AWALÉ RESOURCES LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

For three and six months ended June 30, 2023 and 2022

The Management Discussion and Analysis ("MD&A") is an overview of the activities of Awalé Resources Limited ("Awalé') and its subsidiaries (the "Company"). This MD&A describes the Company's business operations through to the date of this MD&A. The MD&A should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2022 and the notes attached thereto (" Audited Financial Statements").

The effective date of this MD&A is August 28, 2023.

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements. The Company does not assume the obligation to update any forward-looking statement, except as required by applicable law.

Management is responsible for the presentation and integrity of the Financial Statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A is complete and reliable.

Financial statement information presented herein was prepared using accounting policies in compliance with International Financial Reporting Standards("IFRS"), as issued by the International Accounting Standards Board.

All amounts in the MD&A, Financial Statements and related notes are expressed in United States dollars ("$") unless otherwise noted.

Andrew Chubb, the Company's Chief Executive Officer, who is a Qualified Person as defined by National Instrument 43-101, has reviewed the geologic information contained in the MD&A on behalf of the Company.

1. DESCRIPTION OF THE BUSINESS

Company overview

Awalé Resources Limited ("Awalé" or the "Company") was incorporated under the Business Corporations Act of British Columbia on June 23, 2015.

The Company's current primary activity is to identify and explore precious metals projects in Côte d'Ivoire (Ivory Coast).

The Corporate and Registered Office is located at 8681 Clay Street, Mission, British Columbia, Canada.

The Company trades on the TSXV under the symbol: "ARIC".

At June 30, 2023 the Group consists of the following interests:

Entity	Ownership percentage	Country of incorporation	Functional currency
Awalé Resources Limited (the Company)	-	Canada	Canadian Dollar (CAD)
Awalé Resources Limited	100.0%	Guernsey	United States dollar (USD)
Awalé Resources (SARL)	100.0%	Côte d'Ivoire	West African CFA franc (CFA)
Srika Gold Limited	100.0%	Côte d'Ivoire	West African CFA franc (CFA)
Africa New Geological Technologies Côte d'Ivoire SARL ("ANGET")	90.0%	Côte d'Ivoire	West African CFA franc (CFA)
Aforo Resources Côte d'Ivoire	100.0%	Côte d'Ivoire	West African CFA franc (CFA)
Aforo (Ivory Coast) Holdings Limited*	100.0%	Australia	Australian Dollar (AUD)

*Entity in the process of being closed down

2. OUTLOOK AND SUMMARY OF ACTIVITIES

Outlook

Current exploration activities: The Company's exploration programs are primarily focused on the discovery and delineation of mineral resources within its extensive portfolio of projects located in Côte d'Ivoire. The Company's portfolio includes the Odienné Project in north-west Côte d'Ivoire and the Bondoukou Project in the north-east.

At the Odienné Project, the Company has made 3 discoveries at the Empire, Charger and Sceptre East targets. Empire and Charger have returned consistent > 100 gram –metre intercepts in drilling, while the Sceptre East target is a large tonnage lower grade Iron Oxide Copper Gold (IOCG) style target (with grades similar to porphyry systems). In addition to these targets multiple other targets are being progressed toward drill ready status, with maiden scout drill programs recently completed on the Sceptre main, Lando, and BBM targets (see Company News release dated July 27, 2023)The recent successful drilling programs at Charger and Sceptre now brings the company one step closer to resource development drilling at the Charger and Sceptre prospects while continuing to advance pipeline targets within the project area. As part of the development of the regional understanding and target for the project, the company has completed detailed airborne magnetic and radiometric surveys along with a permit wide ground gravity survey, locally, at the target scale Induced Polarisation (IP) geophysics has been completed at the target scale at Sceptre and Charger.

Expected 2023 activities:
Over the next 12 months the Company plans to undertake further discovery and resource development drilling programs (reverse circulation and diamond drilling), trenching, IP ground geophysics), geochemical and geological mapping surveys. These programs will continue to develop pipeline targets such as Vakaba and Denguèlé well as the maiden scout holes drilled recently at the Lando, BBM, and Sceptre main targets. All exploration expenditure for the Odienné Est and Odienné Ouest permits will be fully funded by Newmont. The JV Budget funded by Newmont is set at USD 3 million for 2023.

Further to this the Company will be undertaking initial exploration works on the newly acquired PR840 Sienso permit (see Company news release dated July 19, 2022). The Sienso permit abuts the eastern flank of the current Odienné East permit. Works on this permit will include soil geochemistry, geological mapping, and geophysics, with a view to scout drilling in 2024 (if warranted).

Joint venture partners are being sought for the Bondoukou Project in north-east Côte d´Ivoire as the Company now has a focus on the Odienné district.

Summary of activities for the six months ending June 30, 2023 and to the date of this report

EXPLORATION ACTIVITIES

Côte d'Ivoire

Awalé Resources holds exploration tenure in both the Odienné and Bondoukou districts of north-west and north-east Côte d'Ivoire, respectively. At the Odienné Project, Awalé has recognised the significance of the crustal setting of the Project and its prospectivity for both gold and potentially world-class intrusive related Iron Oxide Copper Gold ("IOCG") style deposits. As such the Company has re-interpreted much of the initial data gathered on the project and this approach has led to the company defining multiple targets which have potential to deliver multiple significant discoveries for the Company. These prospects include new discoveries at Sceptre East and Charger, as well as pipeline prospects at Lando, Denguèlé, Vakaba and BBM. These targets are all additional to the high-grade Empire gold discovery. Please refer to the *Odienné Project* section below for detail of work carried out to date.

During the reporting period, Awalé has rapidly advanced the Charger and Sceptre targets through discovery drilling which commenced at the end of Q4, 2022, this drilling brought the discovery of two new Copper Gold, IOCG-Style targets at both Sceptre and Charger. Further to this pipeline of targets, Lando and BBM have similar geochemical fingerprints to Sceptre and Charger and have now been scout drilled with results pending in Q3 2023. Bringing these new targets online helps solidify the Company's view that Odienné is a district-scale gold and copper mineral system with large and documented polyphase mineralization and alteration with significant discovery potential and room to develop into a world-class such as found in other IOCG districts throughout the world.

As the Company´s present focus is the Odienné Project, all strategic alternatives for the Bondoukou Project (including seeking a JV partner) are currently being evaluated.

Odienné Project

The Odienné Project is located in NW Côte d'Ivoire and consists of two granted permits and five applications (Table 1).

Table 1: Awalé Resources Permits and Application Status for the Odienné District

	Permit Type	Permit Number	Area – Square	Status
Odienné JV	Granted Permit	PR – 419 "Odienné East"	399.2	Newmont JV (earning in to 65%)
	Application	PR – 904 "Odienné West"	399.5	
Turaco Option	Granted Permit	PR – 840 "Sienso"	326.4	Turaco Option (100% Awalé)
100% Awalé Resources	Application	Seydou	393.2	100% Awalé
	Application	GB	250.5	
	Application	Samataguilla	396.5	
	Application	Tienko	296	

Awalé´s mineral claims in the Odienné district have the following ownership structure:

i) Newmont Joint Venture: One exploration permit (Odienné East) and one permit application (Odienné West) within the Odienné Project are subject to an earn in Joint Venture agreement ("JV") with Newmont Ventures Limited ("Newmont"). The Newmont JV became effective June 1, 2022 (see Company News Release dated May 31, 2022). Through the agreement Newmont retains the option to earn-in to a minimum 65% interest, from Awalé, in the project in return for sole funding USD 15M of the JV exploration program at Odienné. Awalé is the project manager for the first 3-year phase (otherwise referred to as the "Odienné JV"). Refer to *Corporate Activities* section for further details of the agreement.

ii) Turaco Option: Awalé announced on July 19, 2022 that it had expanded its exploration footprint and focus in the Odienné IOCG district through the execution of an option to purchase agreement with Turaco Gold Limited over the PR 840 Sienso permit. The new 326 square kilometre granted permit borders the eastern flank of the Odienné JV with Newmont. On July 29, 2022 the Company issued 291,735 shares at an agreed price of C$0.197 (US$0.15) as part of the option to purchase agreement. Awalé will complete exploration work on the Senso permit to confirm anomalism and geological setting similar to the Odienné Project. Upon the successful renewal of the permit PR840 in 2023, and subject to Awalé wishing to proceed with the 100% acquisition of PR840, Awalé will issue Turaco Gold 680,715 Awalé shares as final payment. The shares are to be issued at an agreed price of C$0.197 for value C$134,100, subject to TSXV Exchange approval being received.

iii) New applications (100% Awalé): Awalé also exercised its first-mover advantage in northwest Côte d'Ivoire through the application for a further two exploration permits located to the northwest of, and along trend from, the Odienné Joint Venture (see Company news release dated the 7th of September 2022). The two applications add 643.7 square kilometres (sq. km) of highly prospective but underexplored ground to the current 1,092km ^{2} of exploration applications and 725.6km ^{2} of granted tenure in the Odienné district.

Interpretation of soil and termitaria data from the Sceptre prospect and the initial drill results from the adjacent Charger prospect (see Company news release dated 22nd July 2021) led the Company to interpret the geological setting of the Odienné district to be comparable to that of other significant IOCG provinces globally. IOCG deposits are significant contributors to global copper and gold inventories, and the Company considers the Odienné project to contain significant potential for the discovery of the first major IOCG deposit known in west Africa.

Work completed during the period included follow-up soil/termitaria sampling which led to:

- The definition of three distinct copper ("Cu")-gold ("Au") targets at the 5 km long Sceptre anomaly – 'Sceptre East', Sceptre Main and 'Sceptre West', See Company News Releases dated 16 August 2022 and 1 November 2022.
- Delineation of a new parallel zone of mineralization at Charger, the zone lies 100m to the southwest of the initial discovery drilling.

- The discovery of a 4th target - a 4km-long high-tenor Cu (+molybdenum & arsenic) anomaly at the Lando prospect. The Lando prospect is located approximately 18km due north of the Sceptre Cu-Au anomaly, and was identified as an area of interest from initial soil sampling completed in the area by Randgold in the 1990's. See below and Company news release dated 23 August 2022.
- The discovery of a 5th target - a 3.5 km long copper-gold anomaly at the BBM Prospect, which is located approximately 13 km northeast of the Sceptre Target, has delineated a 3.5km long > 50ppm (80 th percentile) Cu anomaly with a 2km >104ppm Cu core (98th percentile). See Company News Release dated 25 October 2022.

Sceptre East Target

Sceptre East forms a coincident 1.5 km long, >368ppm (parts per million) Cu / >20ppb (parts per billion) Au footprint with a peak value of 1,776ppm Cu and 554ppb Au.

  - Comparatively, this anomaly covers an area 4 times the size of the Charger target where recent drilling returned 3m at 9 grams per tonne (g/t) Au and 0.4% Cu within a sulfide bearing hematite breccia (drill hole OERC-89, in news release dated 22 July 2021).

The core of the Cu/Au footprint tested at Charger is a 400m long auger anomaly at >90ppb Au and > 100ppm Cu.

Sceptre Main forms a larger, NE trending 2.6 km long and 1.5km wide >110ppm Cu anomaly with coincident >14 ppb Au anomalism.

  - The Sceptre Main target is known to contain a series of polymetallic veins that have returned high grade results with up to 26.7 g/t Au and 1.5% Cu in selective sampling from artisanal workings.

A combination of pitting and geological mapping confirmed the high order geochemical anomalism at Sceptre. Subsequent to geological mapping and Induced Polarisation surveys, seven scout holes for 1,092.2m were drilled toward the eastern end of the 5km long Sceptre mineralized system. This maiden program tested coincident anomalous gold-copper soil geochemistry and IP Conductivity/Resistivity zones (see Company News Release dated November 1st 2022).

The recent scout drill program focused on an approximately 1km long section of a multi-kilometer combined ground geophysical (Induced Polarization, or IP) and soil 'Cu-Au anomaly'. Drilling was successful and has outlined a greater than 500m strike-length mineralized zone that has returned broad and open (>100 meter downhole) mineralised copper-gold-silver and molybdenum intercepts (see Company News Release dated March 29, 2022). This mineralization remains open in all directions.

Better intercepts from the drilling are reported below – **note that all holes end in mineralization**.

- OERC-128 – End of Hole ("EOH") at 126m
  - 120m @ 0.13% Cu, 0.14 g/t Au, 1.5 g/t Ag and 82 ppm Mo (Molybdenum) from 6m downhole.
    - Including 13m @ 0.12% Cu, 0.3 g/t Au, 1.6 g/t Ag and 146 ppm Mo from 39m downhole.
    - And 48m @ 0.21% Cu, 0.11 g/t Au, 2.2 g/t Ag and 102 ppm Mo from 78m downhole.
- OERC-129 - EOH at 132m
  - 121m @ 0.18% Cu, 0.21 g/t Au, 2.4 g/t Ag and 136 ppm Mo from 11m downhole.
    - Including 20m @ 0.3 g/t Au, 0.13% Cu, 1.7 g/t Ag and 183 ppm Mo from 30m downhole.
    - And 22m @ 0.43% Cu, 0.5 g/t Au, 6.6 g/t Ag and 171 ppm Mo from 72m downhole.
- OERC-130 – EOH at 138m
  - 133m @ 0.13% Cu, 0.15 g/t Au, 1.6 g/t Ag and 312 ppm Mo from 5 meters downhole.
    - Including 38m @ 0.13% Cu, 0.21 g/t Au 1.7g/t Ag and 284 ppm Mo from 14m downhole.

And 28m @ 0.14% Cu, 0.21 g/t Au, 1.9 g/t Ag and 296.1 ppm Mo from 62m downhole. Follow up drilling has now been completed at Sceptre East, as well as 3 initial scout holes at Sceptre Main, results are pending for this second round of drilling and are expected in late Q3. The Sceptre West targets remain untested and lie within an adjacent 2km long soil Cu-Au anomaly.

The broad zones of mineralization intercepted in this round of drilling at Sceptre are hosted within a porphyritic granodiorite exhibiting pyrite-silica-sericite alteration with disseminated and veinlet-hosted visible chalcopyrite molybdenite mineralization, gold and silver occurrences are associated with this sulfide mineralization. The observed alteration and sulfide assemblage are porphyry style and is interpreted to be part of a larger intrusive related system at Sceptre. This system also has proximal to distal iron oxide and potassic alteration.

Sceptre is interpreted to be a large 20km2 gold/copper/silver/molybdenum bearing mineralized system, as such the Company expects mineral and alteration zonation with depletion and enrichment of these elements throughout the prospect area. The geochemistry data collected over the entire Sceptre prospect (consisting of the Sceptre East, Sceptre Main and Sceptre West targets) points toward metal zonation from gold rich/copper depleted in the west to copper rich and gold depleted in the east. The discovery holes reported in this release are an encouraging entrée into what has potential to be a world class mineralized system. Interpretation from these early scout holes points toward the style of mineralization being at least partially intrusion related and does have hallmarks of other Precambrian deposits such as Boddington in Western Australia. The Boddington mine is owned and operated by Newmont [1].

Charger Target

Charger is an_800m long Au/Cu/Ag IOCG target with high order pXRF[2] results from a gossan found in a new artisanal mining zone some 100m west by southwest of the original high order drill intercepts.

- Ag - 38 g/t
- Cu - 0.15%
- Lead ("Pb") - 1.6%
- Bismuth ("Bi") - 702 parts per million ("ppm")

The drill holes successfully intersected polymetallic sulfide mineralization within an intrusive host and returned a 96 gram metre gold intercept (OERC 132). The drilling has opened the Charger Target to contain multiple parallel lodes in a within hybrid intrusive/structural mineralized system. This mineralization complements the previously reported drilling at Charger – Drill hole OERC-89 returned 21m at 2.6 g/t Au and 16.9 g/t Ag from 13m downhole (see Company News Release dated 14 June 2021). Intercepts returned from the Charger holes are shown below.

The recent successful drilling and IP survey opens new mineralization orientations for the Charger target and was drilled in Q4 2022 with results being reported in the 29 March 2023. Two drill holes targeted intrusive-hosted sulphide mineralization with an IP chargeability anomaly and mapped gossan with artisanal workings.

- OERC-131: Drilled behind gossan and artisanal workings.
    - 10m @ 0.8 g/t Au and 2.1 g/t Ag from 3m downhole
    - 18m @ 0.5 g/t Au and 7.4 g/t Ag from 31m downhole
- OERC-132: 40m step back from OERC-131.
    - 32m @ 3.0 g/t Au, 0.17% Cu and 6.6 g/t Ag from 74m downhole.
        - Including 4m @ 12.4 g/t Au, 0.7% Cu and 30.5 g/t Ag from 78m downhole.

[1] References made to mines and analogous deposits provide context for the Odienné project but are not necessarily indicative that these projects host similar tonnages or grades of mineralization.

[2] pXRF is a field portable instrument meant to give field personnel early confirmation that mineralization is present in the samples and results are indicative of the presence of anomalous levels of elements measured by the instrument, but the results are not assays and cannot be assumed to be accurate. These results will be superceded by laboratory analyses as soon as results are available.

- OERC-89 (Previous program):
    - 27 metres ("m") at 13.6 g/t Ag from 9m
    - 21m @ 2.6 g/t Gold ("Au") from 13m
        - Inc. 3m @ 9g/t Au from 30m
        - Inc. 3m @ 89.6g/t Ag from 30m
        - Inc. 2m @ 0.54% Cu from 30m
        - Inc. 2m @ 0.29% Pb from 30m

Total sulfide content in the gold-copper mineralized interval in hole OERC-132 is significantly higher than in OERC-131, suggesting increasing sulfide content with increasing depth.

Follow-up drilling has been completed at Charger with 11 holes drilled, results are pending for these holes and are expected in late Q3.

Lando Target

The Lando anomaly is a 4km long, >99ppm (80^{th} percentile Cu) anomaly with a 1km >387ppm Cu core (98^{th} percentile), The Lando copper anomaly, is also associated with elevated values of both molybdenum and arsenic. These latest results are indicative of a third significant copper footprint at Odienné with similarities to both the Sceptre and Charger targets in the south of the permit area.

The Odienné JV exploration activities are focused on the discovery of high-grade orogenic gold deposits and the new IOCG Style Au-Cu mineralization now identified in the Odienné project area – this style of mineralization has not been previously recognized in Côte d'Ivoire and is an exciting prospect for the Company.

Two Scout drill holes have now been drilled at Lando with results pending in late Q3 2023.

Bondoukou Project

The Company's Bondoukou project consists of three permits: Bondoukou Est, Bondoukou Nord and Bondoukou Nord Est. These concessions lie along the southwestern extension of the Birimian-age Bole-Nangodi and Wa-Lawra greenstone belt in adjacent Ghana, which is host to a number of orogenic-type gold deposits.

Due to the scale and financial commitment involved in exploring this project, and the current focus of the Company on the Odienné project, the Company recognised a provision of $7,279,302 over the Bondoukou project for the twelve months ending December 31, 2022. The Company is in discussions with a potential partner to joint venture the exploration work on this project but cannot guarantee the outcome at this juncture.

Exploration expenditure

During the period ending June 30, 2023 the Company recorded $206,378 in the Statement of Profit or Loss for costs incurred as the Company continued to have operations in Côte d'Ivoire and looked for additional opportunities outside of its current projects in Côte d'Ivoire.

In May 2022, the Company entered into an Exploration Agreement with Newmont with a Joint Venture option. The Exploration Agreement gives Newmont the option to fully fund exploration activities up to a pre-feasibility phase and by funding qualifying expenditures of at least US$15 million to earn up to a 75% interest in the Odienné Project. Newmont can earn a 51% interest in the Odienné Project by funding US$5 million in exploration expenditures within three years of the effective date of the Exploration Agreement and the company may, through funding a further US$10 million in exploration expenditure and defining a minimum 2-million-ounce gold resource, earn an additional 14% interest for a total of a 65% interest in the Odienné Project. Finally, Newmont has entered into an exclusive option agreement to purchase the minority 10% interest in the Odienné Project, which, if exercised, would increase Newmont's interest to 75%.

The Company is accounting for expenditure under the Exploration Agreement with Newmont as a farm-out arrangement whereby the Company does not record any expenditure made by the farmee on its account. The Company earns a management fee as operator of the Odienné project and recorded $121,122 against previously capitalized exploration costs in line with the Company's farm-out accounting policy.

The exploration expenditure captured under the Newmont agreement for the Odienné project for the six months ended June 30, 2023 is set out below.

Expenditure	Odienné project (subject to earn-in) $
Data analysis	202,152
Drilling and assay costs	488,882
Field Office & Camp	147,745
Exploration	617,429
Tenement costs	2,603
Health & safety	53,127
Administration	263,328
TOTAL	**1,775,266**
Less earn-in recovery	(1,775,266)
TOTAL	**-**

CORPORATE ACTIVITIES

On May 24, 2023 the Company announced the closing of its previously announced financings (proceeds of C$2.36 million (\$1.74m) The financings include a C$1.5 million (\$1.11m) non-brokered private placement, including C$1 million (\$0.74 m) by Orecap Invest Corp. (formerly Orefinders Resources Inc.) ("Orecap") and a concurrent C$860,610 (\$636,851) brokered private placement led by Beacon Securities Limited as agent (the "Agent").

The proceeds will be allocated towards restructuring, conducting exploration activities in Côte d'Ivoire as well as for general and administrative expenses. Full details of the financings, allocation of shares for debt and a grant of stock options are provided below.

Details of the Financings and Debt Settlement

The Company completed:

- a private placement of 7,171,750 Brokered Units at a price of C$0.12 (\$0.09) (the "Offering Price") per Brokered Unit, raising gross proceeds of C$860,610 (\$636,852);
- a concurrent non-brokered private placement of 12,470,431 units of the Company at the Offering Price, raising further gross proceeds of C$1,496,451 (\$1,107,374); and
- a debt settlement by issuing 1,855,414 common shares of the Company to current or former directors, officers and consultants of the Company (the "Creditors") and 311,236 common shares to Mr. Parsons and, subject to receipt of disinterested shareholder approval, will issue an additional 999,216 common shares to the Creditors and 813,014 common shares to Mr. Parsons at a deemed price of C$0.12 (\$0.09) per share, in settlement of outstanding debt to the Creditors and severance pay to Mr. Parsons.

The Brokered Units and Non-Brokered Units each consisted of one common share and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant will be exercisable to acquire one additional common share until May 24, 2026 at a price of C$0.20(\$0.15) per Warrant Share.

The Brokered Financing was conducted pursuant to the terms of an agency agreement dated May 24, 2023 entered into between the Company and the Agent. As consideration for services provided by the Agent in connection with the Brokered Financing, the Company: (a) paid a commission and corporate finance fee in cash in the amount of C$51,604 (\$38,187); (ii) issued 430,305 non-transferrable warrants (the "Broker Warrants"), with each Broker Warrant exercisable to acquire one common share at the Offering Price until May 24, 2026; and (iii) paid a corporate finance fee equal to C$100,000 (\$74,000), by issuing 833,333 units of the Company at the Offering Price and having the same terms as the Brokered Units.

In connection with the Non-Brokered Financing, Orecap subscribed for 8,333,333 Non-Brokered Units. Immediately before the closing of the Non-Brokered Financing.

The net proceeds from the Brokered Financing and the Non-Brokered Financing will be used for exploration and development expenditures at the Company's projects in Ivory Coast, settlement of certain payables, and general working capital purposes.

At the date of closing of the financings, Mr. Glen Parsons stepped down as Chief Executive Officer and resigned from the Board of Awalé. In parallel, Andrew Chubb, formerly the Chief Operating Officer of the Company, was appointed Awalé´s new Chief Executive Officer and Director.

Investor Rights Agreement and Grant of Options

Pursuant to terms of the binding term sheet entered into by the Company and Orecap on April 24, 2023 (please see the Company’s news release of April 25, 2023), the Company also announces that it has:

(1) entered into an investor rights agreement (the “Investor Rights Agreement”) with Orecap granting it the right, for so long as Orecap’s percentage ownership interest in the issued and outstanding common shares is at least 10%, calculated on a partially diluted basis, to: (a) nominate two directors to the Board; and (b) participate in any offering of common shares or securities convertible into common shares, on substantially the terms and conditions of such offering, to maintain its percentage ownership interest in the issued and outstanding common shares immediately prior to completion of such offering; and

(2) granted incentive stock options under the Company’s stock option plan to directors, officers and certain employees, including to the newly appointed directors, to purchase up to 3,605,000 Common Shares exercisable at a price of C$0.20 ($0.15) per common share for a period of five years.

Pursuant to the Investor Rights Agreement, the Company has appointed Mr. Stephen Stewart to the Board as the nominee of Orecap and an additional director will be nominated by Orecap for election by shareholders at the Company’s next general meeting.

The Company’s continuing operations are dependent upon its ability to either secure additional capital or generate consistent cash flow from operations in the future The volatility of stock markets and precious and base metals have eroded investor confidence to the extent that both advanced and junior companies have had a difficult time obtaining equity financing on reasonable terms. The Company must seek additional equity funding to fund ongoing exploration activities and to meet its ongoing general and administrative costs. The growth strategy of the Company as a resource builder has been enhanced by pursuing a diversified portfolio of exploration assets off the solid foundation of the Odienné JV. The Company cannot guarantee it will be successful in raising additional funding. Refer to section 8 for the going concern consideration.

On January 30, 2023 the Company announced that it, and Colossal Gold Resources Limited (" Colossal "), mutually agreed to terminate the letter agreement dated September 12, 2022 , which detailed the ability of the Company to acquire 100% of the issued share capital of Colossal (the " Colossal Shares " and the acquisition of the Colossal Shares the " Acquisition ").(refer to the Company's news releases of September 13 , October 11, November 8 , December 1 and December 20 2022 for further details of the Agreement). Colossal is a private holding company with a gold exploration portfolio focused on the highly prospective, but underexplored, greenstone belt of Suriname, South America. The Company made the strategic decision to prioritize the exploration and development of its core projects in Côte d'Ivoire, specifically those properties surrounding and along the structural setting from the Odienné JV area with Newmont. Awalé, Colossal and the shareholders of Colossal (collectively, the " Parties ") have mutually agreed it is in the Parties' interests to terminate the Agreement and not to further extend the January 31, 2023, Outside Date without further obligation or liability to each other.

Other

Eric Roth resigned from the Board effective June 18, 2023 and will continue to provide technical consulting services as required by the Company.

Charles Beaudry was appointed as a non-executive director effective July 13,2023.

3. RESULTS OF OPERATIONS – SIX MONTHS ENDED JUNE 30, 2023

The following is a breakdown of material costs incurred:

	Six months ended June 30, 2023	Six months ended June 30, 2022
Share based compensation	239,284	156,294
Salaries and director fees	223,682	137,737
Project generation & write off exploration expenses	206,378	100,878
Office and regulatory expenditure	57,803	59,034
Professional and consulting expenditure	48,992	95,404
Travel expenditure	12,273	11,498
Investor relations expenditure	8,709	12,699
Foreign exchange (gain)/loss	(2,439)	(4,527)
Depreciation	1,416	14,079

Six months ending June 30, 2023 compared to June, 2022

For the six months ending June 30, 2023, the Company incurred a loss of $792,520 (2022: $$577,165).

The increase in the loss compared to the comparative prior period is due mainly to;

- Share-based payments which have increased due to an issue of options during the period with a majority portion of the options vesting immediately resulting in a higher charge to the Statement of Profit or Loss when compared to the comparative period. This cost will fluctuate from period to period due to the number of options issued and the cost of options issued being recognised over their vesting period.
- Salaries and directors' fees have increased as a result of a severance payment of $ $99,833 to former CEO Glen Parsons and an increase in the number of non-executive directors.
- Project generation expenses have increased as result of the continuation of operations in Côte d'Ivoire as the Company looked for additional opportunities outside of its current projects in Côte d'Ivoire.
- Professional fees have decreased from the prior period due to legal fees incurred in the comparative period regarding the execution of the Odienné Exploration Agreement with Newmont.
- Depreciation has decreased as a result of costs related to Odienné Project being recognised under the farm out arrangement with Newmont.

4. SELECTED UNAUDITED QUARTERLY FINANCIAL INFORMATION

SUMMARY	Q2 2023 $	Q1 2023 $	Q4 2022 $	Q3 2022 $
Net sales or total revenue	1,793	1,785	5,814	164
Loss	(474,037)	(318,483)	(7,728,242)	(176,856)
Basic & diluted loss per share *	(0.01)	(0.01)	(0.27)	(0.01)
Total current assets	1,321,268	524,270	489,792	215,818
Total non-current assets	5,401,189	5,352,845	5,330,213	12,897,126
Total current liabilities	1,837,812	2,527,944	2,232,628	1,237,288
Total non-current liabilities	30,194	29,571	29,519	215,590
	Q2 2022 $	**Q1 2022 $**	**Q4 2021 $**	**Q3 2021 $**
Net sales or total revenue	-	-	-	-
Loss	(287,502)	(289,663)	(256,498)	(711,089)
Basic & diluted loss per share *	(0.01)	(0.01)	(0.01)	0.04
Total current assets	379,174	265,162	99,100	229,136
Total non-current assets	12,078,436	12,384,565	12,282,100	11,974,227
Total current liabilities	1,449,113	1,283,739	1,135,214	827,148
Total non-current liabilities	30,962	32,010	31,662	31,444

* adjusted for impact of 8:1 share consolidation

The Company's quarterly financial results and position can be affected by many factors including, but not limited to; seasonal fluctuations, variations in capital markets, foreign exchange rate movements, share based payments, changes in exploration programs, changes to exploration portfolios and financing activities undertaken.

Three months ending June 30, 2023

For the three months ending June 30, 2023, the Company incurred a loss of $474,037.

The loss is consistent with other periods with the exception of Q4 2022 where the Company recorded a provision for write down of its exploration expense of $7,279,302.

Other movements include:

- Share-based payments fluctuate from period to period due to the cost of options issued being recognised over their vesting period. In the current period the Company issued 3,605,000 options to employees and directors of the Company. 2,725,000 options vested immediately with the cost of $213,854 being recognized immediately in full in the current quarter. The cost of the balance of options subject to vesting conditions will be recognized over their vesting period.
- Salaries and directors' fees have increased as a result of a severance payment of $ $99,833 to former CEO Glen Parsons and an increase in the number of non-executive directors.
- Project generation expenses have increased as result of the continuation of operations in Côte d'Ivoire as the Company looked for additional opportunities outside of its current projects in Côte d'Ivoire.
- Professional and consulting fees include a reallocation of costs from the Statement of Profit or Loss to be recorded against equity for the work undertaken with regard to the private placement with Beacon Securities which closed on May 24, 2023, as well as a recognition of a discount on legal fees incurred from the immediately preceding quarter.
- Depreciation has decreased as a result of costs related to Odienné Project being recognised under the farm out arrangement with Newmont.

Current assets have fluctuated from previous quarters due mainly to a change in cash on hand. Cash has increased due to the closure of the brokered and non-brokered placement on May 24, 2023 receipting gross proceeds of $1.744,226, as well the funds received from Newmont in relation to the Odienné Project, and the receipt of $105,613 (inclusive of interest) from the receivable recognised whereby the Company advanced minority interest holders in ANGET $100,000 as part of the Exploration Agreement entered into with Newmont. Funds receipted were used towards restructuring, conducting exploration activities in Côte d'Ivoire as well as for general and administrative expenses.

Non-current assets remain consistent with the immediate prior quarter, adjusted for foreign exchange movements, and differ from previous quarters as a result of a provision recorded for write down of its exploration expense of $7,279,302 in Q4 2022.

Current liabilities have decreased due to payment of outstanding creditors and other liabilities during the quarter following the receipt of funds from the closing of the brokered and no-brokered placement, offset by increased creditors related to the Odienné Project due to increased activities.

Three months ending March 31, 2023

For the three months ending March 31, 2023, the Company incurred a loss of $318,483.

The loss is consistent with other periods with the exception of Q4 2022 where the Company recorded a provision for write down of its exploration expense of $7,279,302.

Other movements include:

- Project generation expenses have increased as result of the continuation of operations in Côte d'Ivoire as the Company looked for additional opportunities outside of its current projects in Côte d'Ivoire. Professional and consulting fees have increased as a result of the work undertaken with regard to the private placement with Beacon Securities which closed on May 24, 2023.
- Share-based payments fluctuate from period to period due to the cost of options issued being recognised over their vesting period and the incremental.
- All other costs have remained consistent across the two periods.
- Foreign exchange costs have increased as result of increased transactions due to the increased activity at the Odienné Project when compared to the comparative period.
- Depreciation has decreased as a result of costs related to Odienné Project being recognised under the farm out arrangement with Newmont.

Current assets have fluctuated from previous quarters due mainly to a change in cash on hand as a result of the funds received from Newmont in relation to the Odienné Project, as well as the receipt $105,613 (inclusive of interest) from the receivable recognised whereby the Company advanced minority interest holders in ANGET $100,000 as part of the Exploration Agreement entered into with Newmont.

Non-current assets remain consistent with the immediate prior quarter and differ from previous quarters as a result of a provision recorded for write down of its exploration expense of $7,279,302 in Q4 2022.

Current liabilities have increased due to increased activities at the Odienné Project and the delay in payment to various creditors and employees as a result of the Company’s working capital shortfalls.

Three months ending December 31,2022

The net loss of $7,728,242 for the quarter ended December 31, 2022, is higher when compared to prior reported quarters due to the following:

- Recognition of an impairment provision of $7,279,302 related to the Bondoukou Project located in Côte d’Ivoire due to the scale and financial commitment involved in exploring this project, and the current focus of the Company on the Odienné Project the Company no longer intends to realise value through successful exploration unless the project can be successfully joint ventured.
- Legal fees increased in this quarter due to the legal work undertaken on the potential Suriname acquisition and a substantial increase in audit fees for the year ended December 31, 2022.
- Fees paid to non-executive directors increased with the formation of a special committee to oversee the proposed Suriname asset acquisition.
- Share based payments decreased in the current quarter as costs have been fully expensed across their vesting periods. This decrease was offset by an incremental cost of $18,846 recognised on the repricing of 868,750 stock options held by insiders of the Company which were subject to the approval of disinterested shareholders of the Company at the Company's annual general meeting held on November 7, 2022.
- There were also increased regulatory fees and other costs incurred as the Company undertook its due diligence and other procedures in relation to the potential Suriname acquisition. These costs have been fully expensed in the period ending December 31, 2022 as the acquisition did not proceed.

Current assets have increased in the current quarter due mainly to a fluctuation in cash on hand as a result of the funds received from Newmont in relation to the Odienné Project, as well as the recognition of a receivable from Newmont whereby the Company advanced minority holders in ANGET $100,000 as part of the Exploration Agreement entered into with Newmont. These funds were to be repaid by Newmont prior to December 31, 2023 the receivable was repaid subsequent to the period ended December 31, 2022. The Company has recognized a receivable of 77,352 for exploration costs incurred in the period ending December 31, 2022 which relate to the Odienné Project and are subject to funding by Newmont under the Exploration Agreement. Funds were received in January 2023 for these costs incurred as part of the next quarterly cash call.

Non-current assets have decreased as a result of the provision against the Bondoukou Project of $7,279,302.

Current liabilities have increased due to increased activities at the Odienné Project and the delay in payment to various creditors and employees as a result of the Company’s working capital shortfalls. Non-current liabilities have decreased from the immediate prior quarter as the company reclassified its provisions to current.

The CEBA loan remains as a non-current liability.

Three months ending September 20,2022

The net loss of $176,856 for the quarter ended September 30, 2022, is lower when compared to prior reported quarters. Costs have reduced in the following areas;

- investor relations, as less promotional activity was undertaken in the current quarter.
- listing and regulatory fees which were higher in prior period quarters due to the submission of the annual ISOP and placement fees incurred.
- general office expenditure as a result of less corporate activities
- share based payments as costs have been fully expensed across their vesting periods, however this reduction was offset by the recognition of $21,918 as incremental value increase due to the repricing of employee options.

These reductions have been offset by an increase in legal fees due to work required on the potential acquisition of Colossal Gold, work on Newmont JV and increased travel costs as COVID restrictions were lifted.

Current assets have decreased as funds raised in the prior quarter were spent on exploration and corporate activities. Non-current assets have increased from the prior quarter due to continued exploration work and the acquisition of the Sienso license during the period. The exploration and evaluation assets have been impacted by fluctuations in the last quarter of the CFA against the USD when compared to prior periods.

Non-current liabilities have increased as a result of the reclassification of employment provisions for staff.

Three months ending June 30, 2022
The net loss of $287,502 for the quarter ended June 30, 2022, is consistent when compared to the majority of the prior reported quarters. Costs have remained relatively consistent with prior periods with the exception of legal fees which have increased in the current quarter as a result of the review required in relation to the Newmont exploration agreement. This cost has been offset by a decrease in share-based payments which fluctuate from period to period as costs are recognised over the vesting period of the instrument.

Current assets have increased with the closure of the private placement for gross proceeds of $642,500 in March 2022 and the strategic private placement from Newmont for gross proceeds of $500,000. Non-current assets have decreased due to the impact of CFA:USD exchange rate fluctuations during the period, with this decrease offset by an increase in non-current receivable balance due to the recognition of $100,000 as a result of the Exploration Agreement entered into with Newmont, with the Company advancing payment to the minority holders on behalf of Newmont. These funds are to be repaid by Newmont prior to December 31, 2023 and bears interest at a rate of US prime plus 4.5%.

Current liabilities increasing as a result of continued work at the Company's exploration projects and continued corporate operations supporting ongoing exploration work during the quarter.

Three months ending March 31, 2022
The net loss of $289,663 for the quarter ended March 31, 2022, is consistent when compared to the majority of the prior reported quarters. Costs have remained relatively consistent with prior periods. Current assets have increased with the closure of the private placement for gross proceeds of $642,500 in March 2022 with non-current assets and current liabilities increasing slightly as a result of continued work at the Company's exploration projects during the quarter.

Three months ending December 31, 2021
The net loss of $256,498 for the quarter ended December 31, 2021 is lower in comparison to the immediate prior periods due mainly to the fluctuation from period to period in the cost of share-based payments recognised and the recognition of the write down against the Abengourou property and property investigation costs incurred in the prior period. Other costs have remained relatively consistent when compared to the prior quarterly results.

Current assets have decreased when compared to the prior comparative quarterly period as the Company expended funds, raised in the private placement completed in Q2 2021, on its ongoing exploration activities in Côte d'Ivoire and corporate activities supporting these activities.

Non-current assets increased due to continued exploration activities during the period and relevant costs were attributed. This balance is also impacted by foreign exchange movements between the CFA (functional currency of the Côte d'Ivoire entities) and USD (reporting currency of the Company).

Current liabilities increased in the current quarter due mainly to an increase in payables in Côte d'Ivoire due to the exploration program undertaken at the Company's Odienné Project in the latter part of 2021 fiscal year and an increase in corporate costs as the Company engaged specialist investor relation services to increase the profile of the Company's activities and timing of payments to creditors.

Three months ending September 30, 2021
The net loss of $711,089 for the quarter ended September 30, 2021, is higher compared to prior quarterly losses due mainly to increased share-based payment expense recognised on options issued in the second half of the year ended December 31, 2020 and in Q2 2021 as well as the recognition of a write down of $422,981 against the Company's Abengourou property reflecting its focus on its remaining projects in its portfolio. Investor relations costs also increased in Q3 2021 as the Company engaged additional investor relations expertise to assist in promoting its exploration portfolio. Other costs have remained relatively consistent when compared to the prior quarterly results.

Current assets have decreased when compared to the prior comparative quarterly period as the Company expended funds, raised in the private placement completed in Q2 2021, on its ongoing exploration activities in Côte d'Ivoire and corporate activities supporting these activities.

Non-current assets decreased in the current quarter due to the recognition of a write down $422,981 against its Abengourou project, offset by exploration expenditure on its remaining projects Odienné and Bondoukou located in Côte d'Ivoire. This balance is also impacted by foreign exchange movements between the CFA (functional currency of the Côte d'Ivoire entities) and USD (reporting currency of the Company).

Current liabilities have decreased in the current quarter as the Company settled creditor and supplier balances recorded in Côte d'Ivoire incurred as a result of the drill programs undertaken at the Company's projects.

5. DISCLOSURE OF OUTSTANDING SHARE CAPITAL

The number of common shares outstanding to the date of this report is 54,390,779 (2022: 31,123,616).

All issued ordinary shares are fully paid and have no par value. The holders of the shares are entitled to receive dividends and are entitled to one vote per share. All shares rank equally with regard to the Company's residual assets in the event of a wind-up.

On May 24, 2023 the Company completed:

- a private placement of 7,171,750 units of the Company (the "Brokered Units") at a price of C$0.12 (US$0.09) per Brokered Unit (the "Offering Price"), raising gross proceeds of C$860,610 ($636,852) $(the "Brokered Financing");
- a concurrent non-brokered private placement of 12,470,431 units of the Company (the "Non-Brokered Units") at the Offering Price, raising further gross proceeds of C$1,496,451 ($1,107,374) (the "Non-Brokered Financing"); and
- a debt settlement by issuing 1,855,414 common shares of the Company ("Common Shares") to current or former directors, officers and consultants of the Company (the "Creditors") and 311,236 Common Shares to Mr. Parsons and, subject to receipt of disinterested shareholder approval, will issue an additional 999,216 Common Shares to the Creditors and 813,014 Common Shares to Mr. Parsons (collectively, the "Debt Shares") at a deemed price of C$0.12 ($0.09) per Debt Share, in settlement of a outstanding debt to the Creditors and severance pay to Mr. Parsons, respectively (the "Debt Settlement").

The Brokered Units and Non-Brokered Units each consisted of one Common Share and one-half of one Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant will be exercisable to acquire one additional Common Share (a "Warrant Share") until May 24, 2026 at a price of C$0.20 ($0.15) per Warrant Share.

The Company recognised a total warrant cost (including broker warrants) of $549,769 against equity during the six months ended June 30, 2023.

The Company has the following warrants outstanding as at June 30, 2023 denominated in US$:

	Number of warrants	Weighted average exercise price $
Balance January 1, 2022	9,149,302	0.80*
Issued	2,016,250	0.32
Balance June 30, 2022	**11,165,552**	**0.71**
Balance December 31, 2022	11,165,552	0.71
Issued	10,237,757	0.15
Expired	(3,597,121)	0.80
Balance June 30, 2023	**17,806,186**	**0.37**

*adjusted for impact of share consolidation

The Company has the following options outstanding as at June 30, 2023 denominated in US$:

	Number of options	Weighted average exercise price $
Balance January 1, 2022	1,693,750	1.04*
Balance June 30 , 2022	**1,693,750**	**1.04**
Balance December 31, 2022	1,693,750	0.31
Issued	3,605,000	0.15
Balance June 30, 2023	**5,298,750**	**0.20**

*adjusted for impact of share consolidation

On May 24, 2023, the Company granted incentive stock options under the Company's stock option plan to directors, officers and certain employees, including to the newly appointed directors, to purchase up to 3,605,000 Common Shares exercisable at a price of C$0.20 ($0.15) per common share for a period of five years. 2,725,000 stock options issued vested immediately with a cost of $213,854 being recognized immediately in the Statement of Profit or Loss for the period ending June 30, 2023. The balance of 880,000 stock options are subject to vesting conditions; 33.33% vested on date of grant and 33.33% will vest every 12 month anniversary. An amount of $25,430 was recognized in the Statement of Profit or Loss for the six months ending June 30, 2023, in relation to the options subject to vesting conditions.

On March 22, 2022, the Company announced the Board of Directors, had approved the repricing of a total of 1,693,750 stock options of the Company from previously C$2.00 and C$0.96 to C$0.40 ($0.31) per common share.

6. LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents

As at June 30, 2023 the Company had cash of $903,065 $ (2022: $255,281).

As at June 30, 2023 the Company reported net current liabilities of $1,837,812, including $912,172 of trade creditors and accruals, inclusive of trade creditors relating to work undertaken at the Odienné project which is fully funded by Newmont. Given the nature of the Company as an exploration entity, the Company does not generate profits or operating cash flows and therefore has historically been dependent on the capital markets to obtain funding.

On May 24, 2023 the Company announced the closing of its previously announced financings for gross proceeds of C$2.36 ($1.75m) million. The financings include a C$1.5 million ($1.1m) non-brokered private placement, including $1 million ($0.74 m) by Orecap Invest Corp. (formerly Orefinders Resources Inc.) and a concurrent C$860,610 ($636,851) brokered private placement led by Beacon Securities Limited as agent. The proceeds to be allocated towards restructuring, conducting exploration activities in Côte d'Ivoire as well as for general and administrative expenses.

Refer to section 7 for further details regarding the going concern consideration.

Working Capital

As at June 30 2023, the Company had negative working capital of $516,544 (2022: negative $$1,742,836). Note that the trade creditors balance includes balances related to work undertaken at the Odienné project which is fully funded by Newmont. Given the nature of the Company as an exploration entity, the Company does not generate profits or operating cash flows and therefore has historically been dependent on the capital markets to obtain funding. There can be no assurance that the Company will be able to obtain or access additional funding when required, or that the terms associated with the funding will be acceptable to the Directors. If the Company is unable to obtain such additional funding, it may be required to reduce the scope of its operations.

The proceeds of the aforementioned financings will be he proceeds will be allocated towards restructuring, conducting exploration activities in Côte d'Ivoire as well as for general and administrative expenses.

Cash used in operating activities
Cash used in operating activities during the six months ending June 30, 2023, was an outflow of $815,292 (2022: $225,089 outflow). The cash inflow is a result of the receipt of $105,613 from Newmont in repayment of the loan offset by cash used in operating activities. Operating activities represents general and administrative costs incurred, adjusted for non-cash items such as interest recognised, depreciation, foreign exchange movements, share based payments and movements in accounts payable and accounts receivable balances in the period. It also includes $134,141 relating to project generation costs that have not been capitalised as an exploration project.

Cash used in investing activities
Cash used in investing activities for the six months ending June 30, 2023 was an outflow of $133,461 (2022: outflow $563,115). This expenditure relates to the costs in relation to exploration work undertaken at the Company's Odienné project in Côte d'Ivoire of $$1,736,165, offset by proceeds of $1,609,227 (2022: $97,874) received from Newmont under the exploration agreement signed in Q2 2022.

Cash from financing activities
The Company received gross proceeds of $1,744,226 related to the brokered and non-brokered placements which closed on May 24, 2023. The Company incurred financing costs related to the placements of $305,962 (excluding non-cash costs of shares issued in settlement of finders and finance fees totalling $129,500). Of these costs $163,681 were paid during the period ending June 30, 2023. The balance of financing costs has been or is planned to be paid subsequently.

7. GOING CONCERN

These financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Group will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

In June 2022 the Company entered into an earn-in agreement with Newmont Ventures Limited ("Newmont"). This agreement will allow Newmont to earn-in to the Company's Odienné project by sole funding an agreed amount of exploration. This therefore means Odienné exploration and minimum expenditure commitments are funded for a period of greater than 12-month period, reducing Awalé's obligations in respect of this project while simultaneously advancing the exploration program. As operator of Odienné, Awalé cash calls Newmont in advance, making this project self-sufficient at present. A provision for impairment has been recognized against all capitalized costs in respect of Bondoukou (contributing $7.3m to the accumulated deficit) to focus on Odienné. However, the Company retains the ability to find a Joint Venture partner, or to dispose of its interests in this project, therefore reducing the exploration expenditure commitment for the Company on this asset.

Notwithstanding the reduced exploration expenditure requirements, the Company continues to have corporate overheads to pay, primarily being salaries and wages, directors fees, professional fees, travel and listing costs. In the period from 30 June 2023 to the date of this report the Group has sought to conserve cash by reducing corporate activities where possible and to manage and repay existing trade creditors and employment payables where possible.

Management and the Directors continue to actively monitor the Group's liquidity and have reviewed its consolidated cashflow requirements. The Group's consolidated cashflow forecast shows the Group's current cash on hand is insufficient to meet its existing liabilities and minimum expenditure commitments for the 2023 financial year. The Group's current cash reserves are also insufficient to meet its planned corporate activities and working capital requirements.

Therefore, in order to continue to meet existing repayment obligations and fund general operating expenditure, the following events are in process or have been completed:

- On May 24, 2023 the Company announced the closing of its previously announced financings for gross proceeds of C$2.36 ($1.75m) million. The financings include a C$1.5 million ($1.1m) non-brokered private placement, including $1 million ($0.74 m) by Orecap Invest Corp. (formerly Orefinders Resources Inc.) and a concurrent C$860,610 ($636,851) brokered private placement led by Beacon Securities Limited. The proceeds will be allocated towards restructuring, conducting exploration activities in Côte d'Ivoire as well as for general and administrative expenses.
- Awalé has also agreed to settle CAD$342,555 in existing employee payables in shares.

- Upon completion of the above, the Group intends to raise additional capital via share issuances and/or private placements over the coming six months. The Group has confidence in the ability to raise these funds on the back of the proposed transactions above, recent positive drilling results from Odienné, and its history of shareholder support and ability to raise funds in the capital markets.

The proceeds of these transactions will allow for the settlement of existing debts and will provide working capital to fund general operating expenditure over the coming 12 months.

In the interim, the Group continues to closely manage liquidity and relies on the financial support of its large creditors and employees which enables the Group to defer payments which would otherwise be due and payable.

Whilst the Group has plans to find a Joint Venture partner for the non-core Bondoukou project, the Group has no plans to wholly dispose of any of its interests in mineral exploration and development assets. However, should the above events not occur, the Group does retain the ability to do so if required. Based on the opportunities above, the Directors are satisfied that the continued application of the going concern basis of accounting is appropriate. However, the Directors acknowledge that the above share issuances are required in order to remain a going concern.

As such, a material uncertainty exists with regard to the ability of the Group to continue to operate as a going concern. Should the Group be unable to access further equity capital or execute any of other alternate funding arrangements, it will be unable to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments that might be necessary should the Group not continue as a going concern.

8. TRANSACTIONS BETWEEN RELATED PARTIES

For the six months ended June 30, 2023 the Company incurred employment costs and fees to directors and officers, or to companies associated with these individuals as follows:

	2023 $	2022 $
Non-executive directors' fees (i) (ii) & (iii)	31,667	30,000
CEO fees & entitlements (iv) (former & current)	148,506	51,908
COO fees & entitlements	75,000	86,000
Consulting fees (iii)	7,422	-
Accounting fees – CFO services (v)	26,523	28,047
Company secretarial fees (vi)	17,060	16,706
Share based payment	221,079	77,783
	527,257	**290,444**

(i) Includes fees paid/payable to DH Mining Advisory Services, a company owned by D. Hartman
(ii) Includes fees paid/payable to Buey Invest (Barbados) Inc, a company owned by R Birchall
(iii) Includes fees paid/payable to 2287957 Ontario Inc a company owned by S. Stewart.
(iv) Includes an amount paid/payable to Parsons Capital Superfund - a superannuation fund controlled by G. Parsons (former CEO)
(v) Amount paid/payable to Genco Professional Services Pty Ltd – a company controlled by S. Cooper
(vi) Amount paid/payable to Marketworks Pty Ltd – a company controlled by K Witter

The following balances were payable to related parties as at:

	2023 $	2022 $
CEO fees & expense reimbursement (i)(former)	73,646	95,663
COO fees & expense reimbursement	100,903	167,586
Non-executive fees & expense reimbursement & Special committee fees (ii) (iii) & (iv)	61,456	124,573
Accounting fees – CFO services & expense reimbursement (v)	6,841	55,355
Company- secretarial fees & expense reimbursement (vi)	944	31,350
	243,790	**474,527**

(i) Includes an amount paid/payable to Parsons Capital Superfund - a superannuation fund controlled by G. Parsons (former CEO)
(ii) Includes an amount payable DH Mining Advisory Services, a company owned by D. Hartman
(iii) Includes fees paid/payable to Buey Invest (Barbados) Inc, a company owned by R Birchall paid/payable to
(iv) Includes fees paid/payable to 2287957 Ontario Inc a company owned by S. Stewart.
(v) Amount payable to Genco Professional Services Pty Ltd – a company controlled by S. Cooper
(vi) Amount payable to Marketworks Pty Ltd – a company controlled by K Witter

Compensation of key management personnel

The Company considers its directors and officers to be key management personnel. Transactions with key management personnel for the six months ending June 30, 2023 are set put below:

	2023 $	2022 $
Short term benefits (i) & (ii)	271,340	177,768
Short term benefits- Non-executive directors' fees (iv) (v) & (vi)	31,667	30,000
Post - employment benefits (iii)	3,171	4,893
Share based payment benefits	221,079	77,783
	527,257	**290,444**

(i) Includes an amount paid/payable to Genco Professional Services Pty Ltd – a company controlled by S. Cooper
(ii) Includes an amount paid/payable to Marketworks Inc. – a company controlled by K Witter
(iii) Amount paid/payable to Parsons Capital Superfund - a superannuation fund controlled by G.Parsons
(iv) Includes fees paid/payable DH Mining Advisory Services, a company owned by D. Hartman for non-executive director fees
(v) Includes fees paid/payable to Buey Invest (Barbados) Inc, a company owned by R Birchall
(vi) Includes fees paid/payable to 2287957 Ontario Inc a company owned by S. Stewart.

During the six-month period ending June 30, 2023 the Company announced that Glen Parsons had stepped down as CEO and resigned from the Board but will continue to provide consulting services on an ongoing basis for the next twelve months.

Eric Roth resigned from the Board effective June 18, 2023, and will continue to provide technical consulting services as required by the Company.

In addition to the above the Company's related parties include intercompany loan balances with its subsidiaries. These balances are eliminated on consolidation.

9. OFF BALANCE SHEET ARRANGEMENTS

The Company does not utilise any off-balance sheet arrangement.

10. PLAN OF OPERATIONS AND FUNDING

The Company's plan of operation over the next twelve months is to progress an appropriate exploration program at its gold permits in Côte d'Ivoire by raising required capital to fund exploration programs and corporate costs to support and promote the Company's exploration activities. The stock markets, currencies and business activities globally, have been impacted by COVID-19 and Global economic and political volatility; which may potentially have negative impacts on the Company's ability to raise capital funds, planned exploration programmes, cash flows and liquidity

On June 15, 2022 the Company signed an Exploration Agreement with Newmont which gives Newmont the option to fully fund exploration activities up to a pre-feasibility phase and by funding qualifying expenditures of at least US$15 million to earn up to a 75% interest in the Odienné Project on the following basis:

- Private Placement
  Newmont invested US$500,000 in Awalé based on a 30-day volume-weighted average price ("VWAP") to be used to fund Awalé's Côte d'Ivoire activities.
- Phase 1
  Newmont can earn a 51% interest in the Odienné Project by funding US$5 million in exploration expenditures within three years of the effective date of the Exploration Agreement. The Odienné Project will be managed by Awalé during this time.
- Phase 2
  Through funding a further US$10 million in exploration expenditure and defining a minimum 2-million-ounce gold resource, Newmont may earn an additional 14% interest for a total of a 65% interest in the Odienné Project.

This agreement was effective from June 1, 2022, with Newmont funding of the Odienné project commencing from this date.

On May 24, 2023 May 24, 2023 the Company announced the closing of its previously announced financings for gross proceeds of C$2.36 million ($1.74m) The financings include a C$1.5 million ($1.11m) non-brokered private placement, including $1 million ($740,000) by Orecap Invest Corp. (formerly Orefinders Resources Inc.) and a concurrent C$860,610 ($636,851) brokered private placement led by Beacon Securities Limited as agent .

At present, the Company's operations do not generate cash inflows and the Company's continued existence depends on management's ability to raise additional equity financing, discover recoverable mineral deposits and sell or otherwise participate in the development of those projects. Many factors influence the Company's ability to raise funds, including the health of the commodity resource market, the climate for mineral exploration investment, the Company's track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities.

Management believes it will be able to raise equity capital as required over time but recognizes there are risks involved that may be beyond its control. If those risks fully materialize, the Company may not be able to raise adequate funds to continue its operations.

11. COMMITMENTS AND CONTINGENCIES

The Company has the following commitments and contingencies. Payment is contingent on the continued operations based on successful exploration results at its properties:

Payment	**Condition**
Contingent payments	
US$1,845,000	Upon the Company making a decision to mine in respect of the First Grant of the Odienné property, the approval of a mining plan by the relevant authority and securing finance to carry out that mining plan so as to take the mine to production stage.
Resource milestone payments to a maximum US$3,500,000	Payable to Awalé Holdings a resource milestone payment, in accordance with the Share Purchase Agreement dated January 13,2017, of: • US$0.50 per ounce of reported gold Mineral Resources for any Mineral Resource delineated up to the first one million ounces; and • US$1.00 per ounce of reported gold Mineral Resources for any Mineral Resource delineated over the first one million ounces; and • a catch-up payment of US$0.50 per ounce of reported gold Mineral Resources for any Mineral Resource ounces that were delineated prior to the delineation of a Mineral Resource greater than one million ounces, All subject to a maximum of US$3.5 million.
US$800,000	Payable to Newoka Resources upon the Bondoukou project changing from an exploration license to a mining license with intent of commercial production.
Commitment payments	
Total CFA 2,409,201,693 (US$3,928,878) at June 30, 2023 (2022: CFA 2,002,411,021 (US$3,472,856)	Minimum exploration spend commitment within the next three years at the following properties: Bondoukou,project CFA 1,714,116,466 (US$2,795,347) Odienné project CFA 695,085,227 (US$1,133,531)

Awalé is required to pay a 2% net smelter royalty to Sandstorm on any products sold from the Awalé and Aforo properties as detailed in the Net Smelter Returns Royalty Agreements dated December 29, 2017.

12. SEGMENTED INFORMATION

The Company operates in a single reportable operating segment - the acquisition, exploration and development of mineral properties in the single geographical segment Côte d'Ivoire.

13. EVENTS SUBSEQUENT TO THE PERIOD ENDED JUNE 30, 2023

Charles Beaudry was appointed as a non-executive director effective July 13,2023.

14. FINANCIAL INSTRUMENTS AND RISKS

The Company's financial instruments consist, of cash, receivables and trade payables. Receivables are classified as financial assets at amortised costs which give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding.

Financial assets at amortised costs are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

The activities of the Company expose them to a variety of financial risks that arise as a result of their exploration, development and financing activities, including credit risk, liquidity risk and market risk.

This section presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included in the financial statements.

The Board of Directors of the Company oversees management's establishment and execution of the Company's risk management framework. Management has implemented and monitors compliance with risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

Credit risk
Credit risk is the risk of financial loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's' cash and cash equivalents, short-term investments and amount due from Cartier. The Company holds its key operational bank accounts with reputable banks of international financial institutions.

Liquidity and Financing risk
Liquidity and financing risk are the risks that the Company will encounter difficulty in raising capital funds and as a result experience difficulty in meeting its financial liabilities that are settled in cash or other financial assets. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities as they come due. Current liabilities as at June 30, 2023 include trade creditor balances related to the Odienné project which are funded in full by Newmont, as well as a balance of $164,156 to be settled by debt conversion following a vote of dis-interested shareholders at the upcoming Annual General Meeting ("AGM"). The Company is relying on the financial support of its larger creditors and employees which enables the Group to defer payments which would otherwise be due and payable.

The Company's ability to carry out its planned exploration activities and its ability to continually meet its obligations is dependent upon financing from its existing shareholders and new investors. However, should additional capital not be available, the combined group may be unable to continue as a going concern. Refer to *Section 7 – Liquidity and Capital Resources* section for further discussion on liquidity.

Market risk
Market risk is the risk that changes in market prices, such as equity prices and foreign exchange rates will affect the Company's income or the value of its financial instruments.

Foreign currency risk
Foreign currency risk is the risk that the Company financial performance will be affected by fluctuations in the exchange rates between currencies. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when expenses are denominated in currencies other than the respective functional currencies). The Company manages this foreign currency risk by matching payments in the same currency and monitoring movements in exchange rates.

Capital management
Capital of the Company consists of capital stock and deficit. The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern so it can acquire, explore and develop mineral

resource properties for the benefit of its shareholders. The Company manages its capital structure and makes adjustments based on the funds available to it in light of changes in economic conditions. The Board of Directors of the Company has not established quantitative return on capital criteria for management, but rather relies on the expertise of the management to sustain the future development of the Company. In order to facilitate the management of their capital requirements, the Company prepares annual expenditure budgets that consider various factors, including successful capital deployment and general industry conditions. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company is reasonable.

The Company's principal source of capital is from the issue of ordinary shares. In order to achieve its objectives, the Company intends to raise additional funds as required. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be available on acceptable terms.

The Company is not subject to externally imposed capital requirements and there were no changes to the Company's approach to capital management during the year.

It is management's opinion that the Company is not exposed to significant interest rate, currency or credit risk arising from these financial instruments.

15. ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

Changes in accounting policy
There have been no changes in accounting policies in the six months ended June 30, 2023.

New accounting standards
The new and amended accounting standards and interpretations effective for the period ended June 30, 2023 have been adopted by the Group and there has been no material impact on adoption.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. At this stage, it is not expected that these new accounting standards will have a material impact on the amounts reported in the Group's financial statements. Certain disclosures and presentation may change due to the new or amended standards.

Key Estimates
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are as follows:

Impairment of exploration and evaluation - Exploration and evaluation assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable through future exploitation or sale. Such circumstances include the period for which each company has the right to explore in a specific area, actual and planned expenditures, results of exploration, whether an economically-viable operation can be established and significant negative industry or economic trends.

Contractual obligation payable - The Company has assessed the contractual obligation to Sandstorm as being more likely than not to not continue past 10 years from inception.

16. FORWARD LOOKING STATEMENTS

The MD&A contains forward-looking information within Canadian securities laws (collectively "forward looking statements") concerning the anticipated developments in the Company's operations in future periods, its planned exploration activities, the adequacy of its financial resources and other events or conditions that may occur in the future. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Statements concerning mineral reserve and resource estimates may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the property is developed. Any statements that express or involve predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects", "anticipates", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential" or variations thereof, or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward looking information	**Assumptions**	**Risk factors**
The Company's anticipated plans, costs, timing and capital for future development of the Company's mineral exploration properties.	Financing will be available for future exploration and development of the Company's properties; the actual results of the Company's exploration and development activities will be favourable; operating, exploration and development costs will not exceed the Company's expectations; the Company will be able to retain and attract skilled staff; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions are favourable to the Company ; the price of precious and base metals and applicable interest and exchange rates will be favourable to the Company; no title disputes exist with respect to the Company's properties.	The Global impact of COVID-19 on stock markets, currencies and business activities globally may potentially have negative impacts on the Company's ability to raise capital funds, planned exploration programmes, cash flows and liquidity Precious and base metals price volatility; uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; availability of financing for and actual results of the Company's exploration and development activities; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff.
The Company's ability to carry out anticipated exploration on its mineral exploration properties.	The operating and exploration activities of the Company for the twelve months ending December 31, 2023, and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to the Company.	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions.
Plans, costs, timing and capital for future exploration and development of the Company's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations	Financing will be available for the Company's exploration and development activities and the results thereof will be favourable; actual operating and exploration costs will be consistent with the Company's current expectations; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company; the Company will not be adversely affected by market competition; debt and equity markets, exchange and interest rates and other applicable economic and political conditions	Precious and base metals price volatility, changes in debt and equity markets; timing and availability of external financing on acceptable terms; the uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and

Forward looking information	Assumptions	Risk factors
	are favourable to the Company; the price of precious and base metals will be favourable to the Company no title disputes exist with respect to the Company's properties.	political conditions; the Company's ability to retain and attract skilled staff.
Management's outlook regarding future trends.	Financing will be available for the Company's exploration and operating activities; the price of precious and base metals will be favourable to the Company.	Precious and base metals price volatility; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions
Prices and price volatility for precious and base metals.	The price of precious and base metals will be favourable; debt and equity markets, interest and exchange rates and other economic factors which may impact the price of precious and base metals will be favourable.	Changes in debt and equity markets and the spot price of precious and base metals; interest rate and exchange rate fluctuations; changes in economic and political conditions.

Inherent in forward looking statements are risks, uncertainties and other factors beyond the control of the Company's ability to predict or control. Please make reference to those risk factors referenced in the "Risk factors" section above. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and development are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements outlined in this MD&A.

Forward-looking statements include known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by the cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise review any forward-looking statements whether as a result of new information or future events or otherwise, except as may be require by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

17. BOARD

The Board of the Company comprise the following members:

- Mr Derk Hartman
- Mr Robin Birchall
- Mr Stephen Stewart
- Mr Charles Beaudry
- Mr Andrew Chubb

18. DISCLAIMER

The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. It should be read in conjunction and in context with all other disclosure documents of the company. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented.

19. ADDITIONAL INFORMATION

For further detail, see the Company's Audited Financial Statements and other documents available on SEDAR. www.sedar.com.