MONTAGE GOLD CORP.

ANNUAL REPORT

For the Year Ended

December 31, 2021

MONTAGE GOLD CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021
(Amounts in Canadian Dollars unless otherwise indicated)

The following management's discussion and analysis ("MD&A") of Montage Gold Corp. ("Montage" or the "Company") should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2021 and related notes therein. The financial information in this MD&A is reported in Canadian dollars unless otherwise indicated and is derived from the Company's consolidated financial statements prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). The effective date of this MD&A is April 7, 2022. Additional information about the Company and its business activities is available on SEDAR at www.sedar.com and the Company's website www.montagegoldcorp.com.

BUSINESS OVERVIEW

Montage is a Mineral Resource company engaged in the exploration and development of mineral properties in Côte d'Ivoire which include the Koné Gold Project (previously named the Morondo Gold Project), the Korokaha Gold Project, and the Bobosso Gold Project (collectively, the "Montage Properties"). As at the date hereof, Montage's sole material asset is the Koné Gold Project. On February 14, 2022, Montage released the results of a definitive feasibility study ("DFS") on the Koné Gold Project which included a maiden Mineral Reserve estimate of 3.42 million ounces of gold and an after-tax net present value (5% discount rate) of US$746 million and after-tax IRR of 35%, both calculated using a US$1,600/oz gold price. The continued operations of Montage and the recoverability of the amounts shown for the Montage Properties is dependent upon, among other things, the existence of economically recoverable Mineral Reserves, the ability of Montage to obtain necessary financing to complete the exploration and development of such properties and upon future profitable production from or disposition of such properties.

Montage Gold Corp. was incorporated under the Business Corporations Act (British Columbia) on July 4, 2019, as a wholly-owned subsidiary of Orca Gold Inc ("Orca").

On July 17, 2019, Montage, Avant Minerals Inc ("Avant"), and Progress Minerals International Inc ("Progress") entered into the Share Purchase Agreement that contemplated the consolidation of: (i) the mineral interests of Orca located in Côte d'Ivoire; (ii) the mineral interests of Avant located in Côte d'Ivoire and Burkina Faso; and (iii) cash held by Avant.

On July 23, 2019, pursuant to the Orca Spin-Out: (i) all of the shares of Ghazal Resources Inc., a former indirect wholly-owned subsidiary of Orca, were transferred to Montage; and (ii) Montage issued 33,000,000 Common Shares to a subsidiary of Orca, which were subsequently transferred to and are now held by Orca.

On August 27, 2019, Montage, Avant, and Progress completed the Avant Transaction pursuant to the Share Purchase Agreement. Under the Avant Transaction, Montage acquired all of the issued and outstanding shares of Progress Minerals, being a wholly-owned subsidiary of PMII and an indirect subsidiary of Avant, existing under the laws of the British Virgin Islands, in exchange for 22,000,000 Common Shares.

On August 27, 2019, the Montage Shareholders Agreement was entered into among Montage, Orca, and Progress and Montage completed a private placement of $8.2 million, pursuant to which Montage issued 18,226,374 Common Shares at $0.45 per share. Additionally, 250,000 Common Shares were issued as an advisory fee in respect of the Avant Transaction at a deemed price of $0.40 per Common Share. Following this transaction Orca's ownership in Montage decreased to 45%, however Montage remained a subsidiary of Orca based on Orca's ability to control the appointment of key management personnel, make operating decisions and also its level of representation on the board of directors.

On October 23, 2020, Montage closed its initial public offering of an aggregate of 27,272,728 common shares at a price of $1.10 per share for total proceeds of $30 million and commenced trading on the TSXV under the ticker symbol MAU. Montage granted the underwriters an over-allotment option exercisable in whole or in part at their sole discretion for a period of 30 days following the closing of the offering, to purchase up to an additional 15% of the common shares at the offering price issued as part of Montage's initial public offering. On October 30, 2020 the underwriters fully exercised their over-allotment option to acquire an additional 4,090,909 shares at the offering price resulting in additional aggregate gross proceeds of approximately $4.5 million.

Following the Montage IPO, Orca's percentage ownership in Montage decreased from 45% to 31.5% and Orca entered into a new investor rights agreement with Montage replacing the initial shareholders agreement between Orca and Avant. Under the investor agreement Orca has the right to appoint a single director to the board of directors if it has a 15% ownership percentage in Montage and can appoint up to three directors if it has a 20%, or greater, ownership interest in Montage. The Montage board is currently comprised of six directors. With Orca's reduced board representation and ownership percentage, Orca has significant influence, rather than control over the Company.

On November 3, 2020 Montage completed the disposal of its 51% interest in its Burkina Faso properties to Predictive Discovery Limited ("Predictive") in exchange for 4,028,477 Predictive shares with a fair value of $0.2 million at the date of transaction.

SUMMARY OF GOLD PROJECTS

Koné Gold Project (formerly the Morondo Gold Project)

The Koné Gold Project includes the Koné Exploration Permit (PR 262), the Farandougou Exploration Permit (PR 748) the Sissiplé Exploration Permit (pending documentation) and two Exploration Permit applications located in the area near the Koné Exploration Permit. The Koné Exploration Permit lies within the sous-prefectures of Kani and Morondo around 470 km northwest of the capital Abidjan. The Koné Exploration Permit was granted to Red Back Mining (Côte d'Ivoire) SARL, a wholly owned subsidiary of Kinross, in 2013. In February 2017, Orca executed a share purchase agreement with two wholly-owned subsidiaries of Kinross to acquire the Koné Exploration Permit as part of a wider package of two permits and five permit applications in Côte d'Ivoire. In August 2019, Orca transferred its assets in Côte d'Ivoire into Montage. The Koné Exploration Permit was renewed for three years in March 2016 and in March 2019 was renewed for a further three years. Montage has submitted an application for a further two-year extension of the Koné Exploration Permit to March 2024 which is applicable within the Mining Code given that the Project is now at the feasibility stage.

Following completion of the initial public offering in October 2020, Montage commenced a drill campaign designed to expand Inferred Mineral Resources at the Koné Gold Project. This drill campaign was completed in December 2020 and included 6,815m of RC drilling and 10,601m of DD drilling. Following completion of that drill program an updated Inferred Mineral Resource estimate was calculated and released on January 28, 2021 which comprised of 211Mt grading 0.59g/t for 4.00Moz of gold at a cut-off grade of 0.20g/t.

The January 2021 Mineral Resource Estimate was used as the basis for a preliminary economic assessment ("PEA") on the Koné Gold Project which was released on May 25, 2021. The PEA outlined a large-scale, low-cost open pit operation at the Koné Gold Project with a mine life of approximately 15 years producing a total of 3.0 million ounces of gold over the life of mine. The economic metrics of the PEA were strong and supported the decision by management to continue towards the completion of a definitive feasibility study.

From January 2021 through the end of July 2021, Montage executed a 60,155m infill and expansion drill campaign at the Koné Gold Project with the objective to expand existing Inferred Mineral Resources and to upgrade them to the Indicated Mineral Resource category. On August 19, 2021, Montage released an updated Mineral Resource Estimate at the Koné Gold Project which included a maiden Indicated Mineral Estimate of 225Mt grading 0.59g/t for 4.27Moz at a cut-off grade of 0.20g/t and additional Inferred Mineral Resources of 22Mt grading 0.45g/t for 0.32Moz at a cut-off grade of 0.20g/t.

On February 14, 2022, Montage released the results of a definitive feasibility study ("DFS") for the Koné Gold Project which confirmed a large-scale, long-life, low-cost gold project with several economic improvements over the PEA from May 2021. Using the same gold price assumption of $1,600/oz, the after-tax net present value (5% discount rate) increased to $745 million, and the after-tax IRR increased to 35%. These improvements were achieved amid an inflationary environment for energy and capital costs and demonstrated the benefits of scale and the relative simplicity of the Koné Gold Project, contributing to its overall low cost profile.

As at the date hereof, Montage is now focusing on district exploration within the broader area of the Koné Gold Project with the objective of identifying high-grade satellite pits to supplement the large scale, lower grade Koné deposit. The most advanced satellite target is the nearby Petit Yao Central prospect that sits 8km east of the Koné deposit which has generated numerous high-grade drill results with recent drilling (see March 18, 2022 press release). Montage's exploration strategy is to explore within a 75km radius of the Koné deposit for satellite pits.

Montage has also engaged a financial advisor to launch a project finance mandate for the Koné Gold Project in parallel with the ongoing permitting efforts of the Company.

Other Exploration Properties

The Company's other mineral properties include the Korokaha Gold Project and the Bobosso Gold Project, as described below.

Property	Description
Korokaha Gold Project	The Korokaha South permit is a new permit issued to the Company on April 22, 2020 for an initial term of four years. It covers an area of 353 km^2.
Bobosso Gold Project	The Bobosso Gold Project includes the Wendéné permit (297.8km^2) and previously included the Bassawa permit, which was relinquished back to the government based on a re-assessment of previous exploration work. The Wendéné prospect (within the Wendéné permit) lies on the southern extension of the Houndé Greenstone belt. The Wendéné permit was issued on October 9, 2015 and renewed on December 11, 2019 valid from December 9, 2019 for 3 years.

OUTLOOK

The Company continues to manage and respond to the COVID-19 pandemic and has implemented preventative measures to ensure the safety of its workforce, local communities and other key stakeholders. The Company has not experienced delays to its drilling programs, or other activities at the Koné Gold Project as a result of COVID-19, however the situation in Côte d'Ivoire as a result of the COVID-19 pandemic continues to evolve and it is possible that prior restrictions will be put back in force, or new restrictions introduced that may require the Company to cease exploration activities.

Given the uncertainty of the duration and magnitude of the impact of COVID-19 there may be a material adverse effect on global economic activity and could result in volatility and disruption to global supply chains and the financial and capital markets, which could affect the business, financial condition, results of operations and other factors relevant to the Company, including its ability to raise additional financing.

Following the completion of the DFS, the Company remains focused on advancing the Koné Gold Project within three primary strategies: exploration, permitting and project financing.

District scale exploration efforts are currently being conducted. The objectives of this program are to identify and advance satellite pit targets that are within trucking distance of the Koné deposit.

On the permitting front, the ESIA is nearing completion and is expected to be submitted in Q2 2022, following which the Government validation process will commence. In parallel, the Company will also begin drafting the Mining Permit Application and the Mining Convention.

Montage has also awarded the project finance mandate for the Koné Gold Project to HCF International Advisers Ltd., a leading independent corporate finance advisory boutique based in London, UK with a primary focus on the global mining and metals sector with a strong history raising finance for projects located in Africa.

With the receipt of the Farandougou Exploration Permit, the Company has now more than doubled its available exploration area to 661,5km2 around the Koné Gold Project, with exploration permits issued that cover 661.5km^2. Notably, there is no record of prior exploration at the Farandougou Exploration Permit, while there are indications of several major structures running through the area. The Company has completed a reconnaissance soil geochemistry programme over priority areas in conjunction with geological and regolith mapping. Results are expected early in Q2.

The Company also recently received notice that its Sissiplé Exploration Application has been approved. This land sits adjacent to the Farandougou Exploration Permit covering 321.6km^2 and has no prior recorded history of exploration. There are several major structures that cross through the Sissiplé area that are known to contain significant anomalism.

SELECTED ANNUAL FINANCIAL INFORMATION

	Dec - 21	Dec - 20	Dec - 19
Revenue ($000's)	Nil	Nil	Nil
Exploration costs ($000's)	19,586	7,170	3,144
Total net loss ($000's)	23,490	10,388	5,336
Net loss attributed to the Company' shareholders ($000's)	23,490	10,388	5,058
Net loss per share attributed to the Company's shareholders basic and diluted ($)	$0.22	$0.13	0.15
Total assets ($000's)	23,410	46,694	21,935
Total current financial liabilities ($000's)	1,101	2,118	863

Year ended December 31, 2021 compared to year ended December 31, 2020

For the year ended December 31, 2021, Montage incurred a loss of $23.4 million (2020: $10.4 million). Exploration costs for the year ended December 31, 2021 were $19.6 million (2020: $7.2 million). Exploration costs were $12.4 million higher than the prior year reflecting the extensive drill program of 60,155 metres at Koné with the objective to increase its existing Inferred Mineral Resources and to upgrade them to the Indicated Mineral Resource category.

Administration costs were $3.9 million for the year ended December 31, 2021 (2020: $2.9 million). The increase in administration costs is largely due to an increase in management and consulting costs of $0.7 million due to full year of director fees, the appointment of Montage's Chief Operating Officer as well as higher stock based compensation of $0.8 million due.

SUMMARY OF QUARTERLY FINANCIAL RESULTS

	Dec - 21	Sept - 21	June - 21	Mar - 21	Dec - 20	Sept - 20	June -20	Mar - 20
Revenue ($000's)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Exploration costs ($000's)	2,106	2,567	7,599	7,315	3,374	1,551	905	1,340
Total net loss ($000's)	3,386	3,418	8,533	8,153	5,254	2,230	1,165	1,739
Net loss attributed to the Company's shareholders ($000's)	3,386	3,418	8,533	8,153	5,585	2,189	1,111	1,503
Net loss per share attributed to the Company's shareholders basic and diluted ($)	0.03	0.03	0.08	0.08	0.06	0.03	0.02	0.02
Total assets ($000's)	23,410	26,175	31,517	41,013	46,694	18,269	19,653	20,361
Total current financial liabilities ($000's)	1,101	695	3,375	4,544	2,118	863	577	643

As a junior mining company, Montage has no expectation of generating operating profits until it develops a commercially viable mineral deposit.

During Q1, 2020, exploration activity was comprised of 574.6m of core drilling and 2,687m of shallow reverse circulation drilling in the Morondo Exploration Permit and a short sampling program on the Korokaha North Exploration Permit. As a result of the COVID-19 pandemic the Company ceased operations in the Morondo Exploration Permit on March 27, 2020 based on the government's guidelines and health authorities imposing restrictions in the country. During Q2 based upon Government's guidelines and lifting of restrictions by health authorities, Montage recommenced its exploration at Koné. The Company also completed some work at the Wendéné Exploration Permit.

Following completion of the initial public offering in October 2020, Montage commenced a drill campaign designed to expand Inferred Mineral Resources at the Koné Gold Project. Following completion of that drill program an updated Inferred Mineral Resource estimate was calculated and released on January 28, 2021 which comprised of 128Mt grading 0.80g/t for 3.16Moz of gold at a cut-off grade of 0.40g/t.

The Company completed its exit from Burkina Faso following the sale of its entities to Predictive Discovery Limited on November 3, 2020, reporting a loss from discontinued operations of $0.4 million.

During Q1, 2021 the Company advanced its drilling campaign at the Koné Gold Project as well the required studies and workstreams for the completion of the PEA. Total exploration costs were $7.3 million (2020: $1.3 million), with 87% being drilling and sampling costs. Prior year exploration costs for Q1 2020 included $0.5 million for Burkina Faso.

Administration costs, excluding share-based compensation, for the period ended March 31, 2021 was $0.5 million (2020: $0.3 million). The increase in administration costs is largely due to an increase in management costs following the Company's IPO.

During Q2 2021, the Company completed its PEA for the Koné Gold Project. Total exploration costs during Q2 were $7.6 million (2020: $0.9 million) and were largely for drilling and sampling work at a cost of $6.5 million. Exploration costs for the six months to June 30, 2021 were $14.9 million (2020: $2.2 million) which were incurred to complete the Company's 60,000m drill program. Administration costs were $1.0 million during Q2 2021 (2020: $0.4 million). The increase in administration costs compared to the prior year reflect an increase in management costs following the Company's IPO and an increase in D&O insurance costs for 2021.

Total exploration costs during Q3 2021 were $2.6 million (2020: $1.6 million). During July 2021, the Company completed its infill drilling program at the Koné Gold Project. This program commenced in January 2021 and included a total of 61,172m of drilling (41,682m of core and 19,490m of RC drilling).

Exploration costs in Q4 2021 were $2.1 million (2020: $1.5 million), largely to complete the Koné Gold Project DFS for $1.1 million and personnel and exploration support costs of $1.0 million.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2021, the Company had a consolidated cash balance of $9.8 million (December 31, 2020: $32.7 million).

The source and use of funds from the Company's IPO to December 31, 2021 compared to the amounts disclosed in the prospectus are as follows.

	Montage Prospectus	**Actual Source of Funds and Expenditures to December 31, 2021**
Total Source of Funds	**31,955,066**	**36,759,237**
Expenditures:		
Koné Gold Project Phase I: Preliminary Economic Assessment	6,500,000	4,552,099
Koné Gold Project Phase 2: Feasibility Study	11,400,000	14,762,307
Other exploration on Montage Properties	900,000	71,041
Cote d'Ivoire indirect operating costs and overhead	4,400,000	4,211,588
General corporate and working capital purposes	8,755,066	4,488,721
Total Expenditures	**31,955,066**	**28,085,756**

The Company's expenditures for the Koné Gold Project PEA and Feasibility Study was $19.3 million compared to projected costs of $17.9 million. Expenditure on other exploration properties were $0.8m lower than projected as the Company focused on completing the Koné Gold Project PEA and Feasibility Studies. The corporate expenditures of $5.3 million less that the projected use of proceeds largely reflects the increased source of funds raised as part of the IPO which have not been spent. The Company is forecast to spend these remaining proceeds on its drilling program in 2022 to identify and advance satellite pit targets that are within trucking distance of the Koné deposit as well the two permits awarded to the Company during 2021.

OFF BALANCE SHEET ARRANGEMENTS

The Company did not have any off-balance sheet arrangements as at December 31, 2021 or as of the date of this MD&A.

RELATED PARTY TRANSACTIONS

The related parties with which the Company has transacted during the year ended December 31, 2021 was Geodex Consultants Ltd. ("Geodex"). Geodex is related by virtue of their proprietor being a director and officer of the Company. Montage is an associate of Orca and therefore Orca is a related party. There were no related party transactions between Orca and Montage during the year.

Related party transactions occur and are recorded at the amounts agreed between the parties.

a) Services received from related parties

	Related party	Year ended December 31, 2021	Year ended December 31, 2020
Geological consulting	Geodex	44,223	26,895
Total services received from related parties		**44,223**	**26,895**

The Company did not have any amounts due to related parties as at December 31, 2021 or December 31, 2020.

b) Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's directors and executive officers.

The remuneration of key management personnel is as follows:

	Year ended December 31, 2021	Year ended December 31, 2020
Salaries and management fees	1,052,532	640,632
Short term benefits	23,492	16,998
Directors fees	264,967	49,623
Stock-based compensation	1,055,343	439,941
Total key management compensation	**2,396,334**	**1,147,194**

The increase in salaries and management fees of $0.4 million during 2021 compared to the prior year reflects the full year cost allocation for management compensation post the Companies listing in October 2020, recruitment of the Company's Chief Operating Officer during 2021 and a full year of director fees.

MANAGEMENT OF FINANCIAL RISK

The Company's financial instruments are exposed to certain financial risks, including currency, credit, liquidity risk.

a) Currency risk

Foreign currency risk can arise when the Company or its subsidiaries transact in currencies other than their functional currencies. As at December 31, 2021, the Company's Ivorian operating subsidiary's largest foreign currency risk exposure was a net financial liability denominated in West African Franc which is pegged to the Euro of 0.2 million. A 10% change in the foreign exchange rate between the European Euro would give rise to increases/decreases of approximately $0.02 million in financial position/comprehensive loss.

b) Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The majority of the Company's cash is held in large financial institutions with a high investment grade rating. The expected credit loss related to these assets is negligible.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's financial liabilities are comprised of accounts payable and accrued liabilities. The Company frequently assesses its liquidity position by reviewing the timing of amounts due and the Company's current cash flow position to meet its obligations. The Company manages its liquidity risk by maintaining sufficient cash and cash equivalents balances to meet its anticipated operational needs. The Company's accounts payable and accrued liabilities arose as a result of exploration and development of its exploration and evaluation assets and other corporate expenses.

The maturities of the Company's financial liabilities as at December 31, 2021 are as follows:

	Total	Less than 1 year	1-5 years	More than 5 years
Accounts payable and accrued liabilities	1,100,936	1,100,936	-	-

OUTSTANDING SHARE DATA

As at the date of this MD&A, the Company had 105,340,004 Common Shares issued and outstanding and 8,750,000 Options outstanding under the Stock Option Plan.

SUBSEQUENT EVENT

On March 3, 2022, 300,000 stock options were exercised for proceeds of $135,000.

RISKS AND UNCERTAINTIES

The operations of the Company are speculative due to the high risk nature of its business which includes the acquisition, financing, exploration, development and operation of mining properties. The Company has identified the following risks relevant to its business and operations, which could materially affect the Company's operating results, financial performance and the value of the Common Shares. Prospective investors should carefully consider their personal circumstances and consult their broker, lawyer, accountant or other professional adviser before making an investment decision. The information below does not purport to be an exhaustive summary of the risks affecting the Company, and additional risks and uncertainties not currently known to the Officers or Directors of the Company or not currently perceived as being material may have an adverse effect on the business of the Company.

Political risks and associated security risks

Presidential elections were held in Côte d'Ivoire on October 31, 2020. The election, boycotted by the opposition, saw the re-election of incumbent Alassane Ouattara for a third term. President Quattara has been President since March 2010 and was nominated again by his party after its previous nominee, Prime Minister Amadou Coulibaly, died from a heart attack in July 2020. The opposition party opposed the validity of his candidacy for a third term as President due to Côte d'Ivoire's 2016 Constitution explicit limit of two terms for a President to hold office.

Côte d'Ivoire experienced a period of moderate civil unrest around the October 2020 Presidential election but this did not affect the completion of the Company's exploration programs. Since the October 2020 elections the various political groups are engaging in dialogue with the Government with a view to the 2025 elections. Whilst the Company believes the outlook is positive as a result of that dialogue, future political instability could potentially impact investor confidence, which may result in deterioration of the Company's valuation and Common Share price.

There is ongoing risk of political and/or economic instability in Côte d'Ivoire

In addition to the near-term risks associated with elections in Côte d'Ivoire, any future political and/or economic instability in the country may trigger civil unrest that may result in the suspension of the Company's activities at the Montage Properties for an extended period of time. Even if the Company is able to maintain its operations, market perception of country risk may persist and lead to a deterioration in the valuation of the Common Shares.

There is a potential for terrorist activity in Côte d'Ivoire

Côte d'Ivoire shares borders with several West African countries, including Mali and Burkina Faso, both of which are experiencing elevated levels of terrorist activity in recent years. At the present time, the threat of terrorist activities in Côte d'Ivoire appears low, however that may change in the future and may force the Company to suspend operations and remove its employees from the country for an extended period of time during period of heighten risk.

Exploring mineral properties is high risk, and an investment in the Company is speculative with a potential loss of entire investment

The success of the Company is significantly dependent on its management

The success of the Company is currently largely dependent on the performance of its Directors and Officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its Directors, Officers or other qualified personnel required to operate its business. As the Company's business activity grows, the Company will require additional key financial, administrative and mining personnel as well as additional operations staff. There can be no assurance that these efforts will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increases. If the Company is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on the Company's operations and financial condition.

The Company has a limited business history, and there is no assurance of revenues

The Company has only recently commenced exploration operations, does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its Common Shares since incorporation and does not anticipate doing so in the foreseeable future.

The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. There is no assurance that the Company can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

There is no timeline established as to when revenue may be generated for operations of the Company, if ever. There can be no assurance that any revenue can be generated or that other financing can be obtained. If the Company is unable to generate such revenue in the future or obtain such additional financing, any investment in the Company may be lost. In such an event, the probability of resale of Common Shares purchased would be significantly diminished.

Exploration, development, construction and operation of mining properties requires substantial capital which exposes the Company and the Montage Shareholders to significant financing risks and shareholder dilution

Sources of capital and project financing

The exploration and development of mineral properties and any operation of mines and facilities requires a substantial amount of capital and the ability of the Company to proceed with any of its plans with respect thereto depends on its ability to obtain financing through joint ventures, equity financing, debt financing or other means. To fund activities, including certain exploration, evaluation and development activities, the Company anticipates that it will require additional financing. General market conditions, volatile gold markets, a claim against the Company, a significant disruption to the Company's business or operations or other factors may make it difficult to secure financing necessary to fund the substantial capital that is typically required in order to continue to advance a mineral project, such as the Morondo Gold Project, through the testing, permitting and feasibility processes to a production decision or to place a property into commercial production. Similarly, there is uncertainty regarding the Company's ability to fund additional exploration or the acquisition of new projects. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the Morondo Gold Project or any other mineral properties in which the Company may hold an interest. While the Company may generate additional working capital through equity or debt offerings or through the sale or possible joint-venture of its one or more of its mineral properties, there is no assurance that any such funds will be available. The ability of the Company to arrange such financing in the future will depend in part upon prevailing capital market conditions, as well as the business success of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. Failure to obtain additional financing could result in delay or indefinite postponement of further exploration and development or forfeiture of some rights in the Company's mineral properties.

There is no assurance that the Company will be successful in obtaining required financing as and when needed on acceptable terms, and failure to obtain such additional financing could result in the delay or indefinite postponement of any or all of the Company's exploration, development or other growth initiatives. If additional financing is raised by the issuance of Common Shares or other securities from treasury, control of the Company may change, and such additional financing may result in substantial dilution to Montage Shareholders. At present it is impossible to determine what amounts of additional funds, if any, may be required.

Global financial conditions may impact the Company's ability to raise additional funds

Global financial conditions continue to be subject to volatility arising from international geopolitical developments and global economic phenomenon, as well as general financial market turbulence, including but not limited to a significant recent market reaction to the novel coronavirus (COVID-19) pandemic, resulting in a significant reduction in in many major market indices. Access to public financing and credit can be negatively impacted by the effect of these events on Canadian and global credit markets. The health of the global financing and credit markets may impact the ability of the Company to obtain equity or debt financing in the future and the terms at which financing, or credit is available to the Company. These instances of volatility and market turmoil could adversely impact the Company's operations and the trading price of the Common Shares. The adverse effects on the capital markets generally make the raising of capital by equity or debt financing much more difficult and the Company is dependent upon the capital markets to raise financing. Any of these events, or any other events caused by turmoil in world financial markets, may have a material adverse effect on the Company's business, operating results, and financial condition.

COVID-19 pandemic is impacting the global economy

Global markets have been adversely impacted by emerging infectious diseases and/or the threat of outbreaks of viruses, other contagions or epidemic diseases, including the COVID-19 virus and its variants. The speed and extent of the spread of an infectious disease, including COVID-19 and its variants, and the duration and intensity of resulting business disruption and related financial and social impact, are uncertain, and such adverse effects may be material. Significant outbreaks could result in a widespread crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn which could adversely affect the Company's business and the market price of the Company's common shares. Many industries, including the mining industry, have been impacted by these market conditions. If increased levels of volatility should occur over an extended period, or in the event of a rapid destabilization of global economic conditions, it may result in a material adverse effect on commodity prices, demand for metals, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business and the market price of the Company's securities. In addition, there may not be an adequate or effective response to emerging or sustained outbreaks of infectious diseases and governments may impose strict emergency measures in response to the threat or existence of an infectious disease. There are potentially significant economic and social impacts, including travel bans, quarantine and self-isolation, labor shortages and shutdowns, delays and disruption in supply chains, social unrest, government or regulatory actions or inactions (including but not limited to permanent changes in taxation or policies), While the Company closely monitors and takes proactive measures to mitigate the direct effects of infectious diseases and virus outbreaks in the workplace, at this time, the Company cannot accurately predict what effects large scale outbreaks or pandemics will have on its operations or financial results, including due to uncertainties relating to the ultimate geographic spread, the duration of the outbreak, and the length of restrictions or responses that have been or may be imposed by the governments

Estimating Mineral Reserves and Mineral Resources is risky, and the results of future exploration and development programs may not be consistent with the results and estimates included in the Technical Report on the Company's mineral properties

The Company's Mineral Resources are estimates only, and no assurance can be given that the anticipated tonnages and grades reported in the Technical Report will be achieved, or that estimated Mineral Resources can or will be mined or processed profitably. The results of future exploration and development programs may not be consistent with the results and estimates included in the Company's NI 43-101 technical reports on the Company's mineral properties. The Company's Mineral Resource estimates may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing and other factors that are currently unknown. There are numerous uncertainties inherent in estimating Mineral Resources, including many factors beyond the Company's control. Estimation is a subjective process, and the accuracy of the Company's Mineral Resource estimate is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation of that data and the level of congruence with the actual size and characteristics of the Company's deposits. These estimates may require adjustments or downward revisions based upon further exploration or development work, drilling or actual production experience.

Fluctuations in gold prices, results of drilling, metallurgical testing and production, the evaluation of mine plans after the date of any estimate, permitting requirements or unforeseen technical or operational difficulties may require revision of the Company's Mineral Resource estimates. Prolonged declines in the market price of gold may render relatively lower grades of mineralization uneconomical to recover. Mineral Resource estimates are based on drill hole information, which is not necessarily indicative of conditions between and around the drill holes. Accordingly, such estimates may require revision as more geologic and drilling information becomes available. Should reductions in Mineral Resources occur, the Company may be required to take a material write-down of its assets or delay the development of deposits, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows and prospects. There is a high degree of uncertainty in estimating Mineral Resources and of the grades and tonnage that are forecast to be in a deposit and, as a result, the grade and volume of gold that the Company mines, processes and recovers, will likely not be the same as suggested by the estimate. Any material reductions in estimates of Mineral Resources could have a material adverse effect on the Morondo Gold Project and the Company's business, financial condition, results of operations, cash flows or prospects.

Mineral Resources are not Mineral Reserves and have a greater degree of uncertainty as to their existence and feasibility. Mineral Resources that are in the Inferred category are even more risky. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Due to the uncertainty and speculative nature of Inferred Mineral Resources, economic considerations cannot be applied to this category. The extent that Inferred Mineral Resources will be converted to the Indicated Mineral Resource categories through further drilling cannot be guaranteed, nor can any assurances be given that Inferred Mineral Resources will be converted into Mineral Reserves once economic considerations are applied.

Exploration and development is speculative and may not result in profitable mining operations

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and other factors such as political instability in the local jurisdictions, government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital.

There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of gold or other metals. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration and development programs, which may be affected by a number of factors. Substantial expenditures are required to establish Mineral Resources and Mineral Reserves through drilling and subsequent economic evaluation activities and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

The Company is in the business of exploring mineral properties, which is a highly speculative endeavour. A purchase of the Common Shares of the Company involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the Common Shares should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their entire investment. Prospective purchasers should evaluate carefully the risk factors associated with an investment in the Common Shares prior to making any purchase.

The future price of gold is uncertain and may be lower than expected

The price of gold realized by the Company will affect future production levels, earnings, cash flows and the financial condition of the Company. The price of gold is affected by numerous factors beyond the Company's control, including: (i) the strength of the Canadian and U.S. economies and the economies of other industrialized and developing nations; (ii) global or regional political or economic conditions; (iii) the relative strength of the Canadian and U.S. dollars and other currencies; (iv) expectations with respect to the rate of inflation; (v) current and expected interest rates and exchange rates; (vi) actual and anticipated purchases and sales of gold by central banks, financial institutions and other large holders, including speculators; (vii) demand for jewelry containing gold; (viii) investment activity, including speculation, in gold as a commodity or as a hedge against currency devaluation; and (ix) supply and demand dynamics, including the cost of substitutes, inventory levels and carrying charges.

The gold price has fluctuated widely in recent years, and future material price declines could cause any development of the Morondo Gold Project to be delayed and could render it uneconomic, even if Mineral Reserves are later estimated to exist. Depending on the current and expected price of gold, projected cash flows from any planned mining operations may not be sufficient to warrant commencing mining, and the Company could be forced to discontinue development or, if commenced, to discontinue commercial production. The Company may be forced to sell one or more portions of the Morondo Gold Project to generate cash. Future production from the Morondo Gold Project will be dependent on a price of gold that is adequate to make a deposit economically viable. The occurrence of any of the foregoing could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

A declining or sustained low price of gold could negatively impact the Company by requiring a reassessment of the feasibility of the Morondo Gold Project. If such a reassessment determines that the Morondo Gold Project is not economically viable in whole or in part, then operations may cease or be curtailed and the Morondo Gold Project may never be fully developed or developed at all. Even if the Morondo Gold Project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed. The occurrence of any of the foregoing could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Operations will be subject to fluctuating mineral prices and currency risk

The ability of the Company to raise funds to continue exploration of the mineral properties in which it has an interest will be significantly affected by changes in the market price for raw materials. Prices for precious and other metals fluctuate on a daily basis, have historically been subject to wide fluctuations and are affected by numerous factors beyond the control of the Company such as global demand growth, world mine supply dynamics, currency fluctuations, interest rate changes, capital availability, speculative activities, and political developments. The effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not being able to continue its planned exploration programs. Declining market prices for these metals could materially adversely affect the Company's operations and financial condition. Factors beyond the control of the Company may affect the marketability of metals discovered, if any.

In addition, currency fluctuations may impact the Company's financial performance. The Company's costs and expenses are incurred in CFA Franc, Canadian and U.S. dollars, Great Britain Sterling, and other foreign currencies. As a consequence, fluctuations in exchange rates may have a significant effect on the Company's cash balance in either a positive or negative direction. In addition, currency fluctuations may affect the cash flow which the Company may realize from its operations.

Commercial viability may not be achieved even with an acceptable gold price

The Company's ability to complete any future development work and commence a profitable commercial mining operation at the Morondo Gold Project will depend upon numerous factors in addition to a favourable gold price and a positive economic forecast, many of which are beyond its control, including the adequacy of infrastructure, geological characteristics, prolonged periods of severe weather or political instability, metallurgical characteristics of Mineral Reserves, the availability of processing capacity, the availability of storage capacity, the availability of equipment and facilities necessary to complete development, the cost of consumables and mining and processing equipment, technological and engineering problems, accidents or acts of sabotage or terrorism, currency fluctuations, the availability and productivity of skilled labour, the regulation of the mining industry by various levels of government and quasi-governmental organizations and political factors. Furthermore, significant cost overruns could make the Morondo Gold Project uneconomical. Accordingly, notwithstanding future positive results of any estimation of Mineral Reserves, there is a risk that the Company will be unable to complete development work and commence a commercial mining operation at the Morondo Gold Project, which would have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Mining operations are very risky

The Company's current business, and any future development or mining operations, involve various types of risks and hazards typical of companies engaged in the mining industry. These risks affect the current exploration and development activities of the Company and will affect the Company's business to an even larger extent once commercial mining operations commence. Such risks include, but are not limited to: (i) industrial accidents; (ii) unusual or unexpected rock formations; (iii) structural cave-ins or slides and pitfall, ground or slope failures and accidental release of water from surface storage facilities; (iv) fire, flooding and earthquakes; (v) rock bursts; (vi) metals losses; (vii) periodic interruptions due to inclement or hazardous weather conditions; (viii) environmental hazards; (ix) discharge of pollutants or hazardous materials; (x) failure of processing and mechanical equipment and other performance problems; (xi) geotechnical risks, and unusual and unexpected geological conditions; (xii) unanticipated variations in grade and other geological problems; (xiii) disruption of power and water supply; (xiv) labour disputes or slowdowns; (xv) workforce health issues as a result of working conditions; (xvi) metallurgy; (xvii) supply chain/logistics disruption; (xviii) civil strife; (xix) pandemics; (xx) weather conditions; and (xxi) force majeure events, or other unfavourable operating conditions.

These risks, conditions and events could result in: (i) damage to, or destruction of the value of, the Company's facilities; (ii) personal injury or death; (iii) environmental damage to the Morondo Gold Project, surrounding lands and waters, or the properties of others; (iv) delays or prohibitions on mining or the transportation of minerals; (v) monetary losses; and (vi) potential legal liability. Any of the foregoing could have a material adverse effect on the Company's business, financial condition, results of operation or prospects. In particular, development and exploration activities present inherent risks of injury to people and damage to equipment. Significant mine accidents could occur, potentially resulting in a complete shutdown of the Company's operations at the Morondo Gold Project which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

There are also risks related to the reliance on the reliability of current and new or developing technology; the reliance on the work performance of outside consultants, contractors, and manufacturers; changes to project parameters over which the Company does not have complete control such as the gold price or labour or material costs; unknown or unanticipated or underestimated costs or expenses; unknown or unanticipated or underestimated additions to the scope of work due to changing or adverse conditions encountered as a mine is developed; unexpected variances in the geometry or quality of ore zones; unexpected reclamation requirements or expenses; permitting timelines; unexpected or unknown ground conditions; unexpected changes to estimated parameters utilized to estimate past timelines, projections, or costs; and liquidity risks. An adverse change in any one of such factors, hazards and risks may result in a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Operations during mining cycle peaks are more expensive

During times of increased demand for metals and minerals, price increases may encourage expanded mining exploration, development and construction activities. These increased activities may result in escalating demand for and cost of contract exploration, development and construction services and equipment. Increased demand for and cost of services and equipment could cause exploration and project costs to increase materially, resulting in delays if services or equipment cannot be obtained in a timely manner due to inadequate availability, and increased potential for scheduling difficulties and cost increases due to the need to coordinate the availability of services or equipment, any of which could materially increase project development or construction costs, result in project delays, or increase operating costs.

The Company's insurance coverage may be inadequate and result in losses

The Company's business is subject to a number of risks and hazards. In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. Although the Company maintains insurance and intends to obtain certain additional insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its activities, including any future mining operations. The Company may also be unable to obtain or maintain insurance to cover its risks at economically feasible premiums, or at all. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration or production may not be available to the Company on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it is not currently insured against and/or in future may not insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The Company may fail to comply with the law or may fail to obtain or renew necessary permits and licences

The Company's exploration operations are subject to extensive laws and regulations governing, among other things, such matters as environmental protection, management and use of toxic substances and explosives, health, exploration and development of mines, production and post-closure reclamation, safety and labour, taxation and royalties, maintenance of leases and claims, and expropriation of property. The activities of the Company require permits and licenses from various governmental authorities. The costs associated with compliance with these laws and regulations and of obtaining permits and licenses are substantial, and possible future laws and regulations, changes to existing laws and regulations and more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expenses, capital expenditures, restrictions on or suspensions of the Company's operations and delays in the development of its properties. There is no assurance that future changes in such laws and regulations, if any, will not adversely affect the Company's operations. Moreover, these laws and regulations may allow governmental authorities and private parties to bring lawsuits based upon damages to property and injury to persons resulting from the environmental, health and safety practices of the Company's past and current operations, or possibly even the actions of former property owners, and could lead to the imposition of substantial fines, penalties or other civil or criminal sanctions. The Company may fail to comply with current or future laws and regulations. Such non-compliance can lead to financial restatements, civil or criminal fines, penalties, and other material negative impacts on the Company.

As exploration activities proceed, the Company may be required to obtain or renew further government permits for its current and contemplated operations. Obtaining or renewing the necessary governmental permits and licenses can be a time-consuming process potentially involving numerous regulatory agencies, involving public hearings and costly undertakings on the Company's part. The duration and success of the Company's efforts to obtain and renew permits are contingent upon many variables not within its control, including the interpretation of applicable requirements implemented by the relevant permitting authority. The Company may not be able to obtain or renew permits that are necessary to its operations, or the cost to obtain or renew permits may exceed what the Company believes it can ultimately recover from a given property once in production. Any unexpected delays or costs associated with the permitting process could delay the development or impede the operation of a mine. To the extent necessary permits, licenses or authorizations are not obtained or renewed, or are subsequently suspended or revoked, the Company may be curtailed or prohibited from proceeding with planned development, commercialization, operation and exploration activities. Such curtailment or prohibition may result in a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Climate change may make mining operations more expensive

Due to changes in local and global climatic conditions, many analysts and scientists predict an increase in the frequency of extreme weather events such as floods, droughts, forest and brush fires and extreme storms. Such events could materially disrupt the Company's operations, particularly if they affect the Company's sites, impact local infrastructure or threaten the health and safety of the Company's employees and contractors. Any such event could result in material economic harm to the Company. The Company is focused on operating in a manner designed to minimize the environmental impacts of its activities; however, environmental impacts from mineral exploration and mining activities are inevitable. Increased environmental regulation and/or the use of fiscal policy by regulators in response to concerns over climate change and other environmental impacts, such as additional taxes levied on activities deemed harmful to the environment, could have a material adverse effect on the Company's financial condition or results of operations.

Compliance with environmental regulations can be costly

Any development of, and any mining operations at, the Morondo Gold Project, and the exploration of the surrounding area are all subject to environmental regulation. Regulations cover, among other things, water quality standards, land reclamation, the generation, transportation, storage and disposal of hazardous waste, and general health and safety matters. There is no assurance that the Company has been or will at all times be in full compliance with all environmental laws and regulations or hold, and be in full compliance with, all required environmental and health and safety permits. The potential costs and delays associated with compliance with such laws, regulations and permits could prevent the Company from economically operating or proceeding with the further development of the Morondo Gold Project, and any non-compliance with such laws, regulations and permits result in a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Environmental approvals and permits are currently, and may in the future be, required in connection with the Company's current and planned operations. To the extent such environmental approvals are required and not obtained, the Company's plans and the operation of mines may be curtailed, or it may be prohibited from proceeding with planned exploration or development of additional mineral properties. Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions.

There is no assurance that any future changes in environmental regulation will not adversely affect the Company's operations. Changes in government regulations have the potential to significantly increase compliance costs and thus reduce the profitability of current or future operations.

Environmental hazards may also exist on the properties on which the Company holds interests that are unknown to the Company at present and that have been caused by previous or existing owners or operators of the properties and for which the Company may be liable for remediation. Parties engaged in mining operations, including the Company, may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable environmental laws or regulations, regardless of whether the Company actually caused the loss or damage. The costs of such compensation, fines or penalties could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Social and environmental activism can negatively impact exploration, development and mining activities

The Company's relationships with the communities close to its mining operations and other stakeholders are critical to ensure the future success of its existing operations and the construction and development of its projects. There are no dwellings in the immediate vicinity around Koné and little or no resettlement is expected. Nevertheless, there is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Public adversity to the Company's operations, or the mining industry generally, could have an adverse effect on the Company and may impact relationships with the communities in which the Company operates and other stakeholders. While the Company is committed to operating in a socially responsible manner, there can be no assurance that its efforts in this respect will mitigate this potential risk.

Certain non-governmental organizations, public interest groups and reporting organizations ("**NGOs**") who oppose resource development can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. While the Company seeks to operate in a socially responsible manner and believes it has good relationships with local communities established by management over more than 10 years, NGOs or local community organizations could direct adverse publicity and/or disrupt the operations of the Company in respect of one or more of its properties, regardless of its successful compliance with social and environmental best practices, due to political factors, activities of unrelated third parties on lands in which the Company has an interest or the Company's operations specifically. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Orca exercises significant influence over the Company

As at the date hereof, Orca holds approximately 31.4% of issued and outstanding Common Shares on a non-diluted basis.

The Orca Investor Rights Agreement provides Orca with, among other things: (i) the right to maintain its percentage interest in the Company upon certain equity issuances undertaken by the Company so long as its ownership interest of the outstanding Common Shares is at least 20%; (ii) demand and piggy-back prospectus registration rights; and (iii) the right to nominate three Company Directors so long as its ownership interest of the outstanding Common Shares is at least 20% and the right to nominate one Company Director so long as its ownership interest of the outstanding Common Shares is at least 15%.

As a result of its shareholdings and the Orca Investor Rights Agreement, Orca has the ability, among other things, to approve significant corporate transactions and delay or prevent a change of control of the Company that could otherwise be beneficial to minority shareholders. Orca generally will have the ability to control the outcome of any matter submitted for the vote or consent of the Montage Shareholders. In some cases, the interests of Orca may not be the same as those of the other Montage Shareholders, and conflicts of interest may arise from time to time that may be resolved in a manner detrimental to the Company or minority Montage Shareholders.

On February 22, 2022 Orca announced that it entered into an agreement with Perseus Mining Limited ("Perseus") , pursuant to which Perseus will acquire all of the issued and outstanding common shares of Orca (the "Orca Shares") not already owned by Perseus in exchange for shares of Perseus by way of a statutory plan of arrangement under the Canada Business Corporations Act (the "Perseus Acquisition"). On completion of the Perseus Acquisition, Orca will become a wholly owned subsidiary of Perseus and as such, Perseus will indirectly control the 31.4% of the issued and outstanding shares of Montage and any rights of Orca under the investor rights agreement as stated above. The interests of Perseus (through Orca) may not be the same as other Montage Shareholders.

Conflicts of interest may result in the interests of other issuers or shareholders being preferred to the Montage Shareholders

A majority of the Directors and all of the senior Officers of the Company are also Directors of other companies that are similarly engaged in the business of acquiring, exploring and developing natural resource properties. Mr. Clark (Non-Executive Chairman and Director) is an Executive Officer and Director of Orca and a Director of other issuers. Mr. Stuart (Chief Executive Officer and Director) is an Executive Officer and Director of Orca. Mr. Ross (Chief Operating Officer) is an Officer of Orca, and Mr. Field, while considered independent, is a Director of Orca. Mr. Kondo (Chief Financial Officer and Corporate Secretary) is an Executive Officer of Orca. In addition to the considerations under the risk factor above titled "*Orca exercises significant control over the Company*" such associations may give rise to conflicts of interest from time to time. In particular, one of the consequences would be that corporate opportunities presented to a Director or Officer of the Company may be offered to another company or companies with which the Director or Officer is associated and may not be presented or made available to the Company. The Directors and Officers of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company, to disclose any interest which they may have in any project or opportunity of the Company, and, where applicable for Directors, to abstain from voting on such matters. Conflicts of interest that arise will be subject to and governed by the procedures prescribed in the Company's Code of Conduct and by the BCBCA.

The price of publicly traded securities can be volatile

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many corporations have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such corporations. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company from exploration, demonstrating an economically feasible development project, creating revenues, cash flows or earnings.

Sales of Common Shares by Orca or other existing Montage Shareholders can reduce share prices

Common Shares held by existing Montage Shareholders will generally be freely tradable under applicable securities legislation. Sales of a substantial number of Common Shares in the public market could occur at any time. These sales, or the market perception that Orca or the holders of a large number of Common Shares intend to sell Common Shares, could reduce the market price of the Common Shares. If this occurs and continues, it could impair the Company's ability to raise additional capital through the sale of securities.

The Company's rights in its mineral properties could be lost

The mineral properties of the Company are located in Côte d'Ivoire. The mining regulatory regime in Côte d'Ivoire is defined by The Mining Code, 2014, which grants rights to explore, develop and operate a mine. The Company holds its mining interests through an Exploration Permit with the government. No assurance can be given that the terms and conditions of the Company's exploration and mining authorizations will not be amended or that such exploration and mining authorizations will not be challenged or impugned by third parties.

Additionally, there is no guarantee the Company will be able to raise sufficient funding in the future to maintain, explore and develop the Morondo Gold Project or any other mineral properties in which the Company may hold an interest. If the Company loses or abandons its interest in the Morondo Gold Project or any other mineral properties in which the Company may hold an interest, there is no assurance that it will be able to acquire other mineral properties of merit or that any such acquisition would be approved by the TSXV. There is also no guarantee that the TSXV will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties.

Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis. The discovery of mineral deposits is dependent upon a number of factors. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which relate to particular attributes of the deposit, such as size, grade and proximity to infrastructure, and some of which are more general factors such as metal prices, political stability in the local jurisdiction, and government regulations, including environmental protection. Most of these factors are beyond the control of the Company.

The Company's rights in its mineral properties could be subject to challenges and claims

The Morondo Gold Project or any other mineral properties in which the Company may hold an interest may be subject to prior agreements, transfers, claims, including claims by artisanal miners currently working on the properties, and title may be affected by such undetected defects. Other parties may dispute the validity of a concession agreement or the Company's right to enter into such agreement. Although the Company believes it has taken reasonable measures to ensure proper title to the properties in which it will have an interest, there is no guarantee that such title will not be challenged or impaired. If title to the Company's properties is disputed it may result in the Company paying substantial costs to settle the dispute or clear title and could result in the loss of the property, which events may affect the economic viability of the Company.

The Company is subject to the risks inherent in foreign investments and operations

The Company's foreign mining investments are subject to the risks normally associated with the conduct of business in foreign countries. The occurrence of one or more of these risks could have a material and adverse effect on the Company's profitability or the viability of its affected foreign operations, which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition.

Risks may include, among others, labour disputes, invalidation of governmental orders and permits, corruption, uncertain political and economic environments, sovereign risk, war (including in neighbouring states), civil disturbances and terrorist actions, arbitrary changes in laws or policies of particular countries, the failure of foreign parties to honour contractual relations, foreign taxation, delays in obtaining or the inability to obtain necessary governmental permits, opposition to mining from environmental or other non-governmental organizations, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on gold exports, instability due to economic under-development, inadequate infrastructure and increased financing costs.

In addition, the enforcement by the Company of its legal rights to exploit its properties may not be recognized by the local government or by its court system. These risks may limit or disrupt the Company's operations, restrict the movement of funds or result in the deprivation of contractual rights or the taking of property by nationalization or expropriation without fair compensation. The economy and political systems of Côte d'Ivoire as with other countries in Africa and many other mining jurisdictions, should be considered by investors to be less predictable than those in countries in which the majority of investors are likely to be resident. The possibility that the current, or a future, government may adopt substantially different policies, take arbitrary action which might halt production, extend to the re-nationalization of private assets or the cancellation of contracts, the cancellation of mining and exploration rights and/or changes in taxation treatment cannot be ruled out, the happening of any of which could result in a material and adverse effect on the Company's results of operations and financial condition.

The influence of third-party stakeholders may negatively impact the Company

The mineral properties in which the Company holds an interest, or the exploration equipment and road or other means of access which the Company intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, the Company's work programs may be delayed even if such claims are not meritorious. Such claims may result in significant financial loss and loss of opportunity for the Company.

The Company may be subject to costly and unpredictable legal proceedings

Due to the nature of its business, the Company may be subject to numerous regulatory investigations, claims, lawsuits and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the effects of discovery of new evidence or advancement of new legal theories, the difficulty of predicting decisions of judges and juries and the possibility that decisions may be reversed on appeal. There can be no assurance that these matters will not have a material adverse effect on the Company's business.

In the event of a dispute involving the foreign operations of the Company, the Company may be subject to the exclusive jurisdiction of foreign courts. The Company's ability to enforce its rights or its potential exposure to the enforcement in Canada or locally of judgments from foreign courts could have an adverse effect on its future cash flows, earnings, results of operations and financial condition.

Compliance with laws is costly and may result in unexpected liabilities

The Company is headquartered in Vancouver, Canada and its operations are located in Côte d'Ivoire. The Company's business is subject to various laws and regulations in Canada and Côte d'Ivoire. These laws include compliance with the *Extractive Sector Transparency Measures Act* (Canada), which requires companies to report annually on payments made to all levels of governments both in Canada and abroad. The Company is also required to comply with anti-corruption and anti-bribery laws, including the *Corruption of Foreign Public Officials Act* (Canada).

In addition, as a publicly traded company with a listing on the TSXV, the Company is subject to additional laws and regulations, compliance with which is both time consuming and costly. If the Company and/or its businesses are subject to an enforcement action or are found to be in violation of any such laws, this may result in significant penalties, fines and/or sanctions which could have a material adverse effect on the Company, which could cause a significant decline in the value of the Common Shares.

The legal and regulatory requirements in Côte d'Ivoire are different from those in Canada. The Company relies, to a great extent, on the Company's local advisors in respect of legal, environmental compliance, banking, financing and tax matters in order to ensure compliance with material legal, regulatory and governmental developments as they pertain to and affect the Company's operations in Côte d'Ivoire. Despite these resources, the Company may fail to comply with a legal or regulatory requirement in Côte d'Ivoire, which may lead to the revocation of certain rights or to penalties or fees and in enforcement actions thereunder.

The Company may incur impairment charges in respect of its mineral properties

The Company annually undertakes a detailed review of exploration projects and other assets. The recoverability of the Company's carrying values of these operating and development properties may be affected by a number of factors including, but not limited to: metal prices; foreign exchange rates; capital cost estimates; mining, processing and other operating costs; metallurgical characteristics of ore; mine design; and timing of production. If carrying values of an asset or group of assets exceeds estimated recoverable values, an impairment charge may be required to be recorded, which may have a material adverse effect on the market price of the Company's securities.

Financial reporting internal controls may not provide assurances

Internal controls provide no absolute assurances as to reliability of financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Disclosure controls and procedures are designed to ensure that material information required to be disclosed by a company in reports filed with securities regulatory agencies is recorded, processed, summarized and reported on a timely basis and is accumulated and communicated to a company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting.

Negative operating cash flows are expected to continue and will need to be funded

The Company has negative operating cash flow. The failure of the Company to achieve profitability and positive operating cash flows could have a material adverse effect on the Company's financial condition and results of operations. To the extent that the Company has negative cash flow in future periods, the Company may need to deploy a portion of its cash reserves to fund such negative cash flow. The Company expects to continue to sustain operating losses in the future until it generates revenue from the commercial production of its mineral properties. There is no guarantee that the Company will ever be profitable.

The Company's TSXV listing may be lost

The Company may fail to meet the continued listing requirements for the Common Shares to be listed on the TSXV. If the TSXV delists the Common Shares from trading on its exchange, the Company could face significant material adverse consequences, including: a limited availability of market quotations for the Common Shares; a determination the Common Shares are a "penny stock" which will require brokers trading in the Common Shares to more stringent rules and possibly resulting in a reduced level of trading activity in the secondary market for the Common Shares; a limited amount of news and analysts coverage for the Company; and a decreased ability to issue additional securities or obtain additional financing in the future.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

Certain of the statements made and contained herein are forward-looking information or forward-looking statements within the meaning of applicable Canadian securities laws, including statements regarding Montage's (the "Company", the "Corporation", "we" or "our") plans and expectations relating to its exploration assets in Côte d'Ivoire. Such forward-looking information or forward-looking 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 resource estimates may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralisation that will be encountered if the property is developed. The assumptions, risks and uncertainties outlined below are non-exhaustive. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results, performance or achievements of the Corporation or its properties and projects may vary materially from those described herein.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "expects", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "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 and forward-looking information are not guarantees of future performance and are based upon a number of estimates and assumptions of management at the date the statements are made including without limitation, assumptions about the following (the "Forward-Looking Factors"): future prices of gold and other metals; successful exploration, development, and production; performance of contractual obligations by counterparties; operating conditions; political stability; obtaining governmental approvals and financing on time; financial projections and budgets; obtaining licenses and permits; government regulation of the Corporation's mining activities; environmental risks and expenses; market conditions; the securities market; price volatility of the Corporation's securities; currency exchange rates; foreign mining tax regimes; financial projections and results; competition; availability of sufficient capital, infrastructure, equipment and labour; litigation; land title issues; local community issues; estimation of mineral resources; realization of mineral resources; timing and amount of estimated future production; the life of mine; reclamation obligations; changes in project parameters as plans continue to be evaluated; and anticipated costs and expenditures and our ability to achieve the Corporation's goals. While we consider these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies, many of which are based on factors and events that are not within the control of the Corporation and there is no assurance they will prove to be correct.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, known and unknown risks, uncertainties and other factors relating to the Forward-Looking Factors above, and those factors disclosed under the heading "Risk Factors" in the Corporation's most Long Form Prospectus available at http://www.sedar.com and the Corporation's other continuous disclosure documents filed from time to time with the securities regulators in the provinces of Canada.

In addition, a number of other factors could cause the actual results, performance or achievements of the Corporation to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information, and there is no assurance that the actual results, performance or achievements of the Corporation will be consistent with them. Although the Corporation has attempted to identify important factors that could cause actual actions, events, results, performance or achievements to differ materially from those described in forward-looking statements and forward-looking information, there may be other factors that cause actions, events, results, performance or achievements not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements or information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Such forward-looking statements and information are made or given as at the date of this management's discussion and analysis and the Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required under applicable securities law. The reader is cautioned not to place undue reliance on forward-looking statements or forward-looking information.

Montage Gold Corp.

Consolidated Financial Statements

For the years ended December 31, 2021 and 2020

Independent auditor's report

To the Shareholders of Montage Gold Corp.

Our opinion

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

What we have audited

The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at December 31, 2021 and 2020;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of cash flows for the years then ended;
- the consolidated statements of changes in equity for the years then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

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

Independence

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

Other information

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

PricewaterhouseCoopers LLP
PricewaterhouseCoopers Place, 250 Howe Street, Suite 1400, Vancouver, British Columbia, Canada V6C 3S7
T: +1 604 806 7000, F: +1 604 806 7806

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
April 7, 2022

Montage Gold Corp.
Consolidated Statements of Financial Position
(All amounts expressed in Canadian Dollars, unless otherwise indicated)

	December 31, 2021	December 31, 2020
ASSETS		
Current assets		
Cash and cash equivalents	$ 9,774,417	$ 32,751,159
Receivables and other assets (Note 5)	1,499,959	975,988
	11,274,376	33,727,147
Equipment (Note 6)	355,084	382,919
Mineral properties (Note 7)	11,767,954	12,561,587
Other assets	12,274	22,070
	23,409,688	$ 46,693,723
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	$1,100,936	$ 2,117,799
EQUITY		
Share capital	65,460,448	65,410,020
Contributed surplus	2,068,802	667,783
Deficit	(44,564,605)	(21,074,869)
Accumulated other comprehensive income	(655,893)	(427,010)
	22,308,752	44,575,924
	$ 23,409,688	$ 46,693,723

Subsequent Event (Note 18)

Approved by the Board of Directors

(signed) "*Peter Mitchell*"
Director

(signed) "*Richard P. Clark*"
Director

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

Montage Gold Corp.
Consolidated Statements of Loss and Comprehensive Loss
(All amounts expressed in Canadian Dollars, unless otherwise indicated)

	Year ended December 31, 2021	**Year ended December 31, 2020**
Continuing operations		
Administration costs (Note 10)	$ 3,927,953	$ 2,921,548
Exploration and project investigation costs (Note 11)	19,586,900	7,170,403
Foreign exchange gain	(5,717)	(22,557)
Interest income	(19,400)	(108,050)
Loss from continuing operations	23,489,736	9,961,344
Loss from discontinued operations	-	426,402
Net loss for the year	$ 23,489,736	$ 10,387,746
Items that may be subsequently reclassified to net loss:		
Loss/(Gain) on translation to presentation currency	920,196	(759,495)
Items that will not be subsequently reclassified to net loss:		
Change in fair value of marketable securities	(691,313)	(14,954)
Comprehensive loss for the year	$ 23,718,619	$ 9,613,297
Basic and diluted loss per common share	$0.22	$ 0.13
Basic and diluted weighted average number of shares outstanding	105,013,162	79,394,454

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

Montage Gold Corp.
Consolidated Statement of Cash Flows
(All amounts expressed in Canadian Dollars, unless otherwise indicated)

	Year ended December 31, 2021	**Year ended December 31, 2020**
Cash flows for operating activities		
Net loss for the year	$ (23,489,736)	$ (10,387,746)
Add non-cash items		
Depreciation of equipment (Note 6)	181,007	138,063
Stock-based compensation expense (Note 9)	1,406,447	535,246
Receipt of shares of Predictive	-	(226,450)
	(21,902,282)	(9,940,887)
Changes in non-cash working capital items		
Receivables and other assets	162,750	(612,051)
Accounts payable and accrued liabilities	(875,931)	1,186,305
	(22,615,463)	(9,366,633)
Cash flows for investing activities		
Purchase of equipment (Note 6)	(169,946)	(22,149)
	(169,946)	(22,149)
Cash flows from financing activities		
Proceeds from share issuances	-	34,500,000
Share issuance costs	-	(1,934,348)
Net proceeds from exercise of stock options	45,000	45,000
	45,000	32,610,652
Foreign exchange on cash and cash equivalents	(236,333)	(61,011)
(Decrease)/Increase in cash and cash equivalents	(22,976,742)	23,160,859
Cash and cash equivalents, beginning of year	32,751,159	9,590,300
Cash and cash equivalents, end of year	9,774,417	$ 32,751,159
Supplemental information		
Interest received	$ 19,400	$ 108,050

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

Montage Gold Corp.
Consolidated Statements of Changes in Equity
(All amounts expressed in Canadian Dollars, unless otherwise indicated)

	Number of shares issued and outstanding	Share Capital	Contributed Surplus	Deficit	Accumulated Other Comprehensive Income	Total	Non-Controlling Interest	Total
Balance January 1, 2020	**73,476,374**	**$ 32,783,085**	**$ 148,820**	**$ (10,687,123)**	**$ (1,201,459)**	**$ 21,043,323**	**$ 28,180**	**$ 21,071,503**
Net loss and other comprehensive gain	-	-	-	(10,387,746)	774,449	(9,613,297)	(28,180)	(9,641,477)
Montage IPO share issue	31,363,637	34,500,000	-	-	-	34,500,000	-	34,500,000
Montage IPO share issue costs		(1,934,348)				(1,934,348)		(1,934,348)
Stock option exercise	100,000	61,283	(16,283)	-	-	45,000	-	45,000
Share based compensation (Note 9)	-	-	535,246	-	-	535,246	-	535,246
Balance December 31, 2020	**104,940,011**	**$ 65,410,020**	**$ 667,783**	**$ (21,074,869)**	**$ (427,010)**	**$ 44,575,924**	**-**	**$ 44,575,924**
Balance January 1, 2021	**104,940,011**	**$ 65,410,020**	**$ 667,783**	**$ (21,074,869)**	**$ (427,010)**	**$ 44,575,924**	**-**	**$ 44,575,924**
Net loss and other comprehensive loss	-	-	-	(23,489,736)	(228,883)	(23,718,619)	-	(23,718,619)
Share option exercise (Note 9)	100,000	50,428	(5,428)	-	-	45,000	-	45,000
Share based compensation (Note 9)	-	-	1,406,447	-	-	1,406,447	-	1,406,447
Balance December 31, 2021	**105,040,011**	**$ 65,460,448**	**$ 2,068,802**	**$ (44,564,605)**	**$ (655,893)**	**$ 22,308,752**	**-**	**$ 22,308,752**

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

1. NATURE OF OPERATIONS

Montage Gold Corp. ("Montage" or the "Company") is a resource company engaged in the acquisition and exploration of mineral properties in Africa and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The continued operations of Montage and the recoverability of the amounts shown for mineral properties are dependent upon the existence of economically recoverable reserves, the ability of Montage to obtain necessary financing to complete the exploration and development of such properties and upon future profitable production from or disposition of such properties.

Montage was incorporated as a wholly owned subsidiary of Orca Gold Inc. ("Orca") under the Business Corporations Act (British Columbia) on July 4, 2019. On July 17, 2019, Montage, Avant Minerals Inc ("Avant"), and Progress Minerals International Inc ("Progress") entered into a Share Purchase Agreement that contemplated the consolidation of: (i) the mineral interests of Orca located in Côte d'Ivoire; (ii) the mineral interests of Avant located in Côte d'Ivoire and Burkina Faso; and (iii) cash held by Avant.

On October 23, 2020, Montage closed its initial public offering of an aggregate of 27,272,728 common shares at a price of $1.10 per share for total proceeds of $30 million and commenced trading on the TSXV under the ticker symbol MAU. Montage granted the underwriters an over-allotment option exercisable in whole or in part at the sole discretion for a period of 30 days following the closing of the offering, to purchase up to an additional 15% of the common shares at the offering price issued as part of Montage's initial public offering. On October 30, 2020 the underwriters fully exercised their over-allotment option to acquire an additional 4,090,909 shares at the offering price resulting in additional aggregate gross proceeds of approximately $4.5 million.

Following the Montage IPO on October 23, 2020, Orca's percentage ownership in Montage decreased from 45% to 31.5% and Orca entered into a new investor rights agreement with Montage replacing the initial shareholders agreement between Orca and Avant. Under the investor agreement Orca has the right to appoint a single director to the board of directors if it has a 10% ownership percentage in Montage and can appoint up to three directors if it has a 20% ownership interest in Montage. With Orca's reduced board representation and ownership percentage Orca has significant influence, rather than control over the Company.

On November 3, 2020 Montage completed the disposal of its 51% interest in its Burkina Faso properties to Predictive Discovery Limited ("Predictive") in exchange for 4,028,477 Predictive shares with a fair value of $0.2 million.

Montage's registered office is located at Suite 2000, 885 West Georgia Street, Vancouver, British Columbia, Canada, V6C3E8.

The Company's significant subsidiaries include:

Operating Entities	Ownership
Côte d'Ivoire	
Orca Gold CDI S.a.r.l	100%
Shark Mining CDI S.a.r.l	100%
Hammerhead Resources CDI	100%
XMI S.a.r.l	100%
Holding Entities	
Ghazal Resources Inc	100%
Ghazal Minerals Company Limited	100%

2. BASIS OF PRESENTATION

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). These consolidated financial statements, including comparatives, are prepared on a historical cost basis.

These consolidated financial statements were authorized for issuance by the Board of Directors of the Company on April 7, 2022.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used to prepare these consolidated financial statements are outlined below. These accounting policies have been applied by all of Montage's subsidiaries, as necessary, to ensure consistency with the policies adopted by the Company.

a) Consolidation

These financial statements consolidate the financial statements of the Company and its subsidiaries. Inter-company transactions, balances and unrealized gains or losses on transactions between group companies are eliminated in full on consolidation.

(i) Subsidiaries

Subsidiaries are entities controlled by Montage. Control exists when the Company is exposed, or has rights, to variable returns from its involvement with an investee and has the ability to affect those returns through its power, directly or indirectly, to govern the financial and operating policies of that investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Acquisitions

The acquisition method of accounting is used to account for acquisitions. The cost of an acquisition is measured as the aggregate fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange.

If the investee constitutes a business, as defined by IFRS, the acquisition is accounted for as a business combination whereby identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Company's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in net loss.

If the investee does not meet the definition of a business, the acquisition is accounted for as an asset acquisition, whereby the cost of the acquisition is allocated between the individual identifiable assets and liabilities based on their relative fair values at the date of acquisition. No goodwill can be recognized in an asset acquisition.

b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of the parent company and a Canadian holding company is the Canadian dollar. The functional currency of Orca Gold CDI, Shark Mining CDI S.a.r.l, Hammerhead Resources CDI and XMI S.a.r.l are the West African Franc. The consolidated financial statements are presented in Canadian dollars.

The results and financial positions of the subsidiaries that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a) Assets and liabilities for each statement of financial position presented are translated using the exchange rate prevailing at the date of that statement of financial position.

b) Income, expenses, and other comprehensive income for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions).

c) All resulting exchange differences are recognized as a separate component of equity and in other comprehensive income.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency using the exchange rates prevailing at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from changes in the translation rates of monetary assets and liabilities denominated in foreign currencies are recognized in net loss within the consolidated statement of comprehensive loss.

c) Equipment

Equipment is carried at cost less accumulated depreciation and impairment losses. The cost of an asset consists of its purchase price, any directly attributable costs of bringing the asset to its present condition and location for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation of each asset is calculated using the straight-line method to allocate its cost less its residual value over its estimated useful life. The depreciation rates and methods are as follows:

Computer equipment	straight line basis over 2 to 4 years
Office furniture and equipment	straight line basis over 4 to 10 years
Vehicles and mobile equipment	straight line basis over 6 to 7 years
Field and camp equipment	straight line basis over 4 years

The assets' residual values, depreciation methods, and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

When an asset is disposed of, the difference between the net sale proceeds and its carrying amount is recognized as a gain or loss within net loss on the consolidated statement of comprehensive loss.

d) Exploration and evaluation expenditure and mineral properties

Exploration and evaluation expenditures comprise costs which are directly attributable to: researching and analyzing existing exploration data; conducting geological studies, exploratory drilling and sampling; examining and testing extraction and treatment methods; and compiling pre-feasibility and feasibility studies. Exploration and evaluation expenditures also include the costs incurred in acquiring mining rights, the entry premiums paid to gain access to areas of interest and amounts payable to third parties to acquire interests in existing projects.

Exploration and evaluation expenditures are expensed as incurred except for the costs associated with the acquisition of mineral interests. Once a mineral property's technical feasibility and commercial viability is demonstrable, all further expenditures for the current year and subsequent years are capitalized as incurred and subsequently amortized on a units of production based on the proven and probable reserves of the assets they relate to. The establishment of technical feasibility and commercial viability of a mineral property is assessed based on a combination a factors, including the extent to which mineral reserves or mineral resources have been identified through a feasibility study or similar level document, the results of optimization studies and further technical evaluation carried out to mitigate project risks identified in a feasibility study and the status of environment permits and mining leases or permits. Once a mineral property's technical feasibility and commercial viability is demonstrable an impairment test on the asset is completed. The impairment test is performed under the Company's impairment of non-financial assets policy.

e) Impairment of non-financial assets

At each reporting period, the Company assesses whether there is an indication that an asset or group of assets may be impaired. For exploration and evaluation assets, facts and circumstances which indicate that the Company should test for impairment include expiry of the exploration licence where renewal is not expected, substantive expenditure is not planned for the foreseeable future, poor exploration results or data which shows that it is not economically viable. When impairment indicators exist, the Company estimates the recoverable amount of the asset and compares it against the asset's carrying amount. The recoverable amount is the higher of the fair value less cost of disposal and the asset's value in use. If the carrying value exceeds the recoverable amount, an impairment loss is recorded in the consolidated statement of earnings during the period.

Reversals of impairment are assessed at each reporting period where there is an indication that an impairment loss recognized previously may no longer exist or has decreased. If an impairment reversal indicator exists, the recoverable amount is calculated. If the recoverable amount exceeds the carrying amount, the carrying value of the asset is increased to the recoverable amount net of depreciation. The increased carrying amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized in the consolidated statement of earnings in the period it is determined.

f) Financial instruments

IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or at fair value. On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVTOCI"), or (iii) at fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVTOCI are classified as FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income/loss.

Trade and other receivables
Trade and other receivables and fixed rate investments are classified as and measured at amortized cost using the effective interest rate method, less impairment losses, if any.

Accounts payable
Accounts payable and accrued liabilities are accounted for at amortized cost, using the effective interest rate method.

Marketable securities

The Company has investments in marketable securities which are measured at fair value.

g) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost based on a probability-weighted estimate of credit losses over the expected life of the financial asset. The expected credit losses are reviewed and updated at each reporting date as appropriate to reflect changes in the credit risk of the financial instruments, whereby the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the credit loss of the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the expected credit losses are reversed after the impairment was recognized.

h) Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held with banks, including monetary instruments that may be cashed or redeemed within three months of purchase with insignificant changes in value.

i) Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the related proceeds, net of applicable tax.

j) Income tax

Tax is recognized in net loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is recognized in other comprehensive income or directly in equity, respectively.

The current income tax expense is the expected tax payable on the taxable income for the year plus any adjustment to tax payable in respect of previous years. It is calculated on the basis of the tax laws and rates enacted or substantively enacted at the balance sheet date in the countries where the Company, its subsidiaries and associates operate. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

k) Stock-based compensation

Share-based compensation arises when the Company issues equity instruments as consideration for services received from employees and non-employees. Its amount is calculated based on the fair value of shares or stock options awarded to employees, measured on their grant date.

The fair value of the shares and stock options is recognized as an expense over their vesting period with a corresponding increase in equity.

l) Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognized when: (1) the Company has a present legal or constructive obligation as a result of past events; (2) it is probable that an outflow of resources will be required to settle the obligation; and (3) the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as a component of finance expense.

4. CRITICAL ACCOUNTING JUDGMENTS

Management exercises judgement in applying the entity's accounting policies. Areas where critical accounting judgments have the most significant effect on the consolidated financial statements include:

Assessment of impairment indicators

The Company carries the acquisition costs of its mineral properties at cost less any provision for impairment. The Company undertakes periodic reviews of its mineral properties for indicators of impairment, which requires the Company to exercise key judgements, including but not limited to, the Company's right to explore the mineral property, whether the Company has further plans or budgets for substantive expenditures for the ongoing exploration and evaluation of the mineral property, the impact of exploration and evaluation results to date with respect to the mineral property, and the likelihood that the carrying value of the mineral property will be recovered in the future through development or sale of the asset. If indicators of impairment are identified, the Company would further review the carrying values of the applicable mineral properties to determine if their carrying values may exceed their fair value, which also requires the Company to make significant judgments and estimates. The judgments and estimates mentioned above are subject to various risks and uncertainties, which may ultimately have an effect on the expected recoverability of the carrying values of the mineral properties.

(All amounts expressed in Canadian Dollars, unless otherwise indicated)

The Company has determined that no indicators of impairment exist for its mineral properties as of December 31, 2021.

Income taxes

The assessment of income taxes involves the probability of realizing deferred tax assets, in relation to the expectation of future taxable income, applicable tax opportunities and the expected timing of reversals of existing temporary differences. Judgment is also required on the application of income tax legislation. These judgments are subject to risk and uncertainty and could result in an adjustment to the deferred tax provision.

5. RECEIVABLES AND OTHER ASSETS

	December 31, 2021	December 31, 2020
Prepaid expenses	567,396	734,584
Marketable securities	932,563	241,404
Total receivables and other assets	**1,499,959**	**975,988**

(All amounts expressed in Canadian Dollars, unless otherwise indicated)

6. EQUIPMENT

Cost	Camp and Office Equipment	Vehicles and Mobile Equipment	Field and Camp Equipment	Total
As at January 1, 2020	**25,199**	**277,021**	**545,856**	**848,076**
Additions	16,040	-	6,109	22,149
Avant Acquisition				
Effects of foreign exchange on translation to presentation currency	1,317	19,513	4,798	25,628
As at December 31, 2020	**42,556**	**296,534**	**556,763**	**895,853**
Additions	83,451	2,886	83,609	169,946
Effects of foreign exchange on translation to presentation currency	(12,180)	(23,197)	(16,619)	(51,996)
As at December 31, 2021	**113,827**	**276,223**	**623,753**	**1,013,803**
Accumulated depreciation				
As at January 1, 2020	**(16,365)**	**(17,165)**	**(346,135)**	**(379,665)**
Depreciation	(5,791)	(96,698)	(35,574)	(138,063)
Effects of foreign exchange on translation to presentation currency	(468)	(3,356)	8,618	4,794
As at December 31, 2020	**(22,624)**	**(117,219)**	**(373,091)**	**(512,934)**
Depreciation	(32,337)	(94,587)	(54,083)	(181,007)
Effects of foreign exchange on translation to presentation currency	11,056	11,843	12,323	35,222
As at December 31, 2021	**(43,905)**	**(199,963)**	**(414,851)**	**(658,719)**
Net book amount				
As at December 31, 2020	**19,932**	**179,315**	**183,672**	**382,919**
As at December 31, 2021	**69,922**	**76,260**	**208,902**	**355,084**

(All amounts expressed in Canadian Dollars, unless otherwise indicated)

7. MINERAL PROPERTIES

Cost	**Total**
As at January 1, 2020	**11,734,994**
Effects of foreign exchange on translation to presentation currency	826,593
As at December 31, 2020	**12,561,587**
Effects of foreign exchange on translation to presentation currency	(793,633)
As at December 31, 2021	**11,767,954**

Mineral properties include the Company's predecessor, Orca's acquisition of properties in Côte d'Ivoire for $5.4 million in 2018 and the acquisition of Avant Minerals Inc's, Côte d'Ivoire permits for $6.2 million as part of the formation of Montage in 2019.

8. SHARE CAPITAL

The Company has authorized an unlimited number of voting common shares without par value.

On October 23, 2020, Montage completed its initial public offering of an aggregate of 27,272,728 common shares at a price of $1.10 per share for total proceeds of $30 million and commenced trading on the TSXV ("MAU").

On October 30, 2020 the underwriters fully exercised their over-allotment option to acquire an additional 4,090,909 shares at the offering price resulting in additional aggregate gross proceeds of approximately $4.5 million.

During 2021, 100,000 incentive stock options were exercised.

9. STOCK OPTIONS

a) Stock option plan

Montage has a stock option plan in which common shares of Montage have been made available for the grant of incentive stock options to certain directors, officers, employees and consultants of Montage. Under this stock option plan, the total number of options outstanding at any given point in time cannot exceed 10% of Montage's issued and outstanding common shares. Vesting and terms of the options are at the discretion of the Montage Board of Directors.

The total stock based compensation for the year ended December 31, 2021 was $1.4 million (2020: $0.5 million) of which $1.3 million (2020: $0.4 million) was recorded within administration costs and $0.1 million (2020: $0.1 million) was recorded within exploration and project investigation costs.

Stock options outstanding

On September 17, 2019 Montage granted an aggregate 5,150,000 incentive stock options to certain officers, directors and other eligible employees of the Company. The options are exercisable, subject to vesting provisions over a period of three years at a price of $0.45 per share.

On September 15, 2020 and November 9, 2020, Montage granted 100,000 and 3,800,000 incentive stock options respectively to certain officers, directors and eligible employees of the Company. The options are exercisable, subject to vesting provisions over a period of three years at a price of $0.55 and $1.30 per share, respectively.

On June 9, 2021 and September 7, 2021, Montage granted 300,000 and 400,000 incentive stock options respectively to certain officers, directors and eligible employees of the Company. The options are exercisable, subject to vesting provisions over a period of three years at a price of $0.93 and $0.75 per share, respectively.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	Number of shares (In thousands)	Weighted average exercise price CDN$
Outstanding at January 1, 2020	5,150	$0.45
Granted	3,900	$1.28
Exercised	(100)	$0.45
Cancelled	(200)	$0.45
Outstanding at December 31,2020	8,750	$0.82
Granted	700	$0.83
Exercised	(100)	$0.45
Cancelled	(200)	$1.30
Expired	(100)	$1.30
Outstanding at December 31, 2021	9,050	$0.81
Exercisable at December 31, 2021	4,567	$0.68

The following summarizes information about the stock options outstanding and exercisable at December 31, 2021:

	Outstanding options			Exercisable options		
Exercise prices (CDN$)	Number of options outstanding (In thousands)	Weighted Average remaining contractual life (Years)	Weighted average exercise price (CDN$)	Number of options exercisable (In thousands)	Weighted average remaining contractual life (Years)	Weighted average exercise price (CDN$)
$0.45	4,750	0.79	$0.45	3,167	0.79	$0.45
$0.55	100	1.71	$0.55	33	1.71	$0.55
$0.75	400	1.69	$0.75	100	2.69	$0.75
$0.93	300	2.44	$0.93	100	2.44	$0.93
$1.30	3,500	1.86	$1.30	1,167	1.86	$1.30
	9,050	1.31	$0.81	4,567	1.15	$0.69

The fair value method of accounting was applied to options granted to employees and directors on the date of the grant using the Black Scholes pricing model with the following weighted average assumptions:

	June 9, 2021	September 7, 2021
Average risk-free interest rate:	0.5%	0.5%
Expected life:	3 years	3 years
Expected dividends:	nil	nil
Weighted average fair value per option:	$0.29	$0.32

10. ADMINISTRATION COSTS

	Year ended December 31, 2021	**Year ended December 31, 2020**
Management and consulting fees	1,384,196	729,083
Office and administration	148,304	367,875
Professional fees	846,151	1,085,266
Salaries and benefits	53,322	87,300
Stock based compensation expense (Note 9)	1,279,956	450,461
Travel and promotion	216,024	201,563
Total administration costs	**3,927,953**	**2,921,548**

(All amounts expressed in Canadian Dollars, unless otherwise indicated)

11. EXPLORATION AND PROJECT INVESTIGATION COSTS

Year ended December 31,		**Côte d'Ivoire**
2021	Depreciation	181,007
	Drilling	11,898,081
	Exploration support and administration	960,460
	Field operation and consumables	588,270
	Geological consulting	38,246
	Permitting and licensing fees	16,761
	Salaries and benefits	1,367,398
	Sampling, geological and other evaluation costs	4,297,954
	Stock-based compensation expense (Note 9)	126,491
	Travel and accommodation	112,232
	Total exploration and project investigation costs	**19,586,900**
2020	Depreciation	138,063
	Drilling	4,684,523
	Exploration support and administration	424,384
	Field operation and consumables	257,702
	Geological consulting	27,290
	Permitting and licensing fees	13,044
	Salaries and benefits	945,190
	Sampling, geological and other evaluation costs	554,789
	Stock-based compensation expense (Note 9)	84,785
	Travel and accommodation	40,633
	Total exploration and project investigation costs	**7,170,403**

(All amounts expressed in Canadian Dollars, unless otherwise indicated)

12. RELATED PARTY TRANSACTIONS

The related party with which the Company transacted during the year ended December 31, 2021 was Geodex Consultants Ltd. ("Geodex"). Geodex is related by virtue of their proprietor being a director and officer of the Company. Montage is an associate of Orca and therefore Orca is a related party. There were no related party transactions between Orca and Montage during the year.

Related party transactions occur and are recorded at the amounts agreed between the parties.

a) Services received from related parties

	Related party	Year ended December 31, 2021	Year ended December 31, 2020
Geological consulting	Geodex	44,223	26,895
Total services received from related parties		**44,223**	**26,895**

The Company did not have any amounts due to related parties as at December 31, 2021 or December 31, 2020.

b) Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's directors and executive officers.

The remuneration of key management personnel is as follows:

	Year ended December 31, 2021	Year ended December 31, 2020
Salaries and management fees	1,052,532	640,632
Short term benefits	23,492	16,998
Directors fees	264,967	49,623
Stock-based compensation	1,055,343	439,941
Total key management compensation	**2,396,334**	**1,147,194**

(All amounts expressed in Canadian Dollars, unless otherwise indicated)

13. INCOME TAX

Income tax expense differs from the amount that would result from applying the Canadian federal and provincial income tax rates to the loss for the year. These differences result from the following items:

	Year ended December 31, 2021	Year ended December 31, 2020
Loss before taxes	23,489,736	10,387,746
Combined Canadian federal and provincial statutory income tax rates	27.00%	27.00%
Income tax recovery based on the above rate	6,342,229	2,804,691
Losses and temporary differences for which an income tax benefit has not been recognized	(5,356,262)	(2,349,345)
Differences between Canadian and foreign tax rates	(344,652)	(134,143)
Non-deductible expenses	(379,969)	(321,203)
Impact of changes in foreign exchange rates	(261,346)	-
Total income tax recovery	**-**	**-**

The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset has been recognized consist of the following:

	December 31, 2021	December 31, 2020
Non-capital losses carried forward – Canada	2,814,282	1,461,576
Non-capital losses carried forward – Ivory Coast	7,271,048	3,362,468
Non-capital losses carried forward – United Kingdom	154,502	13,209
	10,239,832	**4,837,253**

The respective years of expiration of the Canadian non-capital loss carry-forwards are as follows:

Year of expiration	
2038	1,156,747
2039	1,836,843
2040	2,908,731
2041	4,520,944
Total non-capital loss carry-forwards	**10,423,265**

Operating losses totalling $29.1million have accumulated in the Ivory Coast and may be carried forward for five years. These operating losses will expire by 2026, and no deferred tax asset has been recognized.

14. SEGMENT INFORMATION

The Company is principally engaged in the acquisition, exploration and development of mineral properties in Africa. The information regarding mineral properties and exploration and project investigation costs presented in Notes 7 and 11, respectively, represent the manner in which management reviews its business performance. The Company's mineral properties and exploration and project investigation costs are located in Côte d'Ivoire. The Company owns five permits and seven permit applications in Côte d'Ivoire. The Company's non-current assets, excluding financial instruments and exploration and project investigation costs are located in Côte d'Ivoire.

15. CAPITAL DISCLOSURES

The Company's objectives when managing capital are to provide returns for shareholders, through investment in mineral exploration, while safeguarding the Company's ability to continue as a going concern.

In the management of capital, the Company considers its capital resources to be shareholders' equity, existing cash resources and short-term investments, if any.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the Company's assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or debt instruments, adjust the level of operations, acquire or dispose of assets, bring in joint venture partners, or enter into corporate transactions.

In order to facilitate the management of its capital requirements, the Company prepares annual exploration budgets that are updated as necessary depending on various factors, including exploration results, political stability, and general industry conditions.

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company has estimated the fair values of its financial instruments based on appropriate valuation methodologies. These values are not materially different from their carrying value.

The Company classifies the fair values of its financial instruments according to the following hierarchy based on the significance of observable inputs used to value the instrument:

Level 1 – Quoted price (unadjusted) in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted market prices included within Level 1 that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The Company's financial instruments consist of cash, trade payables and accrued liabilities with carrying values considered to be reasonable approximations of fair value due to the short term nature of these instruments. The Company also has investments in marketable securities which are measured at fair value using level 1 inputs.

(All amounts expressed in Canadian Dollars, unless otherwise indicated)

17. MANAGEMENT OF FINANCIAL RISK

The Company's financial instruments are exposed to certain financial risks, including currency, credit, liquidity risk.

a) Currency risk

Foreign currency risk can arise when the Company or its subsidiaries transact in currencies other than their functional currencies. As at December 31, 2021, the Company's Ivorian operating subsidiary's largest foreign currency risk exposure was a net financial liability denominated in West African Franc which is pegged to the Euro of 0.2 million. A 10% change in the foreign exchange rate between the European Euro would give rise to increases/decreases of approximately $0.02 million in financial position/comprehensive loss.

b) Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The majority of the Company's cash is held in large financial institutions with a high investment grade rating. The expected credit loss related to these assets is negligible.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's financial liabilities are comprised of accounts payable and accrued liabilities. The Company frequently assesses its liquidity position by reviewing the timing of amounts due and the Company's current cash flow position to meet its obligations. The Company manages its liquidity risk by maintaining sufficient cash and cash equivalents balances to meet its anticipated operational needs. The Company's accounts payable and accrued liabilities arose as a result of exploration and development of its exploration and evaluation assets and other corporate expenses.

The maturities of the Company's financial liabilities as at December 31, 2021 are as follows:

	Total	Less than 1 year	1-5 years	More than 5 years
Accounts payable and accrued liabilities	1,100,936	1,110,396	-	-

18. SUBSEQUENT EVENT

On March 3, 2022, 300,000 stock options were exercised for proceeds of $135,000.

CORPORATE DIRECTORY

OFFICERS
Richard P. Clark
  Non-Executive Chairman of the Board
Hugh Stuart
  Chief Executive Officer
Adam Spencer
  Executive Vice President, Corporate Development
Glenn Kondo
  Chief Financial Officer
Kathy Love
  Corporate Secretary

DIRECTORS
Richard P. Clark
Hugh Stuart
  Compensation Committee
David Field
  Audit Committee
  Corporate Governance and Nominating Committee
Peter Mitchell
  Audit Committee
  Compensation Committee
Aleksandra Bukacheva
  Corporate Governance and Nominating Committee
  Compensation Committee
Alessandro Bitelli
  Audit Committee
  Corporate Governance and Nominating Committee

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ISIN: CA61178L101