



Sama Resources Inc.

Interim Condensed Consolidated Financial Statements

**For the three-month and nine-month periods ended
September 30, 2023 and 2022**

(in Canadian dollars)

TSX-V: SME

Sama Resources Inc.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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Notice to Reader

The accompanying unaudited interim condensed consolidated financial statements of Sama Resources Inc. (the "Company") for the three-month and nine-month periods ended on September 30, 2023 and 2022 have been prepared by the management and are its responsibility. These unaudited interim condensed consolidated financial statements, together with the accompanying notes, have been reviewed and approved by the members of the Company's Board of Directors. These unaudited interim condensed consolidated financial statements have not been reviewed by the Company's auditors.

Sama Resources Inc.

Consolidated Statements of Financial Position

As at September 30, 2023 and December 31, 2022

(Unaudited - in Canadian dollars)

		September 30, 2023	December 31, 2022
	Notes	\$	\$
ASSETS			
Current assets			
Cash and cash equivalents		3,990,587	7,397,902
Trade and other amounts receivable		88,627	51,643
Sales taxes receivable		343,356	336,850
Tax credits receivable		-	211,902
Prepaid expenses and deposits		247,100	256,722
		4,669,670	8,255,019
Non-current assets			
Property, plant and equipment	6	822,249	982,028
Investments in shares	7	11,840,694	10,322,657
		12,662,943	11,304,685
TOTAL ASSETS		17,332,613	19,559,704
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		969,748	707,883
Loan payable		40,000	40,000
TOTAL LIABILITIES		1,009,748	747,883
EQUITY			
Share capital	8	49,855,959	49,777,864
Contributed surplus	9	6,725,667	6,463,594
Deficit		(35,405,390)	(32,566,515)
Equity attributable to the parent company		21,176,236	23,674,943
Non-controlling interest	5	(4,853,371)	(4,863,122)
TOTAL EQUITY		16,322,865	18,811,821
TOTAL LIABILITIES AND EQUITY		17,332,613	19,559,704
Nature of operations and going concern	1		
On behalf of the Board of Directors,			
Signed: “Benoit La Salle”	_____	Director	
Signed: “Marc-Antoine Audet”	_____	Director	

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

Sama Resources Inc.

Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)

For the three-month and nine-month periods ended on September 30, 2023 and 2022

(Unaudited - in Canadian dollars)

	Notes	Three-month periods ended		Nine-month periods ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
		\$	\$	\$	\$
Operating expenses					
Exploration and evaluation expenses	10	978,092	1,492,993	2,939,720	4,119,707
General and administrative expenses	11	560,995	461,051	1,720,659	1,327,114
Operating loss		(1,539,087)	(1,954,044)	(4,660,379)	(5,446,821)
Other income (expenses)					
Gain on disposal of an investment in associate		-	-	-	2,972,473
Gain on loss of significant influence		-	-	-	5,902,561
Share of loss of associate		-	-	-	(297,332)
Gain on dilution of associate		-	-	-	1,195,788
Change in fair value of investments in shares	7	(1,669,843)	(787,474)	1,518,037	(494,179)
Interest income		30,735	30,488	127,292	62,503
Other income		46,450	-	46,450	-
Accretion of interest on loan payable		-	(2,029)	-	(5,818)
Foreign exchange loss		(20,935)	(141,438)	(79,644)	(187,710)
		(1,613,593)	(900,453)	1,612,135	9,148,286
Net income (loss) and comprehensive income					
(loss) from continuing operations		(3,152,680))	(2,854,497)	(3,048,244)	3,701,465
Net income (loss) and comprehensive income (loss) from discontinued operations	4	1,203,695	(363,802)	905,646	(608,818)
Net income (loss) and comprehensive income (loss) for the period		(1,948,985)	(3,218,299)	(2,142,598)	3,092,647
Net income (loss) attributable to:					
Sama Resources Inc. – continuing operations		(2,895,793)	(2,377,191)	(2,274,995)	5,021,306
Sama Resources Inc. – discontinued operations		1,203,695	(363,802)	905,646	(608,818)
		(1,692,098)	(2,740,993)	(1,369,349)	4,412,488
Non-controlling interest		(256,887)	(477,306)	(773,249)	(1,319,841)
		(1,948,985)	(3,218,299)	(2,142,598)	3,092,647
Net income (loss) per common share from continuing operations					
	14				
Basic earnings per common share		(0.013)	(0.011)	(0.010)	0.023
Diluted earnings per common share		(0.013)	(0.011)	(0.010)	0.023
Net income (loss) per common share from discontinued operations					
	14				
Basic and diluted loss per common share		0.005	(0.002)	0.004	(0.003)
Net income (loss) per common share total					
	14				
Basic earnings per common share		(0.008)	(0.012)	(0.006)	0.020
Diluted earnings per common share		(0.008)	(0.012)	(0.006)	0.020

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

Sama Resources Inc.

Consolidated Statements of Changes in Shareholders' Equity

For the nine-month periods ended September 30, 2023 and 2022

(Unaudited - in Canadian dollars)

	Notes	Share capital numbers	Share capital \$	Contributed surplus \$	Deficit \$	Total attributable to the parent company \$	Non- controlling interest \$	Total \$
Balance – January 1st, 2022		219,468,440	49,672,237	6,077,949	(40,690,280)	15,059,906	(5,741,366)	9,318,540
Stock-based compensation	9	-	-	385,384	-	385,384	-	385,384
Net income (loss) and comprehensive income (loss)		-	-	-	4,412,488	4,412,488	(1,319,841)	3,092,647
Balance – September 30, 2022		219,468,440	49,672,237	6,463,333	(36,277,792)	19,857,778	(7,061,207)	12,796,571
Balance – January 1st, 2023		219,768,440	49,777,864	6,463,594	(32,566,515)	23,674,943	(4,863,122)	18,811,821
Contributions received from IE	5	-	-	-	1,827,000	1,827,000	783,000	2,610,000
Distribution of SRQ Resources Inc. ("SRQ") shares to shareholders	4	-	-	-	(3,296,526)	(3,296,526)	-	(3,296,526)
Exercise of stock options	9	300,000	78,095	(18,095)	-	60,000	-	60,000
Stock-based compensation	9	-	-	280,168	-	280,168	-	280,168
Net income (loss) and comprehensive income (loss)		-	-	-	(1,369,349)	(1,369,349)	(773,249)	(2,142,598)
Balance – September 30, 2023		220,068,440	49,855,959	6,725,667	(35,405,390)	21,176,236	(4,853,371)	16,322,865

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

Sama Resources Inc.

Consolidated Statements of Cash Flows

For the three-month and nine-month periods ended on September 30, 2023 and 2022

(Unaudited - in Canadian dollars)

Cash flows from (used for)	Notes	Three-month periods ended		Nine-month periods ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
		\$	\$	\$	\$
Operating activities					
Net income (loss) for the period		(1,948,985)	(3,218,299)	(2,142,598)	3,092,647
Items not affecting cash					
Depreciation	6	82,041	85,693	272,412	256,448
Stock-based compensation	9	42,993	80,096	280,168	385,384
Accretion of interest on loan payable		-	2,029	-	5,818
Interest revenue on bridge loan		-	-	-	(22,823)
Change in fair value of investments in shares	7	1,669,843	787,474	(1,518,037)	494,179
Share of loss of associate		-	-	-	297,332
Gain on dilution of associate		-	-	-	(1,195,788)
Gain on disposal of an investment in associate		-	-	-	(2,972,473)
Gain on loss of significant influence		-	-	-	(5,902,561)
Gain on deemed disposal of SRQ	4	(1,763,338)	-	(1,763,338)	-
		(1,917,086)	(2,263,007)	(4,871,393)	(5,561,837)
Change in non-cash working capital items					
Trade and other amounts receivable		14,037	(8,435)	(36,984)	57,743
Sales taxes receivable		(71,500)	(732)	(82,035)	(42,179)
Tax credits receivable		32,054	126,329	207,802	126,329
Prepaid expenses and deposits		30,576	172,116	9,622	(71,506)
Accounts payables and accrued liabilities		(23,723)	(64,413)	345,287	389,873
		(18,556)	224,865	443,692	460,260
		(1,935,642)	(2,038,142)	(4,427,701)	(5,101,577)
Investing activities					
SRQ's cash at the time of the distribution	4	(1,506,445)	-	(1,506,445)	-
Acquisition of property, plant and equipment	6	(45,798)	(143,470)	(143,169)	(346,561)
Repayment of the bridge loan		-	-	-	700,000
Disposal of investments in associate		-	-	-	6,737,500
		(1,552,243)	(143,470)	(1,649,614)	7,090,939
Financing activities					
Contributions received from IE		1,050,000	2,120,000	2,610,000	4,620,000
Exercise of stock options		60,000	-	60,000	-
		1,110,000	2,120,000	2,670,000	4,620,000
Net change in cash and cash equivalents		(2,377,885)	(61,612)	(3,407,315)	6,609,362
Cash and cash equivalents – Beginning of period		4,417,418	8,823,672	7,397,902	2,152,698
Cash held for distribution		1,951,054	-	-	-
Cash and cash equivalents – End of period		3,990,587	8,762,060	3,990,587	8,762,060

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

Sama Resources Inc.

Notes to the Interim Condensed Consolidated Financial Statements

September 30, 2023 and 2022 and December 31, 2022

(Unaudited - in Canadian dollars)

1 Nature of operations and going concern

Sama Resources Inc. (“Sama” or the “Company”) is a Canadian-based mineral exploration and development business with activities in West Africa. The Company was incorporated on July 11, 2006 under the *Business Corporations Act* (British Columbia). On May 13, 2013, the Company continued its jurisdiction of incorporation from British Columbia into the federal jurisdiction of Canada under the *Canada Business Corporations Act*. The Company’s head office is located at #132 – 1320 Graham Blvd., Mont-Royal, Quebec, Canada, H3P 3C8. The Company’s common shares are listed on the TSX Venture Exchange (the “TSX-V”) under the trading symbol “SME.V”.

These interim condensed consolidated financial statements were authorized for publication by the Board of Directors on November 24, 2023.

The Company’s main exploration and evaluation projects are located in the Republic of Ivory Coast (“Ivory Coast”) West Africa, and hence are subject to the risks normally associated with foreign investment including unanticipated changes in taxes and royalties, renegotiation of contracts, foreign currency fluctuations and political uncertainties.

Going concern uncertainty

These interim condensed consolidated financial statements have been prepared on a going concern basis, which presumes the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the ordinary course of business for the foreseeable future. The use of these principles may not be appropriate. The Company is in its early stages, and as is common with similar companies, it raises financing for its exploration and evaluation activities. As at September 30, 2023, the Company has accumulated deficit of \$35,405,390 (December 31, 2022 – \$32,566,515) and a working capital of \$3,659,922 (December 31, 2022 – \$7,507,136), including cash and cash equivalents of \$3,990,587 (December 31, 2022 – \$7,397,902). To date, the Company has financed its cash requirements primarily by issuing common shares or units. The Company’s ability to continue future operations and fund its operations is dependent on management's ability to secure additional financing in the future, which may be completed in a number of ways including, but not limited to, the issuance of equity instruments, expenditure reductions, or a combination of strategic partnerships, joint venture arrangements, royalty financing and other capital market alternatives. If management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets might be less than amounts reflected in these consolidated financial statements.

These interim condensed consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary if the Company is unable to continue as a going concern. Such adjustments could be material.

Sama Resources Inc.

Notes to the Interim Condensed Consolidated Financial Statements

September 30, 2023 and 2022 and December 31, 2022

(Unaudited - in Canadian dollars)

2 New accounting standards

Amendment to IAS 1 – Classification of Liabilities as Current or Non-current

For the purposes of non-current classification, the amendments removed the requirement for a right to defer settlement or roll over of a liability for at least twelve months to be unconditional. Instead, such a right must exist at the end of the reporting period and have substance. The amendments reconfirmed that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which a company must comply after the reporting date do not affect a liability's classification at that date. The amendments also clarify how a company classifies a liability that includes a counterparty conversion option. The amendments state that: settlement of a liability includes transferring a company's own equity instruments to the counterparty; and when classifying liabilities as current or non-current a company can ignore only those conversion options that are recognized as equity. The early adoption of these amendments to IAS 1 had no impact on the interim condensed consolidated financial statements.

Amendments to IAS 12 – Income Taxes

The IASB amended IAS 12, *Income Taxes* to specify how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. Previously, there had been some uncertainty about whether the exemption applied to transactions such as leases and decommissioning obligations—transactions for which companies recognise both an asset and a liability. The amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations. The adoption of these amendments to IAS 12 had no impact on the interim condensed consolidated financial statements.

3 Basis of presentation and significant accounting policies

Basis of presentation

The Company's interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim statements, including IAS 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB").

The accounting policies followed in these interim condensed consolidated financial statements are consistent with those applied in the Company's annual consolidated financial statements for the year ended December 31, 2022. These interim condensed consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2022 which have been prepared according to IFRS as issued by the IASB.

Sama Resources Inc.

Notes to the Interim Condensed Consolidated Financial Statements

September 30, 2023 and 2022 and December 31, 2022

(Unaudited - in Canadian dollars)

Basis of measurement

These interim condensed consolidated financial statements have been prepared on a historical cost basis with fair value being used for investments in shares, using the accrual basis of accounting except for cash flow information.

Basis of consolidation

In addition to the Company, the interim condensed consolidated financial statements include all subsidiaries. Subsidiaries are all corporations over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. Inter-company transactions and balances are eliminated upon consolidation. They are deconsolidated from the date that control by the Company ceases. Any retained interest is measured to its fair value with the change in carrying amount recognized in income or loss. The fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or joint venture.

The Company's subsidiaries are as follows:

	Jurisdiction of incorporation	% of ownership 2023	% of ownership 2022
Sama Nickel Corporation ("SNC")	Canada	70%	70%
Sama Nickel Côte d'Ivoire SARL ("Sama CI")	Ivory Coast	70%	70%
Société Minière du Tonkpi SARL ("SMT")	Ivory Coast	70%	70%
SRQ Resources Inc. ("SRQ") ^{(a) (b)}	Canada	-%	100%
Sama Resources Development Inc. ("SRDI")	Caymans Island	100%	100%
Sama Resources Liberia Inc. ("SRL")	Liberia	100%	100%

(a) On May 11, 2023, Sama Resources Quebec Inc. changed its name to SRQ Resources Inc.

(b) On August 10, 2023, the SRQ Resources Inc spinout transaction was completed (note 4).

Sama Resources Inc.

Notes to the Interim Condensed Consolidated Financial Statements

September 30, 2023 and 2022 and December 31, 2022

(Unaudited - in Canadian dollars)

4 Spinout of SRQ Resources Inc.

On May 17, 2023, the Company entered into an arrangement agreement with its subsidiary SRQ pursuant to which the parties intended to complete a spinout transaction of the SRQ common shares. The spinout was to be completed by way of a court-approved plan of arrangement (“PoA”) under the Canada Business Corporations Act. Upon completion of the PoA, holders of common shares of Sama were to receive:

- One new share in the reorganized capital of Sama for every one Sama share held at the effective time of the PoA; and
- One SRQ share for every 10 Sama shares held at the effective time.

On August 10, 2023, the spinout of SRQ was completed as planned and a total of 21,976,841 SRQ shares were distributed to the Company’s shareholders at a fair value of \$0.15 per SRQ share for a total distribution of \$3,296,526. The fair value was determined using SRQ’s share price.

The carrying value of SRQ’s net assets distributed and the gain resulting from that distribution are as follows:

	\$
Cash and cash equivalents	1,506,445
Sales taxes receivable	75,529
Tax credits receivable	4,100
Equipment	30,536
Accounts payable and accrued liabilities	(83,422)
	1,533,188
Fair value of SRQ shares distributed	3,296,526
Gain on deemed disposal of SRQ	1,763,338

SRQ’s statements of income (loss) and comprehensive income (loss) presented as discontinued operations is as follows:

	Three-month periods ended		Nine-month periods ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	\$	\$	\$	\$
Operating expenses				
Exploration and evaluation expenses	471,604	274,783	662,009	498,487
General and administrative expenses	95,869	89,290	212,746	110,534
Operating loss	(567,473)	(364,073)	(874,755)	(609,021)
Other income (expenses)				
Interest income	7,832	207	17,103	207
Foreign exchange gain (loss)	(2)	64	(40)	(4)
Gain on deemed disposal of SRQ	1,763,338	-	1,763,338	-
	1,771,168	271	1,780,401	203
Net income (loss) and comprehensive income (loss) from discontinued operations	1,203,695	(363,802)	905,646	(608,818)

Sama Resources Inc.

Notes to the Interim Condensed Consolidated Financial Statements

September 30, 2023 and 2022 and December 31, 2022

(Unaudited - in Canadian dollars)

5 Non-controlling interests

The Company signed an earn-in and joint venture agreement with IVNE Ivory Coast Inc. or “IE” in order to develop its nickel-copper and cobalt projects in Ivory Coast, West Africa. Pursuant to the terms of the earn-in and joint venture agreement, IE can earn up to a 60% interest in the Ivory Coast projects by investing, before June 30, 2024, a total of \$25,000,000, including amongst others, the financing of a bankable feasibility study, as follows:

- Phase 1 : Investments \$15,000,000 for a 30% interest;
- Phase 2 : Investments of \$10,000,000 for an additional 30% interest.

IE completed phase 1 of the earn-in and joint venture agreement and therefore owns a 30% interest in SNC. The Company assessed its investment in SNC and judged that it still has control over SNC as defined by IFRS 10 *Consolidated Financial Statements*. Therefore, the Company continues to consolidate the financial results of SNC in its consolidated financial statements.

As at September 30, 2023, IE has invested a total of \$22,253,142

Summarized financial information of SNC, before intragroup eliminations, is set out below:

	September 30, 2023	December 31, 2022
	\$	\$
Current assets	1,113,274	1,033,037
Non-current assets	638,775	828,570
Total assets	1,752,049	1,861,607
Current liabilities	504,816	646,879
Non-current liabilities ^(a)	17,425,135	17,425,135
Total liabilities	17,929,951	18,072,014
NCI	(4,853,371)	(4,863,122)

(a) Non-current liabilities include a due to Sama Resources Inc. of \$17,425,135.

Sama Resources Inc.

Notes to the Interim Condensed Consolidated Financial Statements

September 30, 2023 and 2022 and December 31, 2022

(Unaudited - in Canadian dollars)

6 Property, plant and equipment

	Exploration equipment	Buildings and lease improvements	Vehicles	Other equipment	Total
	\$	\$	\$	\$	\$
Cost					
Balance – January 1st, 2022	2,302,033	127,426	-	102,544	2,532,003
Acquisitions	172,591	132,361	158,170	7,438	470,560
Disposals	-	-	-	(809)	(809)
Balance – December 31, 2022	2,474,624	259,787	158,170	109,173	3,001,754
Acquisitions	37,892	45,798	53,460	6,019	143,169
Disposals	-	-	-	(1,988)	(1,988)
Assets distributed (note 4)	(30,301)	-	-	(2,531)	(32,832)
Balance – September 30, 2023	2,482,215	305,585	211,630	110,673	3,110,103
Accumulated amortization					
Balance – January 1st, 2022	1,490,579	85,240	-	93,514	1,669,333
Depreciation	303,256	25,999	15,324	6,623	351,202
Disposals	-	-	-	(809)	(809)
Balance – December 31, 2022	1,793,835	111,239	15,324	99,328	2,019,726
Depreciation	205,778	30,215	31,048	5,371	272,412
Disposals	-	-	-	(1,988)	(1,988)
Assets distributed (note 4)	(2,085)	-	-	(211)	(2,296)
Balance – September 30, 2023	1,997,528	141,454	46,372	102,500	2,287,854
Carrying amount					
Balance – December 31, 2022	680,789	148,548	142,846	9,845	982,028
Balance – September 30, 2023	484,687	164,131	165,258	8,173	822,249

During the nine-month period ended September 30, 2023, a depreciation expense of \$31,958 (December 31, 2022 – \$29,217) was recorded under general and administrative expenses, \$238,653 (December 31, 2022 – \$321,985) under exploration and evaluation (“E&E”) expenses and \$1,801 under discontinued operations in the consolidated statement of income (loss) and comprehensive income (loss).

Sama Resources Inc.

Notes to the Interim Condensed Consolidated Financial Statements

September 30, 2023 and 2022 and December 31, 2022

(Unaudited - in Canadian dollars)

7 Investments in shares

The Company owns 15,180,377 common shares of SRG Mining Inc. (“SRG”) representing an interest of 13%. At December 31, 2022, the Company also owned 250,000 warrants which expired on March 4, 2023.

The fair value of \$11,840,694 (December 31, 2022 – \$10,322,657) was determined using SRG’s share price of \$0.78 (December 31, 2022 – \$0.68). A change in fair value of investments in shares of \$1,518,037 (December 31, 2022 – \$1,564,357) was recorded in the consolidated statement of income (loss) and comprehensive income (loss).

The continuity of the Company’s investments is as follows:

	September 30, 2023	December 31, 2022
	\$	\$
Balance – beginning of period	10,322,657	46,320
Reclassification from investment in associate	-	11,840,694
Change in fair value of investments in shares	1,518,037	(1,564,357)
Balance – end of period	11,840,694	10,322,657

8 Share capital

Authorized

Unlimited number of voting common shares without par value.

Transactions in 2023

On August 21, 2023, a total of 300,000 stock options were exercised at a share price of \$0.20 per share for total proceeds of \$60,000.

9 Stock options

The Company has a rolling stock option plan (the “Plan”), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The exercise price of each option (“Option”) shall not be less than the closing price of the common shares on the trading day immediately preceding the day on which the Option is granted, less any discount permitted by the TSX-V and, in any event, the exercise price per Option will not be less than \$0.05, being the minimum exercise price allowable under TSX-V policy.

Sama Resources Inc.

Notes to the Interim Condensed Consolidated Financial Statements

September 30, 2023 and 2022 and December 31, 2022

(Unaudited - in Canadian dollars)

The following table shows the changes in stock options:

	September 30, 2023		December 31, 2022	
	Number of stock options	Weighted average exercise price \$	Number of stock options	Weighted average exercise price \$
Outstanding – Beginning of period	19,040,000	0.22	19,495,000	0.23
Granted	2,355,000	0.14	2,445,000	0.22
Exercised	(300,000)	0.20	(300,000)	0.20
Expired	-	-	(2,600,000)	0.31
Outstanding – End of period	21,095,000	0.21	19,040,000	0.22
Exercisable – End of period	20,067,500	0.22	17,967,500	0.22

The weighted average price of shares at the time of exercise was \$0.11 per share (December 31, 2022 – \$0.15 per share).

The fair value of stock options granted was determined using the Black & Scholes valuation model based on the following weighted average assumptions:

	September 30, 2023 \$	December 31, 2022 \$
Weighted average price at the grant date	\$0.13	\$0.22
Weighted average exercise price	\$0.14	\$0.22
Expected dividend	-	-
Expected average volatility	97.52%	98.97%
Risk-free average interest rate	2.84%	1.94%
Expected average life	9.36 years	9.39 years
Weighted fair value per share option	\$0.11	\$0.19

An expense for stock-based compensation of \$280,168 was recognized during the nine-month period ended September 30, 2023 (for the nine-month period ended September 30, 2022 – \$385,384). An amount of \$219,591 (for the nine-month period ended September 30, 2022 – \$331,118) was recognized under general and administrative expenses, \$60,577 (for the nine-month period ended September 30, 2022 – \$54,266) under E&E expenses and \$- (for the nine-month period ended September 30, 2022 – \$172) under discontinued operations in the consolidated statement of income (loss) and comprehensive income (loss).

Sama Resources Inc.

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The number of outstanding stock options that could be exercised for an equal number of common shares is as follows:

Expiry date	Exercise price \$	Number outstanding	Number exercisable
April 21, 2025	0.19	2,150,000	2,150,000
May 27, 2025	0.18	200,000	200,000
January 17, 2027	0.085	1,775,000	1,775,000
June 30, 2027	0.15	500,000	500,000
April 27, 2027	0.195	100,000	100,000
November 28, 2027	0.29	660,000	660,000
September 12, 2028	0.33	3,655,000	3,655,000
July 29, 2028	0.30	340,000	340,000
October 31, 2028	0.30	60,000	60,000
February 20, 2029	0.27	3,225,000	3,225,000
December 19, 2029	0.19	2,080,000	2,080,000
December 14, 2030	0.115	1,885,000	1,885,000
September 17, 2031	0.16	265,000	265,000
February 28, 2032	0.22	2,145,000	2,145,000
January 17, 2033	0.135	2,055,000	1,027,500
		21,095,000	20,067,500

10 Exploration and evaluation expenses

Samapleu property

SNC entered into a Syndicate Agreement (“SA”) with La Société pour le Développement Minier de la Côte d’Ivoire (“SODEMI”), a parastatal organization, under which SNC is responsible to finance, on behalf of the SA, exploration work programs during the exploration phase through completion of a Bankable Feasibility Study (“BFS”) on the exploration permits Samapleu East (PR838) and Samapleu West (PR839) held by SODEMI. SODEMI will not contribute to work conducted under the SA. Both PRs expired on June 17, 2023, with possible renewal periods totaling up to 12 years. The Company was required to complete an exploration program before the term of the exploration permit. This exploration program was completed on time and on March 1, 2023, SODEMI filed the required documentation with the Department of Mines in Côte d’Ivoire, for the renewal of PR 838 and PR 839 which should expire on June 17, 2026.

Upon completion of the BFS, the Advisory Committee (“AC”), which consists of two SNC representatives and two SODEMI representatives, will conclude on the feasibility of the project. If the AC decides to proceed with the project, an Exploitation Entity (“EE”) will be established whereby future funding will be split between SNC and SODEMI at 66.7% and 33.3%, respectively. The EE will reimburse SODEMI for all costs associated with previous exploration work conducted until January 15, 2009 up to a maximum of F CFA 834,999,457 (approximately \$1,828,533 as at September 30, 2023) and will reimburse SNC for costs associated with exploration work conducted between the signature of the SA and the approval of the BFS subject to the approval of the AC which represents a total amount of \$26,794,785 as at September 30, 2023.

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(Unaudited - in Canadian dollars)

The ownership of the EE shall be allocated as follows:

SNC	60%
SODEMI	30%
Ivory Coast Government	10%
	<hr/>
	100%

The Samapleu Property is subject to a 1% net smelter return royalty.

Zéréguiné property

Sama CI owns a 100% interest in the exploration permit No. 300 (“PR300”) which covers 290 square kilometers of property in Ivory Coast and expires on December 18, 2023. In accordance with PR300, Sama CI agreed to complete an exploration program evaluated at F CFA 2,590,000,000 (approximately \$5,671,740 as at September 30, 2023) before the term of the exploration permit. The Zéréguiné Property is adjacent to the Samapleu Property.

Grata property

Sama CI owns a 100% interest in the exploration permit No. 604 (“PR604”) which covers 92 square kilometers of property in Ivory Coast and expires on December 9, 2025. In accordance with PR604, Sama CI agreed to complete an exploration program evaluated at F CFA 2,380,500,000 (approximately \$5,212,964 as at September 30, 2023) before the term of the exploration permit. The Grata Property is located adjacent to the north-eastern boundary of the Samapleu Property.

Zoupleu property

SMT owns a 100% interest in the exploration permit No. 837 (“PR837”) which covers 135 square kilometers of property in Ivory Coast and expired on June 17, 2023. On March 19, 2023, SMT filed the required documentation with the Department of Mines in Côte d’Ivoire, for the renewal of PR837 which should expire on June 17, 2026. As of today, there is no indication that the exploration permit will not be granted.

Nuon River property

SRL owns a 100% interest in the exploration license MEL9001721 which covers 259.13 square kilometers of property in the county of Grand Gedeh, Liberia and expires on January 10, 2024.

St-John River gold property

SRL owns a 100% interest in the exploration license MEL9001821 which covers 174.51 square kilometers of property in the county of Grand Gedeh, Liberia and expires on January 9, 2024.

Zwedru South property

SRL owns a 100% interest in the exploration license MEL9001921 which covers 312.85 square kilometers of property in the county of Bong, Liberia and expires on January 9, 2024.

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The following table shows the E&E expenses by property.

	Three-month periods ended		Nine-month periods ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	\$	\$	\$	\$
Samapleu property				
Camp operation costs and other expenses	191,415	202,428	626,984	266,153
Geology and prospecting	18,783	8,050	78,590	41,814
Geophysics	5,789	118,225	54,090	188,334
Drilling	47,983	121,872	89,465	185,407
Engineering study	9,563	14,250	142,272	14,250
Geochemistry	9,109	60,165	82,401	81,495
Metallurgical tests	132	54,336	46,815	54,336
Stock-based compensation	4,617	6,677	42,075	9,430
	287,391	586,003	1,162,692	841,219
Zérégouiné property				
Camp operation costs and other expenses	82,332	22,514	91,683	120,602
Drilling	162,559	13,933	162,559	125,860
Geology and prospecting	8,014	10,349	8,014	27,200
Geophysics	-	(12,917)	-	2,835
Geochemistry	4,394	697	13,008	8,910
Stock-based compensation	2,309	691	2,309	5,697
	259,608	35,267	277,573	291,104
Grata property				
Camp operation costs and other expenses	110,274	27,992	254,545	629,359
Geology and prospecting	19,138	47,900	80,572	109,203
Geophysics	5,789	78,232	51,092	293,158
Geochemistry	7,160	93,426	169,328	286,383
Drilling	18,458	485,771	61,897	1,456,177
Metallurgical tests	-	-	16,551	-
Engineering study	9,564	-	129,004	-
Stock-based compensation	2,967	4,145	16,193	38,967
	173,350	737,466	779,182	2,813,247
Zoupleu property				
Camp operation costs and other expenses	167	-	7,097	-
Geology and prospecting	-	2,491	14,611	2,491
Geochemistry	5,477	-	5,477	-
	5,644	2,491	27,185	2,491
Nuon River property				
Camp operation costs and other expenses	-	27,874	-	39,900
Geology and prospecting	-	-	-	1,267
	-	27,874	-	41,167
St-John River property				
Camp operation costs and other expenses	5,869	73,183	85,082	85,029
Geology and prospecting	-	-	33,247	1,267
Geochemistry	-	-	37,691	-
Geophysics	7,096	-	8,088	-
Metallurgical tests	-	-	314	-
	12,965	73,183	164,422	86,476

Sama Resources Inc.

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(Unaudited - in Canadian dollars)

	Three-month periods ended		Nine-month periods ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	\$	\$	\$	\$
Zwedru South property				
Camp operation costs and other expenses	107,324	30,709	260,369	42,736
Geology and prospecting	27,731	-	110,535	1,267
Geochemistry	65,034	-	95,381	-
Geophysics	39,045	-	62,381	-
	239,134	30,709	528,666	44,003
Total E&E expenses	978,092	1,492,993	2,939,720	4,119,707

11 General and administrative expenses

	Three-month periods ended		Nine-month periods ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	\$	\$	\$	\$
Consulting fees	67,587	49,940	167,323	159,714
Professional fees	293,034	173,128	806,189	311,205
General and other expenses	60,575	52,482	206,518	229,981
Salaries and benefits	43,943	29,434	133,548	87,573
Travel and representation	22,377	40,739	68,278	119,539
Marketing fees	-	30,000	40,000	50,000
Transfer agent and filing fees	29,224	7,946	47,254	19,344
Depreciation	9,132	8,830	31,958	18,640
Stock-based compensation	35,123	68,552	219,591	331,118
	560,995	461,051	1,720,659	1,327,114

12 Related parties

Related parties include the Company's key management personnel and related companies. Key management personnel are the members of the Board of Directors and officers. Unless otherwise stated, balances are usually settled in cash.

The following table presents the related party transactions presented in the interim condensed consolidated statement of loss and comprehensive loss:

	Nine-month periods ended	
	September 30, 2023	September 30, 2022
	\$	\$
Professional fees paid to key management and/or companies controlled by key management	153,450	135,750
Consultant fees paid to companies controlled by key management	83,625	83,624
Consultant fees paid to a company controlled by key management recorded under E&E expenses	163,869	175,269
Directors and officers stock-based compensation	182,812	250,518

Sama Resources Inc.

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The following table represents the related party transactions presented in the consolidated statement of financial position as at:

	September 30, 2023	December 31, 2022
	\$	\$
Professional fees owned to key management and/or companies controlled by key management	-	6,480

13 Operating segment

The Company operates in one reportable business segment: the exploration and evaluation of mineral properties.

The Company's geographical breakdown of non-current assets is as follows:

	September 30, 2023			
	Canada	Ivory Coast	Liberia	Total
	\$	\$	\$	\$
Property, plant and equipment	119,121	651,986	51,142	822,249
Investments in shares	11,840,694	-	-	11,840,694
	11,959,815	651,986	51,142	12,662,943

	December 31, 2022			
	Canada	Ivory Coast	Liberia	Total
	\$	\$	\$	\$
Property, plant and equipment	153,458	828,570	-	982,028
Investments in shares	10,322,657	-	-	10,322,657
	10,476,115	828,570	-	11,304,685

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14 Earnings (loss) per share

	Three-month periods ended		Nine-month periods ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	\$	\$	\$	\$
Weighted average number of common shares outstanding	219,921,983	219,468,440	219,831,752	219,468,440
Effect of potential dilutive stock options	-	-	-	1,721,045
Weighted average of diluted common shares	219,921,983	219,468,440	219,831,752	221,189,485
Net income (loss) and comprehensive income (loss) from continuing operations	(2,895,793)	(2,377,191)	(2,274,995)	5,021,306
Basic earnings (loss) per common share	(0.013)	(0.011)	(0.010)	0.023
Diluted earnings (loss) per common share	(0.013)	(0.011)	(0.010)	0.023
Net income (loss) and comprehensive income (loss) from discontinued operations	1,203,695	(363,802)	905,646	(608,818)
Basic earnings (loss) per common share	0.005	(0.002)	0.004	(0.003)
Diluted earnings (loss) per common share	0.005	(0.002)	0.004	(0.003)
Net income (loss) and comprehensive income (loss)	(1,692,098)	(2,740,993)	(1,369,349)	4,412,488
Basic earnings (loss) per common share	(0.008)	(0.012)	(0.006)	0.020
Diluted earnings (loss) per common share	(0.008)	(0.012)	(0.006)	0.020