

OREZONE GOLD CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND TOTAL COMPREHENSIVE LOSS

FOR THE YEAR ENDED DECEMBER 31, 2013

March 28th, 2014

General

This Management's Discussion and Analysis ("MD&A") is provided to enable the reader to assess material changes in the financial position and total comprehensive income (loss) for Orezone Gold Corporation (the "Company") for the year ended December 31, 2013, in comparison to the corresponding prior-year period. This document should be read in conjunction with the audited annual consolidated financial statements for the years ended December 31, 2013 and 2012 ("Annual Financial Statements"), which have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the Annual Information Form ("AIF") on file with the Canadian provincial securities regulatory authorities for the year ended December 31, 2013. All dollar amounts in this MD&A are in United States dollars, unless otherwise specified. References to "\$" or "US\$" are to United States dollars, references to "C\$" are to Canadian dollars and references to "CFA" are to Communauté Financière Africaine francs. The functional currency for each entity consolidated with the Company is determined by the currency of the primary economic environment in which it operates (the "functional currency"). The Company's functional currency is the Canadian dollar. This MD&A has taken into account information available up to and including March 28th, 2014.

This MD&A contains forward-looking statements (see "Forward Looking Statements" below for a full discussion on the nature of forward-looking statements). Statements regarding the adequacy of cash resources to carry out our exploration and development programs or the need for future financing are forward-looking statements. Statements regarding the potential for expansion of current National Instrument 43-101 ("NI 43-101") qualified resources, expected results including, but not limited to, targeted economic parameters and production levels for Bomboré, planned expenditures on the Company's projects, completion of the preliminary economic assessment and feasibility study (including related timing), and obtaining a mining permit (including related timing and milestones) are also forward-looking statements. All forward-looking statements, including those not specifically identified herein, are made subject to cautionary language at the end of this document. Readers are advised to refer to the cautionary language included at the end of this MD&A when reading any forward-looking statements.

The MD&A is prepared in conformity with NI 51-102F1 and has been approved by the Company's board of directors (the "Board of Directors" or the "Board") prior to its release.

Corporate Information

The Company was incorporated on December 1, 2008 under the Canada Business Corporations Act and is a publicly listed corporation on the Toronto Stock Exchange (the "TSX"). The Company is primarily engaged in the acquisition, exploration and development of gold properties in Burkina Faso, West Africa. Management has been operating in West Africa for over 15 years. The Company is in the exploration and evaluation phase and has not yet determined whether any of its mineral properties are technically feasible and commercially viable. The Company's primary objective is to maximize shareholder value by identifying and developing commercially viable gold mining operations.

Although the Company began trading publicly on February 25, 2009, Management and the Board represent the continuation of the successful track record of Orezone Resources Inc. ("Resources") in Burkina Faso, extending back to its inception in 1996. This includes the acquisition, exploration, development, financing, construction and divestiture of the Essakane gold project to IAMGOLD Corporation, the largest operating gold mine in Burkina Faso. Burkina Faso became the fourth largest African gold producer in 2012 with much of this production coming from Essakane. Burkina Faso has similar geology, but is relatively underexplored, compared to the neighboring countries of Mali and Ghana where more major discoveries have been made and a number of large mines have been built.

Burkina Faso has good infrastructure relative to much of West Africa, and has provided the opportunity to acquire both relatively large unexplored tracts of land, as well as more advanced stage assets, on reasonable terms. The Company will continue to focus the majority of its efforts in Burkina Faso.

The Company has two advanced stage gold projects: Bomboré and Bondi, which are both located in Burkina Faso. During the second half of the year, the Company's main focus continued to be the advancement of the Bomboré gold project towards a production decision. As a result of more challenging financial markets, in May 2013 the Company decided to reduce its total planned exploration and feasibility expenditures for 2013 to \$10.2M by postponing any further drilling at Bomboré, Bondi and Brighton projects. Subsequently, Management announced its intent to shift the focus of the Bomboré Feasibility Study ("FS") in order to assess a lower capital cost heap leach ("HL") scenario, as outlined in the August 2011 Preliminary Economic Assessment ("PEA"). The Company spent \$8.0M¹ on exploration and feasibility work in 2013, a decrease of \$0.3M over the estimate at Q3 2013 as a result of a reduction in the estimated cost of work on the PEA update during the year. In 2014, the Company plans to spend \$5.8M² on exploration and feasibility work.

The following table provides the resources on the Company's projects using the standards of National Instrument 43-101:

Table 1 – Total Resources by Project

Category	Tonnes (M)	Grade (Au g/t)*	Contained Gold (oz)*	Date Released
Bomboré (Constrained to \$1,400 pit shell)				
Total Measured and Indicated resources	139.9	1.01	4,561,000	April 2013
Total Inferred resources	18.4	1.22	723,000	
<i>Oxide and Transition M&I resources only</i>	67.2	0.91	1,964,000	April 2013
<i>Oxide and Transition Inferred resources only</i>	6.4	0.92	189,000	
Bondi				
Measured and Indicated resources	4.1	2.12	282,000	February 2009
Inferred resources	2.5	1.84	150,000	
Total				
Measured and Indicated resources	144.0	1.05	4,843,000	
Inferred resources	21.0	1.30	873,000	

* Using a lower cut-off grade of 0.45 g/t for oxide, 0.45 g/t for transition and 0.50 g/t for fresh material for Bomboré, and 0.50 g/t for all material at Bondi.

Significant developments during, and subsequent to, the year ended December 31, 2013 included:

Bomboré

- The Company completed a metallurgical test program on the oxide and sulphide ores with results indicating recoveries of +90% from oxides using a standard carbon-in-leach ("CIL") process;
- On April 29, 2013, the Company announced an updated resource statement for its Bomboré Gold Deposit, including 4.56M oz of Measured and Indicated and 0.72M oz of Inferred resources;
- The Company announced 25,779 m of cumulative additional positive oxide and sulphide drill results from infill and expansion drilling completed during and subsequent to the cut-off date for inclusion in the resource estimate released on April 29th;
- In early May, the Company decided to postpone planned reverse circulation ("RC") and diamond drilling ("DD") drilling activities as well as reduce the size of its Burkina Faso exploration staff while maintaining the core exploration and project development teams, until market conditions improve;
- On June 19, 2013, the Company announced its intent to shift the focus of the Bomboré FS in order to review and reassess the lower capital cost heap leach ("HL") scenario; and
- On January 22, 2014, the Company announced the results of a positive Preliminary Economic Assessment with an after-tax IRR of 23.9% to Orezone using a \$1,250 gold price and current costs based on other operations in the region. The mine plan included in this base case financial model is optimized to deliver better grade in early years. The after-tax IRR improves to 37.1% from revenues at a \$1,500 gold price, based on the same mine plan.

¹ Excludes local G&A. Includes local capital expenditures, of which \$53K do not relate to a specific project.

² Excludes local G&A

Bondi

- On June 4, 2013, the Company announced metallurgical and drilling highlights on its Bondi project.

Niger

- In early May 2013, Management decided to place its Zéline 1 and Assaouas 1 permits on care and maintenance until market conditions improved. This measure included reducing local staff and overheads as well as selling its assets in country, including the office in Niamey;
- During Q3 2013, Management decided that it would not renew the Niger permits after the current renewal period ended in Q4 2013 and notified the Government of Niger of its intent to return the permits on October 22, 2013. Approximately \$232K of mineral property rights were written off related to the permits; and
- During Q4 2013, the Company sold its land, building and certain equipment for 176M CFA (approx. \$363K) before taxes and fees. Net proceeds on the sale were approximately \$332K.

General

- On January 15, 2013, an employee exercised 45,000 stock options with an exercise price of C\$1.70; [
- On May 23, 2013, Ronald Batt was elected to the Board of Directors by the Company's shareholders. He was subsequently appointed to the Audit Committee on June 4, 2013. Mr. Batt was also awarded 200,000 stock options with a strike price of C\$1.50. One-third of the options vest immediately with the other two-thirds vesting evenly on his first and second anniversary dates. Alain Krushnisky resigned as Chair, and member, of the Audit Committee effective January 7, 2014. The Board appointed Mr. Batt as Chair of the Audit Committee;
- In Q2 2013, approximately \$210K of severance costs were paid to employees terminated in Burkina Faso and Niger;
- On November 13, 2013, the Company closed a C\$5M non-brokered private placement financing whereby 10,000,000 ordinary common shares were issued at a price of C\$0.50 per share;
- On January 30, 2014, the Company granted 1,600,000 stock options to the Company's directors, officers and employees at a strike price of C\$0.65 per share. These options vest two years from the grant date and expire five years from the grant date; and
- On March 19, 2014, the Company announced that it had sold the 11M common shares it held in Amara Mining plc for proceeds of approximately \$3.4M.

Exploration Activity

The following table summarizes the Company's exploration and evaluation costs and meters drilled by project for the years ended December 31, 2013, 2012 and 2011. All figures are presented in US\$, except for meters drilled.

Table 2 – Exploration and Evaluation Costs

Year ended December 31, 2013	Meters Drilled	Drilling & Assaying	General, Camp, Infrastructure & Other	Exploration & Development Studies	Exploration Surveys	Total Exploration & Evaluation Costs
	m	\$	\$	\$	\$	\$
Bomboré	21,658	1,441,723	1,849,036	2,947,523	291,879	6,530,161
Bondi	7,078	725,254	166,457	70,747	117,254	1,079,712
Brighton, Niger (Uranium)	-	-	93,207	-	9,676	102,883
Total	28,736	2,166,977	2,108,700	3,018,270	418,809	7,712,756

Year ended December 31, 2012	Meters Drilled ¹	Drilling & Assaying	General, Camp, Infrastructure & Other	Exploration & Development Studies	Exploration Surveys	Total Exploration & Evaluation Costs
	m	\$	\$	\$	\$	\$
Bomboré	140,705	13,362,295	2,350,964	3,162,933	401,765	19,277,957
Sega	10,000	4,231	3,523	-	487	8,241
Bondi	2,500	110,131	115,928	157,113	59,688	442,860
Brighton, Niger (Uranium)	18,664	1,263,316	246,687	-	262,432	1,772,435
Total	171,869	14,739,973	2,717,102	3,320,046	724,372	21,501,493

¹ Includes 4,860 m of auger drilling on Bomboré and 2,500 m at Bondi, as well as 10,000 m of RC drilling on Sega that was fully funded by Amara

Year ended December 31, 2011	Meters Drilled ²	Drilling & Assaying	General, Camp, Infrastructure & Other	Exploration & Development Studies	Exploration Surveys	Total Exploration & Evaluation Costs
	m	\$	\$	\$	\$	\$
Bomboré	162,939	16,503,991	1,579,260	1,339,258	409,926	19,832,435
Sega	10,000	333,746	207,453	61,623	138,168	740,990
Bondi	-	-	24,270	-	111,782	136,052
Brighton, Niger (Uranium)	23,588	1,725,256	360,644	-	1,732,322	3,818,222
Total	196,527	18,562,993	2,171,627	1,400,881	2,392,198	24,527,699

² Includes 12,142 m of auger drilling on Bomboré and 10,000 m on Sega

Bomboré Project

Orezone is developing its wholly-owned Bomboré project towards transition into a mining operation. Bomboré is situated 85 km east of the capital city and is adjacent to an international highway with access to sufficient water, power and a local labor force. The project benefits from a large oxide resource (average depth 45 m) that sits on top of a large sulphide resource. The average depth of drilling to date is 120 m and the sulphide resource reaches depths of 200 m within the optimized pit shells that constrain the resource. Since 2011, the Company has been examining various scenarios to develop the project in stages to reduce the initial capital requirements. In 2013, the Company switched its development focus from a Phase I oxide-only CIL operation to a Phase I oxide-only HL scenario. The Company completed an updated Preliminary Economic Assessment ("PEA") on the HL scenario that was released and filed during Q1 2014. The HL scenario is less capital intensive than the previously considered oxide-only CIL operation.

On April 29, 2013, the Company announced an updated NI 43-101 compliant resource statement (the "2013 Resource") on the project that includes 4.56M oz Measured & Indicated ("M&I") (140M t @ 1.01 g/t) and 0.72M oz Inferred (18M t @ 1.22 g/t).

This includes a near surface oxide and transition resource of 1.96M oz M&I (67M t @ 0.91 g/t) that occurs mostly within an average of 45 m from surface. The 2013 Resource includes an additional 67,023 m (37,249 m of RC and 29,774 m of core) of drilling that was not included in the previous resource released on August 27, 2012, for a total of 404,648 m (to an average vertical depth of 120 m), including 259,025 m of RC (4,170 holes) and 145,623 m of DD (926 holes) and represents an increase of 0.49M oz M&I resources. The 2013 Resource is constrained within optimized pit shells (\$1,400/oz gold price) that span 11 km, and remain open at depth and, for the most part, along strike. The 2013 Resource was estimated using the results of the technical studies of the CIL scenario FS and relevant cost estimates for current mining, processing and G&A of comparable Burkina Faso mines.

In April 2013, Management decided to further reduce its 75,000 m infill and expansion drilling program (originally 90,000 m) to reduce costs and as a result, the Company completed 59,421 m of exploration and definition drilling between September 2012 and the conclusion of the program in April 2013. No further resource drilling has occurred since April 2013 nor is required to complete a FS for the heap leach scenario. Limited geotechnical and condemnation drilling (approx. 2,500 m) will be required for the heap leach FS. In June 2013, the Company closed its on site sample preparation facility managed by an independent certified international laboratory (SGS Group).

During the first half of 2013, the Company began work to close artisanal mining sites on the property and will continue to do so throughout 2014. As well, in Q3 and Q4 2013, minor road and bridge repairs were undertaken on site.

In June 2013, the Company postponed the completion of the oxide-only CIL FS due to poor market conditions and returned its focus to developing the project with an initial phase HL operation. The Company completed and announced the positive results of the update to the heap leach PEA in early 2014. The updated HL PEA was completed by G Mining Services Inc. ("GMS"), Kappes, Cassidy & Associates and Golder Associates Inc.

Much of the CIL FS work (technical studies) completed to date has been incorporated into the PEA update for the HL scenario. The Company is currently in the process of completing a detailed gap analysis to determine the extent of additional work required to complete a FS on the HL scenario. The PEA used only the M&I oxide and transition resources from the 2013 Resource along with current operating and capital cost estimates. It should be noted that the sulphide resources are not amenable to heap leaching and will not be a part of the HL mine plan. The Company has commenced the detailed metallurgical testwork including cement compaction tests, geotechnical drilling and a gap analysis of the Environmental and Social Impact Assessment ("ESIA") and Resettlement Action Plan ("RAP"). These technical studies are expected to be completed during Q2 2014. Upon completion of an ESIA and RAP, which require the local population to sign-off, the Company plans to submit a mining permit application before year end 2014.

In November 2013 the Company completed a C\$5M non-brokered private placement equity financing which will primarily be used to fund the continuation of various technical studies to support the FS on the HL scenario.

The Company spent \$6.8M, including capital expenditures of \$0.16M, on exploration and development at Bomboré in 2013, including the costs to date on the CIL FS, the PEA update and camp/capital additions. The work performed on the CIL FS accounts for approximately \$2.4M of the above costs, while the PEA update for the HL scenario accounts for approximately \$0.37M. This represents a decrease from the estimated cost presented in Q3 2013 due to final contractor selection with detailed estimates provided. The Company currently expects to spend \$5.7M on exploration and development in 2014, excluding G&A, of which approximately \$4.3M relates to external costs to complete the HL FS and permitting in 2014.

2013 Resource Update

The Mineral Resource Statement (Table 3) was prepared by SRK Consulting (Canada) Inc. ("SRK") from Toronto. The mineral resources are constrained within conceptual open pit shells prepared by G Mining Services ("GMS") from Montreal using parameters established by GMS in January 2013 and taking into account the FS results of the metallurgical and geotechnical test work. It should be noted that these parameters are based on a CIL operation. The total resource (oxide and sulphide) spans an area over 11 km long and up to 1 km wide with an estimated stripping ratio (prior to mine design) of 2:1. The majority of the total resource occurs within the top 120 m, where approximately 90% of the drilling was completed to date, but pit shells can reach a depth of 200 m.

Table 3 - 2013 Mineral Resource Statement* for the Bomboré Deposit, Burkina Faso, West Africa, SRK Consulting (Canada) Inc., April 26, 2013, CIL Processing Scenario

Category	Cut-off Gold g/t	Measured Mineral Resource			Indicated Mineral Resource			Inferred Mineral Resource		
		Tonnage Mt	Grade g/t	Contained Gold koz	Tonnage Mt	Grade g/t	Contained Gold koz	Tonnage Mt	Grade g/t	Contained Gold koz
North:										
Laterite/Oxide	0.45	13.57	0.95	417	14.20	0.82	375	2.04	0.88	57
Transitional	0.45	9.22	0.93	275	5.84	0.92	173	0.79	1.00	25
Fresh	0.50	22.04	1.00	711	11.98	1.29	497	4.42	1.63	232
Sub-total		44.83	0.97	1,402	32.02	1.02	1,046	7.25	1.35	315
South:										
Laterite/Oxide	0.45	8.11	0.94	246	4.55	0.86	126	1.66	0.89	48
Transitional	0.45	7.49	0.89	214	2.99	0.96	92	1.35	0.96	41
Fresh	0.50	20.58	1.02	674	15.27	1.19	584	5.46	1.26	222
Sub-total		36.17	0.98	1,134	22.80	1.09	802	8.46	1.14	311
Southeast:										
Laterite/Oxide	0.45	0.24	1.33	10	0.37	1.05	12	0.30	0.97	9
Transitional	0.45	0.25	1.53	12	0.34	0.97	11	0.24	0.97	7
Fresh	0.50	1.53	1.44	71	1.32	1.43	61	2.18	1.15	81
Sub-total		2.03	1.44	94	2.02	1.28	83	2.71	1.12	97
Combined:										
Laterite/Oxide	0.45	21.92	0.95	673	19.11	0.84	514	4.00	0.89	115
Transitional	0.45	16.96	0.92	501	9.16	0.94	275	2.37	0.97	74
Sub-total	0.45	38.88	0.94	1,174	28.27	0.87	789	6.37	0.92	189
Combined:										
Fresh	0.50	44.14	1.03	1,456	28.56	1.24	1,142	12.05	1.38	534
Total		83.03	0.99	2,630	56.83	1.06	1,931	18.42	1.22	723
Total M+I		139.86	1.01	4,561						
Total M+I Oxidized		67.16	0.91	1,964						
* Mineral resources are not mineral reserves and do not have a demonstrated economic viability. All figures have been rounded to reflect the relative accuracy of the estimates. The gold price of US\$1,400 and the cut-off grades from the previous resource estimation have been retained for comparison purposes. The average calculated mining cut-off grades based on the assumptions considered for the current pit optimization are 0.29, 0.33 and 0.57 g/t for the oxide, transition and fresh resources respectively. Reported within conceptual open pit shells optimized considering a carbon-in-leach ("CIL") process option.										

Table 4 - 2013 Mineral Resource Whittle Pit Sensitivity to Gold Price, CIL Processing Scenario

Gold Price US\$/oz	Measured and Indicated Oxide + Transition + Fresh				Measured and Indicated Oxide + Transition Only			
	Total Tonnage (Mt)	Au Metal (Moz)	Au Grade (g/t)	Strip Ratio *	Total Oxide Tonnage (Mt)	Au Metal (Moz)	Au Grade (g/t)	Strip Ratio *
1,000	69.8	2.44	1.09	2.1	50.0	1.48	0.92	1.6
1,100	91.4	2.95	1.00	2.0	61.5	1.67	0.85	1.5
1,200	114.3	3.44	0.94	1.9	74.0	1.86	0.78	1.4
1,300	140.6	3.96	0.88	1.9	87.3	2.03	0.73	1.3
1,400	165.5	4.42	0.83	1.8	98.9	2.18	0.68	1.2
1,500	193.0	4.88	0.79	1.7	113.2	2.34	0.64	1.1
1,600	226.2	5.43	0.75	1.7	128.4	2.49	0.60	1.0
1,700	260.6	5.98	0.71	1.6	143.0	2.64	0.57	1.0

Resources are inclusive of 5% mining losses and 5% dilution with zero grade. Total tonnage is from pit shells optimized on Measured and Indicated blocks of oxide, transition and fresh material. Oxide tonnage is from pit shells optimized only on the Measured and Indicated blocks of oxide and transition material. The economic cut-offs averaged 0.29, 0.33 and 0.57 g/t for oxide, transition and fresh resources respectively.

*The strip ratio is that of the resource whittle shell and is expected to increase for the detailed pit designs.

Drilling on the Bomboré property, geological modeling and the mineral resource estimates were supervised by Pascal Marquis, Geo., Ph.D., Senior Vice President, a Qualified Person, as defined by National Instrument 43-101. The mineral resource estimate was prepared by Dorota El-Rassi, P.Eng. and Glen Cole, P.Geo. of SRK; who are Independent Qualified Persons as defined by National Instrument 43-101. The optimization parameters and the Whittle pit optimization were established by Louis-Pierre Gignac, P.Eng., CFA of GMS, who is an Independent Qualified Person as defined by National Instrument 43-101.

Drilling Progress since August 2012

Subsequent to the August 2012 resource estimate drilling cut-off date (approximately March 2012), additional drilling continued at Bomboré with 40,012 m of DD and 57,215 m of RC drilling completed to April 27th, 2013, of which 67,023 m were included in the 2013 Resource update. This drilling has focused mainly on the Siga and Maga areas. Drilling to date totals 404,648 m (to an average vertical depth of 120 m), including 259,025 m of RC in 4,170 holes.

The 2012 reconnaissance mapping and prospecting program on the new Toéyoko permit to the southwest identified two promising targets on the permit. The first target is the southern portion of P13 which has confirmed gold mineralization in carbonaceous meta-argillite (similar to the P16 deposit) over a strike length of 3.5 km. The second target, P17S, is located 1,600 m to the south of the P17 deposit that was included in the 2010 Resource. The Company completed three core holes on two fences 100 m apart on this new discovery during Q3 2012, all of which intersected gold mineralization in felsic intrusives hosted in sheared meta-gabbro. The uncut grade averaged 3.4 g/t over a core length of 6.25 m (maximum of 10.2 g/t). Drilling during Q1 2013 further defined the P17S gold prospect where 15 core holes have now been completed, of which 12 intersected 14 mineralized intervals averaging 7.6 m at a grade of 2.94 g/t. With open ended mineralization to the north and to the east, more expansion drilling is warranted. The true width of these mineralized intervals is unknown at this stage, but current results are best explained by a single mineralized unit gently dipping to the NNE.

Economics and optimal mining scenario, 2014 PEA

The 2014 PEA evaluated the potential of a Phase I open pit heap leach scenario for the Bomboré project using only the oxidized measured and indicated resources from the 2013 Resource. The base case financial model yields an after tax IRR of 23.9 % to Orezone with a mine plan optimized to deliver better grade in early years, revenues using a \$1,250 gold price and current costs based on operations in the region. The after tax IRR improves to 37.1 % from revenues at a \$1,500 gold price, based on the same mine plan.

The study was completed by GMS and included Kappes, Cassiday and Associates, and Golder Associates. The heap leach mineable resource is limited to only the measured and indicated near-surface saprolite and transition resources (average depth of 45 m) which includes 44.7 Mt grading 0.88 g/t for 1.3 Moz. The sulphide resources, although extensive, indicate relatively poor heap leach gold recoveries and could be processed later under a CIL expansion scenario in better gold price and capital market conditions. G Mining did not audit the 2013 SRK NI 43-101 Resource Update. In the PEA the initial capital costs were estimated on the basis of Q3 and Q4 2013 quotes on equipment and databases for similar projects in West Africa and South America.

Summary of 2014 PEA Base Case Financials:

The base case assumptions include revenues using a gold price of \$1,250 and current prices for fuel, reagents, labor, mining and other current costs from operations in the region as of Q3 2013. The financial highlights are as follows:

Table 5 - 2014 PEA Base Case Financial Highlights

Base Case Financials Description	Heap Leach
Mineral Resource used in Mine Plan (ounces)	1,271,567
Average Grade (g/t)	0.88
Processing Throughput (Mt/yr)	5.5
Mine Life (years)	8.1
Average Annual Production (ounces)	123,000
Gold Production (ounces recovered)	1,008,000
Waste to Ore Strip Ratio	1.63
Gross Revenue (\$M)	\$1,256.2
Direct Cash Cost (\$/oz)	\$627
Operating Cost (\$/oz)	\$677
Initial Capital (\$M)	\$180.0
Sustaining Capital (\$M)	\$53.8
Closure Costs (\$M)	\$10.0
Orezone ⁽¹⁾	
NPV after tax (0%) (\$M)	\$246.6
NPV after tax (5%) (\$M)	\$158.9
IRR after tax	23.9%
Government ⁽²⁾	
NPV (0%) with taxes (\$M)	\$135.5
NPV (5%) with taxes (\$M)	\$102.3
<i>(1) Represents Orezone's Burkina Faso subsidiary cash flows net of royalties and local taxes. The Government of Burkina Faso benefits from its 10% free-carried shareholding, the gold royalty, corporate tax and withholding taxes.</i>	
<i>(2) Government cash flows are underestimated as customs fees and duties on imports and indirect taxes built into the delivered fuel price have not been incorporated.</i>	
<i>All figures in USD.</i>	
<i>Exchange Rates: XOF : USD = 485. XOF : EURO = 655.96</i>	

Feasibility and infrastructure work

The Company plans to continue with the ongoing heap leach technical studies of the FS to examine the potential for a 5.5M t/yr open pit HL operation that could commence as early as late 2016 with a targeted production of 123,000 oz/yr, all dependent upon ongoing studies, total project financing and permitting. Orezone has the necessary personnel to complete the remaining technical studies in 2014 in order to apply for a mining permit, prior to the expiration of the extended exploration permit on February 17, 2015.

To complete the technical studies, limited drilling (approx. 2,500 m) for geotechnical and condemnation purposes will be required. Cement compaction testing and additional column leach tests are among the remaining technical studies that should be completed during H1 2014. Geotechnical drilling of the heap leach infrastructure should also be completed in Q1 2014.

Once the revised site plan layout (as per the designs presented in the 2014 PEA) is confirmed to be suitable by the geotechnical drilling and other investigations, the social impact study and the relocation action plan can then be completed and presented to the local population for their approval.

The environmental and social impact study ("ESIA"), detailed metallurgical heap leach studies, geotechnical studies of the new heap leach site location, and optimization studies shall be completed by Q4 2014. As of December 2013, detailed social and environmental baseline studies were completed over a study area that covered 83 km², and baseline studies were in progress over 47 km² of adjacent areas susceptible to host the relocated population. The most significant impact caused by the project was found to be the resettlement of the population living on the project site that currently represents 606 households (or about 4,300 people), and the expropriation of a large area of agricultural land (about 1,487 ha). The Company plans to complete the ESIA and RAP to be submitted with a mining permit application in the second half of 2014. The Company has identified possible resettlement areas for each of the communities potentially impacted by the project and has contracted SOCREGE to lead the Company's RAP.

Permit status and expansion

The original Bomboré I permit (104.5 km²) was renewed in December 2012 for an additional two-year exploration term (expiry February 17, 2015). The Company intends to apply for a mining permit before year end 2014.

In August 2011, the Company announced it had been granted exploration rights to the Toéyoko permit, an additional 63 km² of prospective ground adjacent to Bomboré. Toéyoko is within its first three-year term and may be renewed for two more consecutive three-year terms. The new permit extends the Bomboré project footprint to the south and southwest by 60%. Regional gold-in-soil geochemistry and auger drilling results indicate there is potential for mineralization to extend from Bomboré onto Toéyoko. A 1,900 line-km high resolution airborne geophysical survey was completed in November 2011 over the Toéyoko permit and the Company received the magnetometry and radiometric data at the end of December 2011.

The Company merged the Toéyoko and Bomboré geophysical datasets (both at 50 m line spacing) and high-resolution photo-satellite base maps during Q1 2012. Reconnaissance mapping and prospecting was completed prior to the start of the auger drilling program, of which 2,561 m was completed during Q2 2012. The auger drilling has been completed and potential targets for future expansion have been identified, with 414 m of DD completed during Q2 2012. The 97,227 m drill program completed in Q2 2013 included a 4,750 m scout RC drilling program to follow up on positive auger drilling results on the P13 target, and 1,200 m of core drilling to follow up on the P17S discovery.

The Government of Burkina Faso requires an annual minimum expenditure of 270,000 CFA (~ US \$568) per km² resulting in minimums of 28,215,000 CFA (~ US \$59,400) for Bomboré and 17,010,000 CFA (~ US \$35,810) for Toéyoko. The Company is able to carry forward expenditures year over year throughout the terms of the permits as well as into subsequent renewals, if it so requires, in order to meet these minimums. To date, the Company has not had any difficulty in meeting these minimum requirements.

Ownership

The Company owns a 100% interest in the exploration permits less the standard sliding net smelter royalty ("NSR") of between 3% and 5%, depending on the gold price, and 10% carried interest held by the Government of Burkina Faso in the event that a mining permit is granted. The Government of Burkina Faso is currently reviewing its mining code and has asked the Chamber of Mines, the industry group that represents the mining companies, for comments.

Analysis of expenditures

Drilling and assaying expenditures at Bomboré for the year ended December 31, 2013 decreased by \$11.9M over the prior-year comparative period due to lower drilling activity as a result of increased focus on FS and HL PEA activities. During the year ended December 31, 2013, the Company completed 21,658 m of drilling compared to 140,705 m of drilling for the year ended December 31, 2012. General camp, infrastructure and other costs for the year ended December 31, 2013 has decreased by \$0.50M over the comparative prior-year period due to the decision to end the drilling program in April 2013 offset slightly by adding additional camp resources, including medical services, and work related to closing artisanal mining holes. Expenses related to exploration and development studies in the year ended December 31, 2013 has decreased by \$0.22M over the comparative prior-year period due to the suspension of the FS, offset by the undertaking of the 2013 Resource update, metallurgical test programs and the ongoing HL PEA activities.

Sega Project

On February 3, 2012, the Company signed a definitive agreement for the sale and transfer of the Sega project to Amara Mining plc ("Amara") (formerly "Cluff Gold plc") and the Company completed the sale on May 23, 2012 (the "Closing Date") for total consideration of approximately US\$26.3M. This was comprised of US\$15M in cash and 11M new common shares of Amara, representing 6.5% (5% at December 31, 2013) of Amara's issued and outstanding common shares (the "Sega Transaction"). The Company recorded a gain on the sale of the project of \$26.0M as well as a gain of \$0.26M on the sale of property, plant and equipment relating to the Sega camp and certain capital assets. A total of \$1.9M in tax was paid to the Government of Burkina Faso on the related capital gain. Refer to Note 7 in the Annual Financial Statements for a detailed description of the significant terms of the Sega Transaction.

As part of the transaction the Company agreed to complete a 10,000 m RC drilling program which was fully funded by Amara. Total costs incurred and reimbursed upon completion of the program and the close of the transaction was \$0.55M representing all costs incurred in 2012.

Bondi Project

The Bondi gold project is a 100%-owned, shallow and structurally controlled, 4 km long shear zone hosted gold deposit that contains 282,000 oz of Measured and Indicated gold resources at a grade of 2.12 g/t and 149,700 oz of Inferred resources at a grade of 1.84 g/t. During 2009, the Company undertook an air core drilling program to test an additional 4 km strike extension south along the Bondi structure. The program was successful and intercepted geochemical anomalies 50 times the background level of gold, along the trend on widely-spaced ($\geq 1,000$ m) drill fences. The Company completed a high-resolution airborne geophysics survey in Q4 2011 to assist in the identification of high priority drill targets and initiated a metallurgical testing program to better evaluate the economic potential of the project during Q2 2012. During Q1 2013, the Company initiated a 7,500 m RC and core drilling program (5,000 m of RC and 2,500 m of DD) which was completed in April 2013. The infill core holes within the inferred resources were broadly in line with the resource model and will assist to upgrade those resources to the indicated category. As well, targets identified by the 2012 auger drilling program were tested by RC holes which extended Zone 372 to the SE by approximately 275 m and intersected gold mineralization approximately 1,500 m to the south of Zone 2S. The Company also completed a Mobile Metal Ions ("MMITM") geochemical survey test over a 400 m section where two blind deposits are present which concluded that a strong gold anomaly existed over the blind deposits where conventional soil chemistry did not work. The results of the MMITM will assist in future target generation and prioritization. During Q2 2013, the Company also released the results of its metallurgical study which indicated that direct agitated cyanidation gold recoveries averaged 94% for oxide, 93% for semi-oxidized and 91% for sulphide material. As well, gold recoveries were $\geq 90\%$ for all of the composite samples at all grind sizes between 75 μm to 106 μm irrespective of cyanide concentration used. Results showed rapid gold recoveries at all feed sizes with oxide recovery in 6-12 hours and sulphide recovery within 12 hours. The project is currently on care and maintenance and Management is evaluating strategic alternatives.

Drilling and assaying expenditures in the year ended December 31, 2013 increased by \$0.62M as compared to the prior year due to the completion of 2,497 m of DD and 4,581 m of RC drilling, while the Company only completed 2,500 m of lower cost auger drilling in the comparative prior-year period. In May 2013 the Company decided to reduce its planned spending on exploration and development activities to \$1.1M, including capital expenditures of \$0.03M, for 2013. The majority of the cost savings result from the deferral of a 3,500 m auger drilling program as well as the decision to defer a resource update for the project. In August 2012 formal approval of the renewal of the permit for its final three-year term, with the mandatory 25% reduction in the permit area, was received from the Government of Burkina Faso. The permit expires on August 18, 2015.

The Government of Burkina Faso requires an annual minimum expenditure of 270,000 CFA (~ US \$568) per km² resulting in a minimum of 45,360,000 CFA (~ US \$95,500) for Bondi. The Company has the ability to carry forward excess expenditures year over year throughout the three year term of the permits as well as into subsequent renewals, if it so requires, in order to meet these minimums. To date, the Company has not had any difficulty in meeting these minimum requirements and has sufficient historical expenditures on the permit in order to meet future requirements.

Brighton Energy, Niger (Uranium)

The exploration activities in Niger are operated by Brighton Energy Corporation, a 100%-owned¹ subsidiary of the Company that held at the beginning of 2013 two Niger uranium permits through its wholly-owned subsidiary Niger Resources Inc. ("NIRES"). In the first three quarters of 2012 Management decided to abandon the Abelajouad, Assaouas 2 and Zéline 4 permits. In May 2013, Management decided to place the remaining two permits and its operations in Niger on care and maintenance to reduce costs, until market conditions improve. During Q2 2013, the Company began the process of selling assets and terminating leases related to its exploration activities in Niger. In Q3 2013, Management made the decision that it would not renew its two remaining permits in country when their next renewal came up in Q4 2013 and to completely wind down operations in Niger. On October 22, 2013, the Company advised the Government of Niger that it would be returning the permits. In Q4 2013, the Company sold its land, building and certain equipment in Niger for proceeds of 176M CFA (approximately \$362K) before taxes and fees. Net proceeds on the sale were approximately \$332K. The Company is currently making the necessary arrangements to effect the wind down of its Niger operations.

Zéline 1

During 2012, the Company completed a 4,172 m (56-hole) reconnaissance drilling program, in addition to the previously completed 59-hole, 9,584 m reconnaissance drilling programs conducted between Q4 2010 and Q3 2011, on the 241 km² Zéline 1 permit, which indicated a significant presence of uranium with 28 of 59 holes having >200 ppm eU₃O₈, in the same sequence of carboniferous rocks along with a similar structural setting to that of the neighboring mines. In total, 115-holes (13,756 m) were completed on the property. No additional exploration activities were completed on the permit in 2013 prior to its return to the Government of Niger.

Assaouas 1

In Q2 2011, the Company announced that the 39-hole, 9,446 m reconnaissance drilling program at Assaouas 1 indicated the presence of uranium: 20 of 24 holes had >100 ppm eU₃O₈, including 534 ppm eU₃O₈ over a cumulative 5.1 m in hole AM10056. In Q1 2012, the Company completed an additional 17 holes, totaling 6,164 m of drilling, on new targets located in the western portion of the permit and another 1,369 m (4-holes) were drilled during Q2 2012. There was no drilling activity during the rest of 2012. Upon its previous renewal, the permit was subject to a 50% surface area reduction resulting in it being reduced to 239 km². No additional exploration activities were completed on the permit in 2013 prior to its return to the Government of Niger.

¹ On March 29, 2012, the Company acquired 5M common shares of Brighton, representing the remaining 33% minority interest in Brighton (the "Brighton Exchange"). Under the terms of the Brighton Exchange, each minority shareholder received approximately 0.36 free-trading common shares of the Company in exchange for each share of Brighton held, resulting in 1,818,000 new common shares of the Company being issued. With the completion of the Brighton Exchange, the Company now owns 100% of Brighton and its wholly-owned subsidiaries Brighton Energy Limited and Niger Resources Inc. See Note 9 in the Annual Financial Statements for a detailed description of the terms of the Brighton Exchange.

Outlook and Analysis of Expenditures

In the first half of 2012, the Company completed the initial scout drilling programs on its Abelajouad (2,848 m) and Assaouas 2 (1,556 m) permits and follow-up drilling programs (14,130 m) on its Assaouas 1, Zéline 1 and Zéline 4 permits. The Abelajouad, Assaouas 2 and Zéline 4 permits were abandoned as the grade and widths intersected during the initial scout drilling programs did not suggest strong potential for an economic deposit. In May 2013, the Company decided to reduce its planned expenditure on the projects to \$0.1M on the remaining permits, exclusive of severance costs of \$19K paid to laid off exploration employees in May 2013, leaving minor administrative costs and taxes. The 9,800 m drilling program on its Zéline 1 (5,400 m) and Assaouas 1 (4,400 m) permits and corresponding budgets of \$478K and \$600K respectively were withdrawn given the Company's decision to formally notify the Government of Niger of its intent to abandon the permits.

In the year ended December 31, 2013, drilling and assaying expenses decreased by \$1.26M compared to the same prior-year period as the Company did not undertake any drilling activities in 2013 as compared to the 18,664 m drilled during the year ended December 31, 2012. General, camp, infrastructure and other costs for the year ended December 31, 2013 decreased by \$0.15M from the prior-year comparative period as a result of very limited activities undertaken in 2013, as opposed to the 2012 camp costs resulting from the drilling programs undertaken during the year. Expenses related to exploration surveys for the year ended December 31, 2013 have decreased by \$0.25M from the prior-year comparative period. During 2012, the Company completed in-hole geophysics as part of the drilling programs on all of the permits while there were no similar costs in 2013 as a result of the postponement/cancellation of exploration activities on these permits.

Financial Review

Total comprehensive loss for the years ended December 31 was as follows:

Table 6 – Financial Information

	2013	2012	2011
	\$	\$	\$
Expenses			
Exploration and evaluation	7,712,756	21,501,493	24,527,699
General and administrative	3,153,126	3,696,222	4,079,321
Share-based compensation	861,073	3,329,665	3,000,568
Depreciation and amortization	1,195,071	1,186,683	548,601
	12,922,026	29,714,063	32,156,189
Other (loss) income	(9,044,015)	24,596,471	361,289
Non-controlling interest	-	339,736	1,524,617
Net loss attributable to common shareholders	(21,966,041)	(4,777,856)	(30,270,283)
Net change in fair value of available-for-sale financial assets	371,250	(1,649,702)	-
Impairment of available-for-sale financial assets	1,538,914	-	-
Foreign currency translation (loss) gain attributable to common shareholders	(562,546)	1,449,339	(758,431)
Total comprehensive loss attributable to common shareholders	(20,618,423)	(4,978,219)	(31,028,714)
Net loss per common share, basic and diluted	(0.25)	(0.06)	(0.36)

Table 7 – Consolidated Balance Sheets (Summary)

	2013	2012	2011
	\$	\$	\$
Cash	9,476,471	16,833,596	28,698,108
Investment	2,825,738	10,106,288	-
Interest in exploration properties	5,320,983	6,592,846	6,304,631
Shareholders' equity	18,056,147	32,997,695	35,163,921
Total assets	18,397,194	34,873,101	36,351,386

The Company is still in the exploration and evaluation phase and does not yet have revenue-generating activities. Accordingly, the Company's financial performance is largely a function of the level of exploration activities undertaken on the active projects and the administrative expenses required to operate and carry out its exploration activities as well as other items such as interest income and foreign exchange gains/losses. Below is a discussion of the major items impacting net loss for the years ended December 31, 2013 and 2012.

Exploration and evaluation costs in the year ended December 31, 2013 decreased by \$13.8M over the comparative prior-year period. The decreased expenditures during the periods are mainly due to reduced drilling activities on the Bomboré and Niger projects as compared to the prior-year periods. These were slightly offset by increased expenses related to the Bomboré resource update and increased camp infrastructure, the work that was ongoing on the CIL FS until June 2013, ongoing PEA activities, the Bondi drilling program and severance costs of \$35K related to layoffs of exploration employees in Burkina Faso and Niger (refer to Exploration Activity).

General and administrative costs ("G&A") include both the Company's head office and local office related to the Company's subsidiaries. Total G&A decreased by \$0.54M in the year ended December 31, 2013, over the comparative prior-year period, mainly due to:

- A decrease in salaries and employee costs of \$133K as compared to the prior-year period due to the reduction of staff in Burkina Faso and Niger and the decision to forego incentive pay for 2013 in order to lower costs and preserve cash;
- A decrease in general and office costs of \$135K due to reduced IT and supply purchases as well as lower costs as a result of reduced activities on the permits; and
- A decrease in investor relations and travel expenses of \$295K mainly due to lower travel costs resulting from fewer attendees at international conferences during 2013 and an overall reduction in public relations activities.

Head office G&A encompasses the costs of head office salaries and benefits, director compensation, investor relations and travel, facilities and IT, as well as all costs associated with maintaining the Company's listing on the TSX. Total G&A pertaining to the Company's head office for the year ended December 31, 2013 is \$1.8M representing a decrease of \$613K over the comparative prior-year period, mainly due to a lower head count, lower conference attendance, and reduced investor relations activities.

Share-based compensation expense recognized during the year ended December 31, 2013 decreased \$2.5M over the comparative prior-year period, mainly due to:

- A \$722K expense decrease related to 2.1M options granted in April/May 2012 to the Company's directors and officers, employees and contractors given one-third vested upon grant;
- A \$2.0M expense decrease related to options unvested in the first nine months of 2012 that were subsequently forfeited by directors and officers, employees and contractors in September and October 2012; and
- Partially offset by a \$336K expense increase from 0.9M options granted in December 2012 to the Company's directors and officers and employees which vest only after two years.

Other (loss) income includes:

- Foreign exchange gain in the year ended December 31, 2013 increased by \$50K over the comparative prior year period mainly due to an appreciation of the Euro/CFA and USD currencies versus C\$ in 2013;
- Interest income for the year ended December 31, 2013 decreased by \$160K over the comparative prior year period as a result of higher treasury balances throughout 2012 as compared to 2013;
- A \$74K decrease in the year ended December 31, 2013 in the gain on sale of property, plant and equipment and inventory over the comparative prior-year period as a result of the sale of the land, building and certain equipment and inventory in Niger in 2013 due to Management's decision to cease operations in Niger versus the larger gain on sale of the Segal property, plant and equipment in Q1 2012;
- A \$24.1M net gain on the sale of the Segal project in Q2 2012;
- A \$232K write-off of the Niger mineral property rights in Q2 2013; and
- Impairment of available-for-sale financial assets of \$9.1M during the first half of 2013 due to a significant and prolonged reduction in the value of the shares in Amara Mining held by the Company.

Summary of Quarterly Results

The following summarized financial data has been prepared in accordance with IFRS. This data should be read in conjunction with the Company's condensed consolidated interim financial statements and consolidated annual financial statements for the respective periods. All net income (loss) figures in the table are presented in US\$ millions, except for the net income (loss) per common share amounts (basic and diluted).

Table 8 – Summary of Quarterly Results

	Q4 2013	Q3 2013	Q2 2013	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012
	\$	\$	\$	\$	\$	\$	\$	\$
Net income (loss) attributable to common shareholders	(1.70)	(1.69)	(6.86)	(11.71)	(6.65)	(5.62)	17.19	(9.70)
Net income (loss) per share, basic	(0.01)	(0.02)	(0.08)	(0.14)	(0.07)	(0.07)	0.20	(0.12)
Net income (loss) per share, diluted	(0.01)	(0.02)	(0.08)	(0.14)	(0.07)	(0.07)	0.19	(0.12)

The decrease in net loss during Q3 and Q4 2013 compared to Q1 and Q2 2013 relates mostly to the reduced exploration activities. The increase in net loss in 2013 as compared to 2012 relates mostly to the impairment of the Amara investment in 2013 and the gain on the sale of Sega in 2012.

Liquidity and Capital Resources

The Company had cash of \$9.48M at December 31, 2013, a decrease of \$7.36M compared to the \$16.83M cash position at December 31, 2012.

At December 31, 2013, the Company also had 11M common shares of Amara that were received on May 23, 2012 upon the completion of the sale of the Sega project. The shares held by the Company were classified as marketable securities available-for-sale and were carried at fair value, which is based on the market quote on the London Stock Exchange. At December 31, 2013, the 11M common shares of Amara are recorded at their fair market value of \$2.83M based on the closing market price on December 31, 2013 and converted to USD. In Q1 2013, Management determined that the investment was impaired and as a result reclassified unrealized losses from the Statement of Comprehensive Loss to the Statement of Loss. In Q2 2013, the decrease in value continued to be significant resulting in the related loss being recorded directly to the Statement of Loss. In H2 2013, the value of the investment recovered slightly resulting in the related gain being recorded directly to other comprehensive income. On March 19, 2014, the Company sold its 11M shares held in Amara for proceeds of approximately \$3.4M. At March 28, 2014, the Company's cash balance is \$11.0M. This balance reflects Q1 2014 spending on technical studies and G&A, as well as the proceeds received on the sale of the Amara shares.

The Company is at the exploration stage and, as is common with many exploration companies, raises funds in the equity market to conduct its activities. The Company has incurred losses in the current and prior periods, with a net loss of \$21,966,041 during the year ended December 31, 2013 and an accumulated deficit of \$128,873,755 at December 31, 2013. The Company has a working capital of \$9,909,426 at December 31, 2013 and held 11M shares in Amara. Management intends to finance operating expenses over the next twelve months with funds currently on hand, the proceeds on the sale of the Amara shares and/or through raising equity. Given the generally weak investor sentiment and capital market conditions of the gold sector, there exists a material uncertainty as to the Company's ability to raise additional funds on favourable terms. However, the Company's discretionary exploration and development activities have some scope for flexibility in terms of the amount and timing of such expenditures, and those can be adjusted accordingly.

Use of Proceeds from 2010 and 2013 Financings

On January 26, 2010, the Company completed a C\$10,005,000 (US\$9,470,844) equity financing that resulted in net proceeds of C\$9,155,779 (US\$8,666,640). On December 21, 2010, the Company completed a C\$53,906,250 (US\$53,246,000) equity financing that resulted in net proceeds of C\$50,934,774 (US\$50,308,350).

The table below provides a summary of the January 26, and December 21, 2010 financings (the "2010 Financings"), broken down by the use of proceeds categories disclosed in the Company's short-form prospectuses. Approximate actual expenditures by 2010 Financing Category for all of 2010, 2011, 2012 and Q1 2013 are also presented in the table for comparative purposes. All figures in the table are presented in US\$ millions.

Table 9 – Use of Proceeds from 2010 Financings¹

2010 Financing Categories	January 2010 Prospectus	December 2010 Prospectus ²	Total 2010 Financings	Actual expenditures from January 1, 2010 to March 31, 2013 ³
	\$	\$	\$	\$
Bomboré gold project exploration and development	3.81	26.83	30.64	44.84
Sega gold project exploration	1.43	3.22	4.65	1.03
Bondi gold project exploration	0.48	2.15	2.63	0.83
Niger Uranium Project Exploration	0.00	0.00	0.00	1.30
Regional project generation and exploration	0.95	1.07	2.02	0.19
General and administrative expenses	2.29	17.04	19.33	10.79
Underwriting fees	0.51	2.94	3.45	3.74
Total use of proceeds	9.47	53.25	62.72	62.72

¹ The table is prepared based on accrual-based expenses.

² The over-allotment option was exercised on the December 2010 financing and as a result it has been allocated to the financing categories on a pro-rata basis.

³ Represents expenditures incurred during the period identified up to the total amount of financings. Expenditures incurred in Q1 2013 were partially financed by proceeds from the Sega sale and are not presented in the table.

The Company incurred capital expenditures of \$4.76M from January 1, 2010 to December 31, 2011 relating to all of its projects, as well as \$1.20M to acquire additional exploration interests in Niger, which were funded by cash on hand prior to the 2010 financings, proceeds on stock option and warrant exercises during 2010 and 2011, and interest income and foreign exchange gains on the proceeds of the above-mentioned financings.

Although the Company's expenditures have exceeded the above-mentioned financings, the sale of the Sega project during the first half of 2012 provided additional funds to support operations beyond these equity financings.

On November 13, 2013, the Company completed a C\$5,000,000 (US\$4,776,500) non-brokered private placement equity financing (the "2013 Financing") that resulted in net proceeds of C\$4,959,758 (US\$4,738,062). The table below provides a summary of the 2013 Financing, broken down by the use of proceeds category disclosed in the Company's news release. Approximate actual expenditures by 2013 Financing Category are also presented in the table for comparative purposes. All figures in the table are presented in US\$ millions.

Table 10 – Use of Proceeds from 2013 Financings

2013 Financing Categories	Total 2013 Financing	Actual expenditures from November 13, 2013 to December 31, 2013 ⁴
	\$	\$
Technical studies for HL FS and general corporate purposes	4.78	nil

⁴ The Company allocates the use of funds on a first-in, first-out basis. Therefore, as at December 31, 2013, it continues to be financed by the proceeds of the above-mentioned Sega sale and has not yet used any proceeds from the 2013 Financing.

Share Capital Information

As at December 31, 2013, the Company had 95,683,698 common shares outstanding (fully diluted – 102,597,598).

On November 13, 2013, the Company completed a non-brokered private placement which resulted in the issuance of 10,000,000 common shares at C\$0.50 per share. As a result, the Company recorded a \$4.74M increase to share capital.

On March 29, 2012, the Company completed the Brighton Exchange transaction, which resulted in the issuance of 1,818,000 common shares at a volume-weighted average price of C\$2.71 per share. As a result, the Company recorded a \$4.93M increase to share capital.

As at December 31, 2013, the Company also has the following outstanding stock options:

Table 11 – Stock Options Outstanding as at December 31, 2013

Range of exercise prices	Outstanding			Exercisable	
	Outstanding options	Remaining contractual life (in years)	Weighted-average outstanding exercise price	Vested options	Weighted-average vested exercise price
C\$			C\$		C\$
\$0.00 to \$0.49	3,175,000	5.34	0.39	3,175,000	0.39
\$0.50 to \$0.99	438,500	6.52	0.85	438,500	0.85
\$1.00 to \$1.99	3,100,400	3.59	1.63	1,384,605	1.69
\$2.00 to \$2.99	200,000	6.81	2.35	200,000	2.35
	6,913,900	4.67	1.03	5,198,105	0.85

In 2012, there were 2,309,000 stock options (with strike prices between C\$3.65 and C\$4.85) forfeited by directors and officers, employees and consultants. The expense related to forfeited options unvested at that date was accelerated to record the amount that otherwise would have been recognized for services received over the remainder of the vesting period, which was determined to be the grant date fair value adjusted for the estimated forfeiture rate less any amounts previously expensed relating to the grants.

Contractual Obligations

As at December 31, 2013, the Company had contractual obligations for environmental impact studies, feasibility costs, PEA study procedures, metallurgical work and equipment and inventory purchases and rentals in the amount of \$199,938 (as at December 31, 2012 – \$1,866,508). The schedule of certain payments is dependent upon the contractors' ability to complete various milestones, however it is expected that the majority of the commitments will be payable throughout the 2014 fiscal year.

Subsequent to December 31, 2013, the Company entered into further contractual obligations in the amount of \$1,062,171 for drilling activities, sample analysis services, mineral analytical services, environmental assessment, building lease, insurance, feasibility study procedures, equipment rental and equipment and inventory purchases, which are expected to be payable as follows:

Table 12 – Contractual Obligations

	Less than one year	One to three years	Total
	\$	\$	\$
Purchase obligations	857,379	-	857,379
Operating leases	73,499	131,293	204,792
Total	930,878	131,293	1,062,171

Off Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Transactions with Related Parties

The Company has no transactions with related parties as at, or for the year ended December 31, 2013.

Proposed Transactions

The Company continually reviews potential merger, acquisition, investment and other joint venture transactions that could enhance shareholder value, however, at the current time, there are no reportable proposed transactions.

Risks and Uncertainties

The Company is in the business of exploring for minerals and if successful, ultimately mining them. The natural resource industry is by its nature, both cyclical and with significant risks as listed below. Even though Management has been successful in the past in developing economic deposits there is no assurance that the Company's projects will become economically viable. Once a potentially economic deposit is identified, the Company's ability to establish a profitable mining operation is subject to a host of variables including technical considerations, economic factors and regulatory issues. Many of these are beyond the control of the Company. The most significant risks and uncertainties faced by the Company are (in no specific order):

- Orezone's ability to successfully establish mining operations and profitably produce gold;
- Risks associated with obtaining a mining permit prior to expiry of the main exploration permit for the Bomboré gold project;
- Changes in, and volatility of, the price of gold;
- Operating in West Africa;
- The speculative nature of resource exploration and development projects;
- Potential changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation;
- Permitting;
- Potential changes to mining and tax laws;
- The accuracy of Orezone's mineral resource estimates;
- The fact that Orezone has a history of losses and expects to incur losses for the foreseeable future;
- Orezone's reliance on its management team;
- The availability of local labour, local and outside contractors and equipment when required to carry out our exploration and development activities;
- The Company's ability to finance the development of its mineral projects;
- Uncertainties related to title to the Company's mineral projects;
- The Government of Burkina Faso's interests in subsidiaries of Orezone holding mining permits;
- Health risks associated with the mining workforce in Burkina Faso;
- Environmental risks;
- Operational risks and hazards inherent in the mining industry;
- The potential inability to maintain the infrastructure necessary to carry out mining, processing, development and exploration activities;
- Operations of the Company are carried out in geographical areas which are subject to various other risk factors;
- The potential unavailability of insurance to cover certain risks;
- Increased competition in the mining industry;
- Currency fluctuations;
- The Company does not intend to pay dividends in the foreseeable future;
- Shareholders' interest in the Company may be diluted in the future;
- Factors that have historically made Orezone's share price volatile;
- Investors outside of Canada may have difficulty bringing actions and enforcing judgments against the Company, its directors, its executive officers and some of the experts named in this MD&A; and
- Differences in US and Canadian practices for reporting mineral resources.

For a more detailed discussion of the above risk factors, refer to the Company's Annual Information Form filed for the year ended December 31, 2013.

Accounting Standards, Amendments and Interpretations Recently Adopted

The Company's adoption of the following new accounting standards as of January 1, 2013 did not have any impact on the financial position or performance of the Company:

IFRS 10, "Consolidated Financial Statements"

This new standard provides guidance on the determination of control where this is difficult to assess and replaces the consolidation requirements in IFRS Standing Interpretations Committee 12, "Consolidation – Special Purpose Entities". This new standard also supersedes the portion of IAS 27, "Consolidated and Separate Financial Statements", that addresses the accounting for consolidated financial statements. This standard is effective for annual periods beginning on or after January 1, 2013.

IFRS 11, "Joint Arrangements"

This new standard provides guidance on how to account for interests in jointly controlled entities and is effective for annual periods beginning on or after January 1, 2013.

IFRS 12, "Disclosure of Interests in Other Entities"

This new standard provides disclosure guidance on interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. This standard is effective for annual periods beginning on or after January 1, 2013.

IFRS 13, "Fair Value Measurement"

This standard replaces the guidance on fair value measurement contained in other individual IFRS to set out a single IFRS definition and measurement framework for fair value. The guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This standard became effective for annual periods beginning on or after January 1, 2013.

IAS 19, "Employee Benefits"

This amendment contains new standards related to employee benefits from defined benefit plans and is effective for annual periods beginning on or after January 1, 2013.

IAS 27, "Separate Financial Statements"

This amendment contains accounting and disclosure requirement for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. This amendment requires an entity preparing separate financial statements to account for those investments at cost or in accordance with IFRS 9, "Financial Instruments". This amendment is effective for annual periods beginning on or after January 1, 2013.

IAS 28, "Investments in Associates and Joint Ventures"

This amendment prescribes the accounting for investments in associates and sets out the requirement for the application of the equity method when accounting for investments in associates and joint ventures and is effective for annual periods beginning on or after January 1, 2013.

Standards, amendments and interpretations not yet effective

Standards, amendments and interpretations issued but not yet effective up to the date of the issuance of the Financial Statements are listed below, none of which have been early adopted by the Company. The Company reasonably expects these standards, amendments and interpretations to be applicable at a future date and intends to adopt them once they become effective. The Company is currently evaluating the impact that these standards, amendments and interpretations will have on its consolidated financial statements; however the Company does not expect the impact of the resulting changes to the consolidated financial statements to be material.

IFRS 9, "Financial Instruments"

This new standard is part of the IASB's project to replace IAS 39, "Financial Instruments: Recognition and Measurement" and provides guidance on the classification and measurement of financial assets, financial liabilities, hedge accounting and derecognition. This new standard will also supersede International Financial Reporting Interpretations Committee 9, "Reassessment of Embedded Derivatives". The related hedge accounting standards in IFRS 9 and IAS 39 will also be updated in conjunction with the update to IFRS 9. The International Accounting Standards Board has deferred the mandatory effective date from January 1, 2015 however the new effective date has not yet been finalized. Early application is permitted. The Company is currently evaluating the impact of this pronouncement on its consolidated financial statements.

IAS 32, "Financial Instruments: Presentation"

This amendment prescribes the accounting for offsetting financial assets and financial liabilities. The amendment is effective for annual periods beginning on or after January 1, 2014 and is applied retrospectively. Earlier application is permitted. The application of this pronouncement is not expected to have a material impact on the Company's consolidated financial statements.

IFRIC 21, "Levies"

This interpretation was issued by the IASB in May 2013 and provides guidance on the accounting for levies within the scope of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". This interpretation is effective for annual periods beginning on or after January 1, 2014. The application of this pronouncement is not expected to have an impact on the Company's consolidated financial statements.

Financial Instruments

Financial assets and liabilities are initially recognized at fair value when the Company or its subsidiaries become party to the contracts that give rise to them. Subsequent measurement depends on whether the financial instrument is classified as fair value through profit and loss ("FVTPL"), available-for-sale, held-to-maturity, loans and receivables or other financial liabilities. Financial instruments classified as: FVTPL are measured at fair value with unrealized gains and losses recognized in net income (loss); available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss); and, held-to-maturity, loans and receivables and other financial liabilities are measured at amortized cost. Transaction costs in respect of FVTPL financial instruments are recognized in net income (loss) at the transaction date whereas transaction costs in respect of other financial instruments are included in the initial fair value measurement of the financial instrument.

The Company may also enter into financial instruments or other contracts that contain embedded derivatives. Embedded derivatives (e.g. a lease denominated in a currency other than that of either counterparty to the contract) are accounted for separately from the host contract at fair value as derivatives when the risks and characteristics of the embedded derivatives are not closely related to those of their host contract, and the host contract is not classified as FVTPL.

The Company does not currently have derivative instruments.

The Company has made the following classifications with respect to its financial instruments:

- Cash is classified as FVTPL, which is measured at fair value.
- Trade and other receivables, excluding taxes receivable balances that do not meet the definition of a financial instrument, and refundable deposits included in prepaid expenses and deposits, are classified as loans and receivables, which are measured at amortized cost, using the effective interest method, less any impairment losses.
- The investment is classified as available-for-sale, which is measured at fair value.
- Accounts payable and accrued liabilities, excluding taxes payable balances that do not meet the definition of a financial instrument, are classified as other financial liabilities, which are measured at amortized cost, using the effective interest method.

Financial assets, other than those classified as FVTPL, are assessed for indicators of impairment at the end of each reporting period. A financial asset is considered impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial asset have been impacted.

Critical Accounting Estimates

The preparation of the Annual Financial Statements requires Management to make estimates and assumptions about the future that affect the amounts recorded in the Annual Financial Statements. These estimates and assumptions are based on the Company's experience and Management's expectations about future events that are believed to be reasonable under the circumstances, and they are continually being evaluated based on new facts and experience. Actual results may differ from these estimates and assumptions. The effect of a change in accounting estimate is recognized prospectively in the year of change and future years if the change impacts both years.

Critical judgments in applying accounting policies

Going concern risk assessment

Management considers whether there exists any event(s) or condition(s) that may cast significant doubt on the Company's ability to continue as a going concern. Considerations take into account all available information about the future including the availability of debt and equity financing as well as the Company's working capital balance and future commitments.

Determination of functional currency

Management has made determinations with respect to its functional currency in accordance with IAS 21, "The Effects of Changes in Foreign Exchange Rates," and as such has determined that the functional currency of all of its entities is the Canadian dollar with the exception of its subsidiaries, Orezone Inc. SARL and Niger Resources Inc., which have a functional currency of the Communauté Financière Africaine francs.

Other than temporary impairment of available-for-sale ("AFS") investment

Management judgment is applied in evaluating whether an unrealized loss on the Company's AFS investment recognized in other comprehensive income (loss) is other than temporary and should be reclassified to the Statement of Loss. Management performs qualitative and quantitative assessments in order to judge if the reduction in fair value, as compared to its value upon initial recognition, is significant or prolonged.

Accounting policy selection for interest in exploration properties including property, plant and equipment

As disclosed in note 3(i) of the Annual Financial Statements, Management judgment is applied in capitalizing costs related to acquired mineral property rights and property, plant and equipment. Management has determined that expenditures incurred during the exploration and evaluation phase will be expensed as incurred until it determines that the technical feasibility and commercial viability of a mineral property has been established.

Impairment of non-financial assets

Management assesses non-financial assets for impairment as disclosed in note 3(l) of the Annual Financial Statements.

Deferred income taxes

Judgment is required in order to determine whether to recognize deferred tax assets and/or liabilities on the statement of financial position. Management must assess the extent to which it is probable that the Company and its subsidiaries will have future taxable profits available against which it can recognize unused tax losses or unused tax credits as well as sufficient loss carryforwards to offset potential tax liabilities. The amount and availability of deferred tax assets and liabilities are directly influenced by future changes to tax laws in the jurisdictions in which the Company and its subsidiaries operate.

Sources of estimation uncertainty

Share-based compensation related to stock options and warrants

Management assesses the fair value of stock options and warrants, as disclosed in note 3(q) of the Annual Financial Statements, using the Black-Scholes option pricing model. This model requires Management to make estimates and assumptions with respect to inputs including the risk-free interest rate, volatility and expected life of the equity-settled instruments. As well, Management must make assumptions about anticipated forfeitures based on the historical actions of plan participants which may not be a true representation of future participant exercise behaviour.

Useful lives of property, plant and equipment

As disclosed in note 3(k) of the Annual Financial Statements, Management reviews its estimate of the useful life of property, plant and equipment annually and accounts for any changes in estimates prospectively.

Controls and Procedures

Disclosure controls

Disclosure controls and procedures have been designed to ensure that information required to be disclosed by the Company is accumulated and communicated to Management as appropriate to allow timely decision-making regarding required disclosures. The Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") have concluded, based on

their evaluation of the effectiveness of the Company's disclosure controls and procedures, that these controls and procedures provide reasonable assurance that material information is made known to them by others within the Company. However, a control system, no matter how well conceived, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Internal control over financial reporting

Management is responsible for certifying the design of the Company's internal control over financial reporting ("ICFR") as required by Multilateral Instrument 52-109 – "Certification of Disclosure in Issuers' Annual and Interim Filings". The Company's ICFR is intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with applicable IFRS. ICFR should include those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of assets;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and that receipts and expenditures are being made only in accordance with authorizations of the Company's Management and Board; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of assets that could have a material effect on the financial statements.

Internal control over financial reporting cannot provide absolute assurance of achieving financial reporting objectives due to its inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to error, collusion, or improper override. Because of such limitations, there is a risk that material misstatements may not be prevented or detected on a timely basis. It is possible to design into the financial reporting process safeguards to reduce, though not eliminate, this risk.

Management, including the CEO and CFO, has assessed the effectiveness of internal controls over financial reporting as of December 31, 2013 and concluded, subject to the limitations noted above, that the Company has sufficient controls to meet the requirements as stated above. The assessment was completed using the criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") *Changes in Internal Controls*.

There have been no significant changes to internal controls in the year ended December 31, 2013.

Forward Looking Statements

Management's Discussion and Analysis of Financial Condition and Total Comprehensive Loss for the year ended December 31, 2013 (the "MD&A") may contain or refer to certain forward-looking statements relating, but not limited to, the Company's expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include reserve and resource estimates, estimates of future production, unit costs and capital costs, the ability to demonstrate the economic feasibility of the mineral deposits to a level up to and including that of a full feasibility study, the ability to obtain adequate financing as needed in the future to fund ongoing exploration or production activities and the timing of commencement of operations, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves, the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals and sufficient financing, inflation, changes in exchange rates, changes in market prices of securities held, fluctuations in commodity prices, delays in the development of projects and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. Potential shareholders and prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous

assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

Cautionary Note to U.S. Investors Concerning Resource Estimates

The resource estimates in the MD&A were prepared in accordance with National Instrument ("NI") 43-101 adopted by the Canadian Securities Administrators. The requirements of NI 43-101 differ significantly from the requirements of the United States Securities and Exchange Commission (the "SEC"). The MD&A uses the terms "measured", "indicated" and "inferred" resources. Although these terms are recognized and required in Canada, the SEC does not recognize them. The SEC permits US mining companies, in their filings with the SEC, to disclose only those mineral deposits that constitute "reserves". Under United States standards, mineralization may not be classified as a reserve unless the determination has been made that the mineralization could be economically and legally extracted at the time the determination is made. United States investors should not assume that all or any portion of a measured or indicated resource will ever be converted into "reserves". Further, "inferred resources" have a great amount of uncertainty as to their existence and whether they can be mined economically or legally, and United States investors should not assume that "inferred resources" exist or can be legally or economically mined, or that they will ever be upgraded to a higher category.

Qualified Persons

Dr. Pascal Marquis, Geo., Senior Vice President of Exploration, the Company's qualified person under NI 43-101, supervises all work associated with exploration and development programs in West Africa. Mr. Claude Poulin, MBA, Project Manager for Bomboré, and Mr. Ron Little, P. Eng., the President and Chief Executive Officer, are also qualified persons under NI 43-101.

Other MD&A Requirements

Additional information related to the Company including the Company's Annual Information Form can be found on SEDAR at www.sedar.com.