for a period of five years. 689,000 of these stock options were exercised during 2022.

All of the stock options were vested as at the balance sheet date. These options did not contain any market conditions and the fair value of the options were charged to the statement of comprehensive loss or capitalized as to assets under construction in the period where granted to personnel's whose cost is capitalized on the same basis. The assumptions inherent in the use of these models are as follows:

Vesting period (years)	First vesting date	Expected remaining life (years)	Risk free rate	Exercise price	Volatility of share price	Fair value	Options vested	Options granted	Expiry
5	12/03/2018	0.21	2.00%	\$ 0.145	105.09%	\$ 0.14	12,111,000	12,111,000	15/06/2023
5	05/10/2018	0.52	2.43%	\$ 0.14	100.69%	\$ 0.14	750,000	750,000	05/10/2023
5	16/01/2020	1.80	1.49%	\$ 0.20	66.84%	\$ 0.07	14,250,000	14,250,000	16/01/2025

In Canadian Dollars

The Group has elected to measure volatility by calculating the average volatility of a collection of three peer companies' historical share prices for the exercising period of each parcel of options. Management believes that given the transformational change that the Group has undergone since the acquisition of the Segilola Gold Project in August 2016, the Group's historical share price is not reflective of the current stage of development of the Group, and that adopting the volatility of peer companies who have advanced from exploration to development is a more accurate measure of share price volatility for the purpose of options valuation.

The following is a summary of changes in options from January 1, 2023, to March 31, 2023, and the outstanding and exercisable options at March 31, 2023:

Grant Date	Expiry Date	Exercise Price	Remaining (Years)	Opening Balance	January 1, 2023			March 31, 2023	March 31, 2023	
					Contractual Lives	During the year	March 31, 2023		Number of Options	
12-Mar-2018	15-Jun-2023	\$0.145	0.21	12,111,000	-	-	-	12,111,000	12,111,000	-
5-Oct-2018	5-Oct-2023	\$0.14	0.52	750,000	-	-	-	750,000	750,000	-
16-Jan-2020	16-Jan-2025	\$0.20	1.80	14,040,000	-	-	-	14,040,000	14,040,000	-
Totals			1.05	26,901,000	-	-	-	26,901,000	26,901,000	-
Weighted Average Exercise Price				\$0.000	-	-	-	\$0.000	\$0.000	-

In Canadian Dollars

The following is a summary of changes in options from January 1, 2022, to December 31, 2022, and the outstanding and exercisable options at December 31, 2022:

Grant Date	Expiry Date	Exercise Price	Remaining (Years)	Opening Balance	January 1, 2022			December 31, 2022	December 31, 2022	
					Contractual Lives	During the year	December 31, 2022		Number	
16-Jan-2017	16-Jan-2022	\$0.12	-	9,250,000	-	(9,250,000)	-	-	-	-
12-Mar-2018	12-Mar-2023	\$0.145	0.19	12,800,000	-	(689,000)	-	12,111,000	12,111,00	
5-Oct-2018	5-Oct-2023	\$0.14	0.76	750,000	-	-	-	750,000	750,00	
16-Jan-2020	16-Jan-2025	\$0.20	2.05	14,040,000	-	-	-	14,040,000	14,040,00	
Totals			1.18	36,840,000	-	(9,939,000)	-	26,901,000	26,901,00	
Weighted Average Exercise Price				\$0.160	\$0.000	\$0.122	-	\$0.174	\$0.174	

In Canadian Dollars

d) Nature and purpose of equity and reserves

The reserves recorded in equity on the Group's statement of financial position include 'Reserves,' 'Currency translation reserve,' 'Retained earnings' and 'Deficit.'

'Option reserve' is used to recognize the value of stock option grants prior to exercise or forfeiture.

'Currency translation reserve' is used to recognize the exchange differences arising on translation of the assets and liabilities of foreign branches and subsidiaries with functional currencies other than US dollars.

'Deficit' is used to record the Group's accumulated deficit.

'Retained earnings' is used to record the Group's accumulated earnings.

16. EARNINGS PER SHARE

Diluted net earnings per share was calculated based on the following:

	March 31, 2023	March 31, 2022
Basic weighted average number of shares outstanding	644,696,185	635,508,743
Stock options	10,747,624	-
Diluted weighted average number of shares outstanding	655,443,809	635,508,743
Total common shares outstanding	644,696,185	641,897,009
Total potential diluted common shares	671,597,185	669,198,009

17. RELATED PARTY DISCLOSURES

A number of key management personnel, or their related parties, hold or held positions in other entities that result in them having control or significant influence over the financial or operating policies of the entities outlined below.

a) Trading transactions

The Africa Finance Corporation ("AFC") is deemed to be a related party given the size of its shareholding in the Company. There have been no other transactions with the AFC other than the Gold Stream liability as disclosed in Note 8, and the secured loan as disclosed in Note 9.

b) Compensation of key management personnel

The remuneration of directors and other members of key management during the three months ended March 31, 2023, and 2022 were as follows:

		Three months ended March 31,	
		2023	2022
Salaries			
Current directors and officers	(i) (ii)	\$ 236,662	\$ 161,487
Former directors and officers		\$ -	\$ 36,818
Directors' fees			
Current directors and officers	(i) (ii)	\$ 137,472	\$ 90,328
		\$ 374,134	\$ 288,633

- (i) Key management personnel were not paid post-employment benefits, termination benefits, or other long-term benefits during the three months ended March 31, 2023, and 2022.
- (ii) The Group paid consulting and director fees to both individuals and private companies controlled by directors and officers of the Group for services. Accounts payable and accrued liabilities at March 31, 2023, include \$nil (December 31, 2022 - \$102,092) due to directors or private companies controlled by an officer and director of the Group. Amounts due to or from related parties are unsecured, non-interest bearing and due on demand.

18. FINANCIAL INSTRUMENTS

The Group's financial instruments are classified as follows:

March 31, 2023	Measured at amortized cost	Measured at fair value through profit and loss	Total
Assets			
Cash and cash equivalents	\$ 4,505,071	-	4,505,071
Amounts receivable	240,009	-	240,009
Total assets	\$ 4,745,080	-	4,745,080

Liabilities				
Accounts payable and accrued liabilities	\$ 59,749,547	805,801	60,555,348	
Loans and borrowings	27,982,480	-	27,982,480	
Gold stream liability	-	23,507,987	23,507,987	
Lease liabilities	14,465,191	-	14,465,191	
Total liabilities	\$ 102,197,218	24,313,788	126,511,006	

December 31, 2022	Measured at amortized cost	at	Measured at fair value through profit and loss	Total
Assets				
Cash and cash equivalents	\$ 6,688,037	-	6,688,037	
Amounts receivable	220,442	-	220,442	
Total assets	\$ 6,908,479	-	6,908,479	
Liabilities				
Accounts payable and accrued liabilities	\$ 54,121,704	2,215,585	56,337,289	
Loans and borrowings	28,142,654	-	28,142,654	
Gold stream liability	-	25,039,765	25,039,765	
Lease liabilities	15,409,285	-	15,409,285	
Total liabilities	\$ 97,673,643	27,255,350	124,928,993	

The fair value of these financial instruments approximates their carrying value.

As noted above, the Group has certain financial liabilities that are held at fair value. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques to measure fair value:

Classification of financial assets and liabilities

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 - inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

As at March 31, 2023 and December 31, 2022, all the Group's liabilities measured at fair value through profit and loss are categorized as Level 3 and their fair value was determined using discounted cash flow valuation models, taking into account assumptions with respect to gold prices and discount rates as well as estimates with respect to production and operating results for the Segiliola mine.

19. CAPITAL MANAGEMENT

The Group manages, as capital, the components of shareholders' equity. The Group's objectives, when managing capital, are to safeguard its ability to continue as a going concern in order to develop and its mineral interests through the use of capital received via the issue of common shares and via debt instruments where the Board determines that the risk is acceptable and, in the shareholders' best interest to do so.

The Group manages its capital structure, and makes adjustments to it, in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Group may attempt to issue common shares, borrow, acquire or dispose of assets or adjust the amount of cash.

20. CONTRACTUAL COMMITMENTS AND CONTINGENT LIABILITIES

Contractual Commitments

The Group has no contractual obligations that are not disclosed on the Condensed Interim Consolidated Statement of Financial Position.

Contingent liabilities

The Group is involved in various legal proceedings arising in the ordinary course of business. Management has assessed these contingencies and determined that, in accordance with International Financial Reporting Standards, all cases are considered remote. As a result, no provision has been made in the interim financial statements for any potential liabilities that may arise from these legal proceedings.

Although the Group believes that it has valid defenses in these matters, the outcome of these proceedings is uncertain, and there can be no assurance that the Group will prevail in these matters. The Group will continue to assess the likelihood of any loss, the range of potential outcomes, and whether or not a provision is necessary in the future, as new information becomes available.

Based on the information available, the Group does not believe that the outcome of these legal proceedings will have a material adverse effect on the financial position or results of operations of the Group. However, there can be no assurance that future developments will not materially affect the Group's financial position or results of operations.

21. SEGMENTED DISCLOSURES

Segment Information

The Group's operations comprise three reportable segments, being the Segilola Mine Project, Exploration Projects, and Corporate.

Three months ended March 31, 2023	Segilola Mine Project	Exploration Projects	Corporate	Total
Profit/(loss) for the period	\$ 4,662,903	\$ (163,572)	\$ (167,984)	\$ 4,331,347
-revenue	40,287,830	-	-	40,287,830
-consulting fees	(331,033)	(117,869)	(54,497)	(503,400)
-salaries and benefits	(317,453)	-	(375,846)	(693,299)
-depreciation owned assets	(7,153,854)	(2,168)	(9,501)	(7,165,523)
-impairments	-	(3,096)	-	(3,096)
-interest expense	(3,370,781)	-	-	(3,370,781)
 March 31, 2023	 Segilola Mine Project	 Exploration Projects	 Corporate	 Total
Current assets	\$ 36,084,549	\$ 42,251	\$ 1,920,651	\$ 38,047,451
 Non-current assets				
Deferred income tax assets	-	89,061	-	89,061
Prepaid expenses, advances and deposits	33,186	-	211,145	244,331
Right-of-use assets	15,072,816	-	594,834	15,667,650
Property, plant and equipment	147,367,956	537,791	157,654	148,063,401
Intangible assets	128,919	20,589,572	-	20,718,491
Total assets	\$ 198,687,426	\$ 21,258,675	\$ 2,884,284	\$ 222,830,385
Non-current asset additions	\$ 10,527,299	\$ 2,612,033	\$ 1,337,066	\$ 14,476,398
Liabilities	\$ (127,519,042)	\$ (1,465,503)	\$ (2,498,197)	\$ (131,482,742)

Non-current assets by geographical location:

	Senegal	British Virgin Islands	Nigeria	United Kingdom	Canada	Total
March 31, 2023						
Prepaid expenses, advances and deposits	-	5,619	33,185	205,527	-	244,331
Right-of-use assets	-	-	15,072,816	594,834	-	15,667,650.00
Property, plant and equipment	396,218	-	147,520,674	141,699	4,810	148,063,401
Intangible assets	11,452,918	-	9,265,573	-	-	20,718,491
Total non-current assets	\$11,849,136	\$5,619	\$171,892,248	\$942,060	\$4,810	\$184,693,873

Three months ended March 31, 2022	Segilola Mine Project	Exploration Projects	Corporate	Total
Profit (loss) for the period	\$ 4,634,699	\$ (60,571)	\$ (1,083,190)	\$ 3,490,938
- revenue	24,865,482	-	-	24,865,482
- consulting fees	(137,835)	(30,174)	(156,345)	(324,354)
- salaries and benefits	(37,913)	-	(288,073)	(325,986)
- depreciation owned assets	(5,000,920)	(2,234)	(1,463)	(5,004,617)
- impairments	-	(2,701)	-	(2,701)
- interest expense	(3,758,131)	-	-	(3,758,131)

December 31, 2022	Segilola Mine Project	Exploration Projects	Corporate	Total
Current assets	\$ 36,334,005	\$ 120,752	\$ 831,907	\$ 37,286,664
Non-current assets				
Deferred income tax assets	-	87,797	-	87,797
Prepaid expenses, advances and deposits	74,667	-	208,158	282,825
Right-of-use assets	16,232,353	-	617,049	16,849,402
Property, plant and equipment	149,050,728	339,785	123,404	149,513,917
Intangible assets	150,747	19,080,461	-	19,231,208
Total assets	\$ 201,842,500	\$ 19,628,795	\$ 1,780,518	\$ 223,251,813
Non-current asset additions	\$ 10,527,299	\$ 2,612,033	\$ 1,337,066	\$ 14,476,398

Non-current assets by geographical location:

December 31, 2022	Senegal	British Virgin Islands	Nigeria	United Kingdom	Canada	Total
Prepaid expenses, advances and deposits	-	7,024	74,667	201,134	-	282,825
Right-of-use assets	-	-	16,232,354	617,048	-	16,849,402.00
Property, plant and equipment	176,645	-	149,230,320	101,491	5,461	149,513,917
Intangible assets	10,704,623	-	8,526,585	-	-	19,231,208
Total non-current assets	10,881,268	7,024	174,468,785	919,673	5,461	185,877,352

22. PRIOR PERIOD RESTATEMENT

Following the conclusion of the audited consolidated financial statements for the year ended December 31, 2022, the Group identified the restatements below for the Three-month period ended March 31, 2022:

1 - Capitalization of \$2,983,318 of stripping costs within "Property, Plant and equipment" as these related to improved access to ore as determined by "IFRIC 20 - Stripping Costs in the Production Phase of a Surface Mine";

2 - Capitalization of \$307,147 of near mine exploration costs within "Intangible assets" as these meet the definition of an asset in accordance with "IFRS 6 - Exploration for and Evaluation of Mineral Resources";

3 - Reclassification of \$5,891,035 of amortization and depreciation of operational assets to "Cost of sales";

4 - Reclassification of \$2,183,811 of foreign exchange gains to "Production costs" as the foreign exchange resulted from the purchase of raw materials, spare parts and other operational inputs required to support and maintain the Segilola mine operations; and

5 - Reclassification of \$3,495,992 of restricted cash cashflows from "Net cash flows from operating activities" to "Net cash flows used in investing activities".

Therefore, in accordance with "IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors", the Condensed interim consolidated statements of financial position, Condensed interim consolidated statements of comprehensive income and Condensed interim consolidated statements of cash flows for the three-month period ended March 31, 2022 have been restated. The impact of the restatements on these statements is demonstrated below:

Condensed interim consolidated statements of financial position

	March 31, 2022 \$	Restatements	March 31, 2022 \$
	(reported)	Ref	(restated)
ASSETS			
Total current assets	23,921,414	-	23,921,414
Property, plant and equipment	146,438,336	2,983,318 1	149,421,654
Intangible assets	15,466,490	307,147 2	15,773,637
Other non-current assets	19,896,499		19,896,499
Total non-current assets	181,801,325	3,290,465	185,091,790
TOTAL ASSETS	205,722,739	3,290,465	209,013,204
LIABILITIES			
Total current liabilities	84,253,461	-	84,253,461
Total non-current liabilities	61,553,830	-	61,553,830
SHAREHOLDERS' EQUITY			
Retained deficit	(19,799,265)	3,290,465 1 - 2	(16,508,800)
Other equity	79,714,713		79,714,713
Total shareholders' equity	59,915,448	3,290,465	63,205,913
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	205,722,739	3,290,465	209,013,204

Condensed interim consolidated statements of comprehensive income

	March 31, 2022 \$	Restatements	March 31, 2022 \$
	(reported)	Ref	(restated)
Revenue			
Production costs	(13,386,659)	5,167,129 1 - 4	(8,219,530)
Transportation and refining	(502,222)	-	(502,222)
Royalties	(550,765)	-	(550,765)
Amortization and depreciation of operational assets - owned assets		(4,732,780) 3	(4,732,780)
Amortization and depreciation of operational assets - right of use assets		(1,158,255) 3	(1,158,255)
Cost of sales	(14,439,646)	(723,906)	(15,163,552)
Loss on forward sale of commodity contracts	(294,922)	-	(294,922)
	10,130,914	(723,906)	9,407,008
Amortization and depreciation - owned assets	(6,162,872)	5,891,035 3	(271,837)
Amortization and depreciation - right of use assets	-	-	-
Other administration expenses	(2,190,548)	307,147 2	(1,883,401)
Impairment of Exploration & Evaluation assets	(2,701)	-	(2,701)
Profit from operations	1,774,793	5,474,276	7,249,069
Interest expense	(3,758,131)	-	(3,758,131)
Foreign exchange gains	2,183,811	(2,183,811) 4	-
Net profit before taxes	200,473	3,290,465	3,490,938
Tax expense	-	-	-
Net profit for the year	200,473	3,290,465	3,490,938
Net profit (loss) per share			
Basic	0.000	0.005	0.005

Diluted	0.000	0.005	0.005
---------	-------	-------	-------

Condensed interim consolidated statements of cash flows

	March 31, 2022 \$ (reported)	Restatements Ref	March 31, 2022 \$ (restated)
Cash flows from/(used in):			
Operating			
Net profit	200,473	3,290,465 1 - 2	3,490,938
Restricted cash	3,495,992	(3,495,992) 5	-
Other operating cash flows	10,162,193	-	10,162,193
Net cash flows from operating activities	13,858,658.00	(205,527)	13,653,131
Investing			
Restricted cash	-	3,495,992 5	3,495,992
Property, Plant & Equipment	(7,573,148)	(2,983,318) 1	(10,556,466)
Exploration & Evaluation assets expenditures	(715,626)	(307,147) 2	(1,022,773)
Other investing cash flows	(169)		(169)
Net cash flows used in investing activities	(8,288,943)	205,527	(8,083,416)
Financing			
Net cash flows used in financing activities	(1,739,549)	-	(1,739,549)
Effect of exchange rates on cash	1,169,940	-	1,169,940
Net change in cash	5,000,106	-	5,000,106
Cash, beginning of the period	1,276,270	-	1,276,270
Cash, end of the period	6,276,376	-	6,276,376

23. SUBSEQUENT EVENTS

EPC Contract

As of the date of these Interim financial statements, the Group has made all outstanding due payments in relation to the EPC contract. At March 31, 2023, this amounted to US\$1,463,353.

Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact ms@lse.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

QRFALMMTMTITIJ