FORAN

Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2023 and 2022

Expressed in thousands of Canadian Dollars

Unaudited

FORAN

Condensed Consolidated Interim Statements of Financial Position

(Unaudited - expressed in thousands of Canadian dollars)

	Note		March 31, 2023		December 31, 2022
Assets					
Current assets					
Cash and cash equivalents		$	**158,366**	$	87,322
Accounts and other receivables			**814**		802
Prepaid expenses and deposits			**306**		241
Total current assets			**159,486**		88,365
Advances to suppliers			**2,576**		2,591
Investments			**221**		163
Right-of-use assets	4		**228**		516
Restricted cash	5		**4,287**		4,287
Exploration and evaluation assets	6		**162,915**		140,812
Total assets		$	**329,713**	$	236,734
Liabilities and Shareholders' Equity					
Current liabilities					
Accounts payable and accrued liabilities		$	**7,787**	$	8,902
Leases	4		**412**		600
Flow-through share premium liability	9		**8,657**		-
Deferred share units	7		**7,475**		5,210
Total current liabilities			**24,331**		14,712
Decommissioning obligation			**850**		843
Credit facility	8		**34,693**		33,478
Total liabilities			**59,874**		49,033
Shareholders' Equity					
Share capital	9		**327,977**		240,639
Share-based payments reserve	9		**7,275**		6,461
Accumulated other comprehensive income			**115**		58
Deficit			**(65,528)**		(59,457)
Total shareholders' equity			**269,839**		187,701
Total liabilities and shareholders' equity		$	**329,713**	$	236,734

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

Approved on behalf of the Board:

/s/ David Petroff
Director

/s/ Dan Myerson
CEO & Executive Chairman

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Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Unaudited - expressed in thousands of Canadian dollars, except share information)

For the three months ended March 31,	Note		2023		2022
General and administration expenses					
Consulting		$	**682**	$	255
Depreciation			**-**		24
Directors' fees			**63**		68
Investor relations			**115**		161
Office and administration			**364**		133
Professional fees			**206**		255
Salaries and benefits			**537**		535
Share-based payment expense			**3,073**		1,657
			5,040		3,088
Other (income) expenses					
Other (income) expense	11		**1,031**		(102)
			1,031		(102)
Net loss for the period		$	**6,071**	$	2,986
Other comprehensive loss:					
Unrealized (gain) loss on investments			**(57)**		12
Total comprehensive loss for the period		$	**6,014**	$	2,998
Net loss per share:					
Basic		$	**0.02**	$	0.01
Diluted		$	**0.02**	$	0.01
Weighted average shares outstanding			**258,448,021**		237,998,069

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

Condensed Consolidated Interim Statements of Changes in Equity

(Unaudited - expressed in thousands of Canadian dollars, except share information)

	Note	Share Capital		Reserves	Accumulated OCI	Deficit	Total
		Shares	Amount				
Balance, December 31, 2021		**237,545,698**	**$ 205,841**	**$ 4,084**	**$ 99**	**$ (49,669)**	**$ 160,355**
Shares issued pursuant to exercise of stock options		1,080,667	654	(260)	-	-	394
Shares issued pursuant to exercise of warrants		150,000	22	-	-	-	22
Share-based payment expense		-	-	693	-	-	693
Other comprehensive loss		-	-	-	(12)	-	(12)
Net loss for the period		-	-	-	-	(2,986)	(2,986)
Balance, March 31, 2022		**238,776,365**	**$ 206,517**	**$ 4,517**	**$ 87**	**$ (52,655)**	**$ 158,466**
Shares issued pursuant to exercise of stock options		599,999	544	(200)	-	-	344
Shares issued pursuant to exercise of DSUs		7,251	16	-	-	-	16
Shares issued pursuant to exercise of warrants		16,810,000	33,562	-	-	-	33,562
Share-based payment expense		-	-	2,144	-	-	2,144
Other comprehensive loss		-	-	-	(29)	-	(29)
Net loss for the period		-	-	-	-	(6,802)	(6,802)
Balance, December 31, 2022		**256,193,615**	**$ 240,639**	**$ 6,461**	**$ 58**	**$ (59,457)**	**$ 187,701**
Shares issued pursuant to private placements	9	24,687,300	100,000	-	-	-	100,000
Flow-through share premium liability	9	-	(8,657)	-	-	-	(8,657)
Shares issued pursuant to exercise of stock options	9	965,000	946	(383)	-	-	563
Shares issued pursuant to exercise of warrants	9	135,000	20	-	-	-	20
Share issuance costs	9	-	(4,971)	-	-	-	(4,971)
Share-based payment expense	9	-	-	1,197	-	-	1,197
Other comprehensive income		-	-	-	57	-	57
Net loss for the period		-	-	-	-	(6,071)	(6,071)
Balance, March 31, 2023		**281,980,915**	**$ 327,977**	**$ 7,275**	**$ 115**	**$ (65,528)**	**$ 269,839**

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

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Condensed Consolidated Interim Statements of Cash Flows

(Unaudited - expressed in thousands of Canadian dollars)

For the three months ended March 31,	Note		**2023**		2022
Cash provided by (used in)					
Operations					
Net loss for the period		$	**(6,071)**	$	(2,986)
Adjustments for:					
Depreciation			**-**		24
Share-based payment expense			**3,073**		1,657
Interest expense			**1,242**		-
Unrealized foreign exchange			**39**		-
Changes in non-cash working capital:					
Accounts receivable			**(13)**		(618)
Prepaid expenses and deposits			**(65)**		62
Accounts payable and accrued liabilities			**(878)**		36
			(2,673)		(1,825)
Investing					
Exploration and evaluation expenditures			**(21,641)**		(18,638)
			(21,641)		(18,638)
Financing					
Shares issued pursuant to private placements	9		**100,000**		-
Share issue costs paid	9		**(4,971)**		-
Exercise of stock options			**563**		394
Exercise of warrants			**20**		22
Lease payments	4		**(188)**		(108)
			95,424		308
Increase (decrease) in cash and cash equivalents			**71,110**		(20,155)
Impact of foreign exchange rates on cash and cash equivalents			**(66)**		-
Cash and cash equivalents, beginning of the period			**87,322**		83,996
Cash and cash equivalents, end of the period		$	**158,366**	$	63,841
Cash and cash equivalents is comprised of:					
Cash		$	**158,366**	$	63,841
		$	**158,366**	$	63,841

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Foran Mining Corporation (the "**Company**") is a public company listed on the TSX Venture Exchange and OTCQX, incorporated under the laws of British Columbia. The Company is involved in activities that include the acquisition, exploration and development of mineral properties.

The Company's head office and registered and records office is located at 904 - 409 Granville Street, Vancouver, British Columbia, V6C 1T2.

These condensed consolidated interim financial statements have been prepared on the going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company realized a net loss of $6,071 for the three months ended March 31, 2023 (three months ended March 31, 2022: $2,986). As at March 31, 2023, the Company had an accumulated deficit of $65,528 (December 31, 2022: $59,457). In assessing whether the going concern assumption is appropriate, management took into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period.

The Company has incurred significant operating losses in its exploration operations and its ability to continue as a going concern is dependent upon obtaining additional financing to complete the exploration and development of its exploration and evaluation assets and achieve future profitable production or receiving proceeds from the disposition thereof. While the Company has been successful in securing financing to date, there can be no assurances that it will be able to do so in the future, therefore, a material uncertainty exists that may cast significant doubt about the Company's ability to continue as a going concern.

These condensed consolidated interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported expenses and the condensed consolidated interim statement of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

2. BASIS OF PREPARATION

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting ("**IAS 34**") as issued by the International Accounting Standards Board ("**IASB**") using accounting principles consistent with International Financial Reporting Standards ("**IFRS**") as issued by the IASB.

These condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2022. The same accounting policies are used in the preparation of these condensed consolidated interim financial statements as those used in the most recent annual audited consolidated financial statements of the Company.

These condensed consolidated interim financial statements were prepared on a historical cost basis using the accrual basis of accounting, except for those assets and liabilities that are measured at fair value (Note 10) at the end of each reporting period and cash flow information.

Certain comparative figures have been reclassified to conform to the presentation adopted for the three months ended March 31, 2023.

The Board of Directors (the "Board") approved these condensed consolidated interim financial statements on May 11, 2023.

(Expressed in thousands of Canadian dollars, except share information)

3. USE OF JUDGEMENT AND ESTIMATES

The preparation of these condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Significant areas of judgements and estimates made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those applied in the most recent annual audited consolidated financial statements of the Company.

4. RIGHT-OF-USE ASSET AND LEASES

The continuity of the ROU asset and lease liability for the three months ended March 31, 2023 and year ended December 31, 2022 is as follows:

		March 31, 2023		December 31, 2022
Right-of-use asset				
ROU asset, beginning of the period	$	516	$	1,442
Adjustments		-		159
Depreciation		(288)		(1,085)
ROU asset, end of the period	$	228	$	516
Leases				
Leases, beginning of the period	$	600	$	1,090
Adjustments		-		159
Payments		(188)		(649)
Leases, end of the period	$	412	$	600

5. RESTRICTED CASH

On June 22, 2022, the Company obtained a $14,910 surety bond to support a possible future reclamation and closure obligation in accordance with the approval to operate permit for the Company's advanced exploration decline program at its McIlvenna Bay project, which in turn is secured by restricted cash in the amount of $4,287.

(Expressed in thousands of Canadian dollars, except share information)

6. EXPLORATION AND EVALUATION ASSETS

A summary of the changes in exploration and evaluation assets is as follows:

	McIlvenna Bay	Other Saskatchewan Properties	Total
Balance, December 31, 2022	$ 127,774	$ 13,038	$ 140,812
Acquisition	-	-	-
Administration[(1)]	2,353	(11)	2,342
Surface prep and exploration decline	814	-	814
Camp costs	1,595	-	1,595
Consulting	537	2	539
Detailed engineering	3,712	-	3,712
Drilling	4,305	177	4,482
Early works	7,051	-	7,051
Community	640	-	640
Equipment	388	-	388
Geophysics	28	2	30
Permitting and licenses	510	-	510
Staking	-	-	-
Total exploration expenditures	21,933	170	22,103
Balance, March 31, 2023	$ 149,707	$ 13,208	$ 162,915

(1) Includes $389 of share-based compensation

(a) McIlvenna Bay, Saskatchewan

The Company owns a 100% interest in the McIlvenna Bay mineral property located in Saskatchewan, Canada (“McIlvenna Bay”).

Certain claims that make up McIlvenna Bay are subject to a Net Tonnage Royalty (“NTR”) of $0.75 per tonne of ore extracted.

Cameco Corporation and BHP Billiton Limited collectively hold a 1% net smelter return (“NSR”) royalty interest on McIlvenna Bay, which can be repurchased by the Company at any time for $1,000.

(b) Other Saskatchewan Properties

The Company holds interests ranging from 65% to 100% in seven mining claims groups in its Saskatchewan property portfolio, exclusive of McIlvenna Bay (“Other Saskatchewan Properties”).

The Company has committed, through previous mineral property ownership agreements associated with certain of its Other Saskatchewan Properties, to pay various NSR and net profits interest (“NPI”) royalties. The NSR royalties range from 2% to 2.5%, with buyout provisions for up to one-half of some of these NSR royalties. The NPI royalties range from 6% to 10%.

(c) Manitoba Property

The Company holds a 100% interest in one Manitoba property consisting of one claim, which has a carrying value of $nil at March 31, 2023 (December 31, 2022 - $nil).

As at March 31, 2023, accounts payable and accrued liabilities included $4,851 (December 31, 2022: $5,088) related to exploration and evaluation asset expenditures.

(Expressed in thousands of Canadian dollars, except share information)

7. DEFERRED SHARE UNITS

The Company has a Long-Term Incentive Plant ("LTIP") that allows the Company to grant various awards, including DSUs to directors, officers, employees and consultants of up to an aggregate maximum of 10% of the common shares outstanding.

A continuity of the changes in the DSUs outstanding is as follows:

	Number of units		Value
Outstanding, December 31, 2022	1,742,375	$	5,210
Granted	150,000		501
Revaluation	-		1,764
Outstanding, March 31, 2023	1,892,375	$	7,475

8. CREDIT FACILITY

The Company's senior secured project credit facility ("Credit facility") includes the following key terms:

- US$150 million non-revolving facility with a maturity date of September 30, 2030.
- Interest shall accrue at a floating rate of 6.95% per annum plus the greater of the Secured Overnight Financing Rate and 2.00% per annum. Interest costs may be deferred and capitalized until either 18 months following the Company meeting certain drawdown conditions or June 30, 2025, whichever is earlier.
- Quarterly principal repayments will commence on June 30, 2026, in the amount of 4% of the outstanding principal balance at each repayment date.
- The Company may elect to prepay the outstanding principal amount in whole, including all accrued interest, at any time subsequent to December 20, 2025 (the "Voluntary Prepayment Option"). The Company would incur a premium of between 3% and 4% of the total amount prepaid in exercising the Voluntary Prepayment Option on or before December 20, 2027, and a 0% premium thereafter.
- The Company's obligations under the Credit facility are guaranteed by the realizable value of the Company's assets. In addition, the Company is expected to maintain compliance with specified covenants (including financial covenants). The Company was in compliance with all covenants contained in the Credit facility as at March 31, 2023.

A continuity of the changes in the Credit facility outstanding is as follows:

Balance, December 31, 2022		33,478[(1)]
Principal drawn down		-
Capitalized interest		1,156
Amortization of the transaction costs		86
Foreign exchange (gain) loss		(26)
Balance, March 31, 2023	$	34,693[(1)]

(1) Includes US$29,500 of principal drawn.

(Expressed in thousands of Canadian dollars, except share information)

9. SHARE CAPITAL

(a) Authorized and issued

The Company is authorized to issue an unlimited number of common shares, non-voting shares and preference shares with no par value. At March 31, 2023, 254,203,137 common shares and 27,777,778 non-voting shares were issued and outstanding.

The rights, privileges, restrictions and conditions of the non-voting shares are identical to those of the common shares, except that the non-voting shares will not entitle the holder thereof to vote at a shareholder meeting and that the non-voting shares may be converted, at the option of the holder, on a one-to-one basis into common shares. Once a non-voting share is converted into a common share, it shall have all the rights and privileges that attach to the common shares.

(b) Private placement financing

On March 27, 2023, the Company completed a private placement financing totaling 24,687,300 common shares for gross proceeds of $100,000. The Company issued 20,270,300 common shares at a price of $3.70 per share for gross proceeds of $75,000 and 4,417,000 common shares on a flow-through basis at a price of $5.66 per flow-through share for gross proceeds of $25,000. Share issue costs totaled $4,971.

As a result of subscribers paying a premium for the flow-through shares, the Company allocated $8,657 of the gross proceeds of the flow-through shares to the flow-through share premium liability and the remaining $16,343 to share capital.

(c) Stock options

The Company's LTIP allows the Company to grant various awards, including stock options, to directors, officers, employees and consultants of up to an aggregate maximum of 10% of the common shares outstanding. The exercise price, term and vesting period of each option are determined by the Board within regulatory guidelines.

A continuity of the stock options is as follows:

	Number of options		Weighted average exercise price
Outstanding, December 31, 2022	14,270,000	$	0.86
Granted	1,960,000		3.33
Exercised	(965,000)		0.58
Forfeited	(250,000)		3.34
Outstanding, March 31, 2023	15,015,000	$	1.15

The fair value of the stock options that were granted during the three months ended March 31, 2023 was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

Risk-free interest rate	2.99%-3.66%
Expected stock price volatility	77%
Expected dividend yield	0.00%
Expected option life in years	5.0

(Expressed in thousands of Canadian dollars, except share information)

The following stock options were outstanding as at March 31, 2023:

Outstanding	Exercisable	Weighted average Exercise Price	Expiry Date	Weighted average remaining life (in years)
930,000	930,000	$ 0.34	March 27, 2024	0.99
900,000	900,000	0.09	April 3, 2025	2.01
6,000,000	6,000,000	0.20	November 7, 2025	2.61
500,000	375,000	1.15	April 5, 2026	3.02
1,200,000	783,333	1.05	April 21, 2026	3.06
600,000	400,000	1.33	May 5, 2026	3.10
100,000	66,667	2.13	September 13, 2026	3.46
200,000	133,333	2.02	September 28, 2026	3.50
125,000	83,333	2.43	October 18, 2026	3.55
75,000	50,000	2.64	January 17, 2027	3.80
200,000	66,667	2.22	January 31, 2027	3.84
1,880,000	626,667	2.35	March 17, 2027	3.96
250,000	-	2.02	May 16, 2027	4.13
75,000	-	2.66	June 13, 2027	4.21
75,000	-	2.47	June 16, 2027	4.21
20,000	-	2.46	August 22, 2027	4.40
25,000	-	2.48	September 19, 2027	4.47
25,000	-	2.25	October 24, 2027	4.57
125,000	-	3.00	December 19, 2027	4.72
1,510,000	-	3.34	January 20, 2028	4.81
200,000	-	3.22	February 23, 2028	4.90
15,015,000	10,415,000	$ 1.15		3.08

(d) Restricted share units

At the discretion of the Company's board, the Company's LTIP allows for the grant of Restricted Share Units ("RSUs") to directors, officers, employees and consultants.

A continuity of the changes in the RSUs outstanding is as follows:

	Number of units
Outstanding, December 31, 2022	182,500
Granted	115,000
Outstanding, March 31, 2023	297,500

(e) Share purchase warrants

A continuity of the outstanding share purchase warrants is as follows:

	Number of warrants	Weighted average exercise price
Outstanding, December 31, 2022	8,184,285	$ 0.22
Exercised	(135,000)	0.15
Outstanding, March 31, 2023	8,049,285	$ 0.22

(Expressed in thousands of Canadian dollars, except share information)

The following warrants were outstanding at March 31, 2023:

Warrants outstanding and exercisable	Expiry Date	Weighted average exercise price
2,335,000	April 29, 2023	0.15
5,714,285	November 25,2025	0.25
8,049,285	$	0.22

10. FINANCIAL INSTRUMENTS

The Company examines the various financial instruments to which it is exposed and assesses the impact and likelihood of those risks. These risks include credit risk, liquidity risk and market risk (including interest rate, currency and other price risk). The risk related to financial instruments is managed by senior management of the Company under policies and directions approved by the Board. Relevant policies include the Treasury Management Policy and the approval allowing a portion of the Company's cash to be held in US dollars at the discretion of the Chief Executive Officer and the Chief Financial Officer. The Board monitors these policies on an annual basis. The Company's Board has not approved the use of derivative financial products.

(a) Fair value of financial instruments

The fair value hierarchy established by IFRS 13 *Fair Value Measurement* has three levels to classify the inputs to valuation techniques used to measure fair value as described below:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted market prices that are observable for the assets or liabilities either directly or indirectly; and

Level 3 – inputs that are not based on observable market data.

Financial Instruments	Classification
Cash and cash equivalents	Amortized cost
Accounts receivable and other	Amortized cost
Investments	FVOCI
Restricted cash	Amortized cost
Accounts payable	Amortized cost
Accrued liabilities	Amortized cost
Credit facility	Amortized cost
Embedded derivative in Credit facility	FVTPL

The fair value of Company's financial instruments carried at amortized cost approximate their carrying values due to their short-term nature.

(b) Credit risk

Credit risk is the risk of an unexpected loss if a party to a financial instrument fails to meet its contractual obligation. The credit risk associated with cash and cash equivalents and restricted cash is minimized as these financial instruments are held with major Canadian commercial banks. In respect of accounts receivable, the Company is not exposed to significant credit risk as the majority consists of amounts due from Canadian governmental agencies.

(Expressed in thousands of Canadian dollars, except share information)

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company has in place a planning and budgeting process to determine the funds required to support the Company's operating requirements as well as its planned capital expenditures. The Company manages its financial resources to ensure there is sufficient working capital to fund near term planned exploration work and operating expenditures. The Company has considerable discretion to reduce or increase plans or budgets depending on current or projected liquidity.

(d) Market risk

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk through the interest accrued on the Credit facility and interest earned on cash and cash equivalents. A 1% change in short-term interest rates would not have a material impact on net loss or comprehensive loss.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign currency exchange rates. The Company is exposed to foreign currency risk in terms of its US denominated cash and Credit facility. A 10% change in foreign currency exchange rates would result in a before-tax gain or loss of $2.4 million.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financing instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is exposed to other price risk in terms of its investments and the deferred share units. A 10% change in market prices would not have a material impact on net loss or comprehensive loss.

11. OTHER (INCOME) EXPENSES

The continuity of the Other (income) expenses for the three months ended March 31, 2023 and 2022 is as follows:

		2023		2022
Interest income	$	(448)	$	(103)
Interest expense		1,242		-
Foreign exchange loss		245		3
Other		(8)		(2)
Total	$	1,031	$	(102)

(Expressed in thousands of Canadian dollars, except share information)

12. RELATED PARTY TRANSACTIONS

Key management personnel at the Company are the current Directors and Officers of the Company. Key management personnel, or their related parties, may hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. These transactions are in the normal course of operations and are measured at their exchange amount, which is the amount agreed upon by the transacting parties.

The Company's related party transactions for the three months ended March 31 were as follows:

		2023		2022
Short-term benefits(1)	$	455	$	369
Directors' fees(2)		63		68
Share-based payments(3)		2,962		1,553
Total	$	3,480	$	1,990

(1) Short-term benefits consist of salaries and bonuses for key management personnel and fees paid to Myerson Holdings AG, a company controlled by the CEO.

(2) Directors' fees consist of cash retainers paid to the directors.

(3) Share-based payment expense consists of RSUs, DSUs and stock options granted to key management personnel.