OREZONE GOLD CORPORATION

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

FOR THE YEAR ENDED DECEMBER 31, 2014

March 31, 2015

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, 2014, 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, 2014 and 2013 ("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, 2014. 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 31, 2015.

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 a feasibility study (including related timing), completion of drill programs, planned expenditures for the year and obtaining a mining permit (including related timing and milestones) and becoming a gold producer 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 neighbouring 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 2014, 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"), with an updated PEA completed in Q1 2014. In January 2014, the Company initiated HL metallurgical test work and in July 2014 the Company initiated a second round of metallurgical tests. The work was designed to emulate a modified flowsheet that combines heap leaching with agitated leach tanks in order to increase recoveries and eliminate cement agglomeration. The Company is focused on the completion of a FS based on this combined approach and completing an application for a mining permit for the Bomboré project in H1 2015.

The Company plans to spend approximately $6.5M[1] in 2015. The Company anticipates spending $1.7M on the completion of the FS and application for the related mining permit at the Bomboré Project, the majority of which is expected to be spent in H1 2015. The remaining planned spend of $4.8M[1] includes a Bomboré resource update ($0.1M), exploration work on Bondi ($0.2M) and the Company's estimated recurring annual costs including corporate and local general and administrative costs, minor non-project capital expenditures, as well as salaries and other costs related to the Company's exploration and technical staff.

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

Table 1 – Total Resources by Project

Category	Tonnes	Grade	Contained Gold	Date Released
	(M)	(Au g/t)*	(oz)*	
Bomboré (Constrained to $1,400 pit shell)				
Total Measured and Indicated resources	139.8	1.01	4,560,000	April 2013
Total Inferred resources	18.4	1.22	723,000	
Oxide and Transition M&I resources only	67.1	0.91	1,963,000	April 2013
Oxide and Transition Inferred resources only	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, 2014 included:

- On July 10, 2014, the Company provided an update to the ongoing feasibility work and drill program. It announced that gold recovery and extraction had improved from previous results. A second round of metallurgical tests commenced in late 2014 and was completed in Q1 2015. With completion of this drilling program, a total of 50,000 m of drill results will be included in the next resource update planned for Q2 2015;

[1] These figures include a contingency for foreign exchange to account for anticipated losses due to the difference between the f/x rates at December 31, 2014 and the average rates anticipated for 2015 expenditures. The above planned spend figures assume the following exchange rates – USD/CAD = .80, USD/CFA = 550.

- On September 8, 2014, the Company announced additional positive metallurgical test results from the ongoing feasibility work on the Bomboré permit and it also provided drill results from the 50,000 m of drilling that was not included in the April 2013 resource update. The Company also announced that a prefeasibility study level assessment for the design and capital cost of a combined heap leach pad and tailings facility had been completed;
- In September 2014, the Company applied for a one-year extension on the Bomboré exploration permit as it works through the final phases of completing the feasibility study and completing an application for a mining permit during H1 2015. On October 17, 2014 the Company received notification that the request had been approved by the Ministry of Mines of Burkina Faso; the applicable fees have been paid. The Company received the final title document evidencing the extension on January 29, 2015;
- On October 14, 2014, the Company announced that Joseph Conway joined the Board of Directors. Mr. Conway was awarded 300,000 stock options with a strike price of CAD$0.75. One-third of the options vest immediately, with the remaining vesting in two equal tranches on the first and second anniversary of the grant;
- A public protest against the President of Burkina Faso's desire to change the constitution and allow him to run for another term in office in the November 2015 elections ultimately resulted in the resignation of the President, the dissolution of the Government and the suspension of the Constitution on October 31, 2014. The military subsequently assumed leadership of the country for a short period which led to the reinstatement of the country's constitution on November 15, 2014; the signature of a Transition Charter by representatives of the Army, the political parties, the religious authorities and the civil society on November 16, 2014; the nomination by this Transition Authority of former diplomat Michel Kafando as President of the new Government on November 17, 2014; the nomination of Lieutenant Colonel Issac Zida as Prime Minister on November 18, 2014; and the appointment of a Transition Government on November 23, 2014. Resulting from these events, the Company temporarily halted activities at its office in Ouagadougou as well as the Bomboré camp after sustaining minor damage to the camp from vandals;
- On November 10, 2014, the Company announced that regular operations were progressively resuming in Burkina Faso with normal office activities in Ouagadougou starting on November 4, 2014 and Bomboré site environmental monitoring resuming on November 6, 2014. The camp repairs were completed on November 28, 2014;
- On November 24, 2014, the Company announced an update to the Feasibility Study including updates to the metallurgical testing, mine plan and pit optimization studies and geotechnical studies; and
- On January 27, 2015, the Company announced that it has secured a $3M royalty purchase agreement that includes an additional $5M standby royalty facility which could be used to advance the Bomboré project.

Exploration Activity

The following table summarizes the Company's exploration and evaluation costs and meters drilled by project for the years ended December 31, 2014, 2013 and 2012. All figures are presented in US$, except for meters drilled.

Table 2 – Exploration and Evaluation Costs

Year ended December 31, 2014	Meters Drilled	Drilling & Assaying	General, Camp, Infrastructure & Other	Exploration & Development Studies	Exploration Surveys	Total Exploration & Evaluation Costs
	M	$	$	$	$	$
Bomboré	**26,153**	1,566,998	1,569,655	4,076,923	260,678	**7,474,254**
Bondi	**-**	7,343	29,073	-	37,578	**73,994**
Total	**26,153**	**1,574,341**	**1,598,728**	**4,076,923**	**298,256**	**7,548,248**

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***

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, Ouagadougou, and is adjacent to an international highway with access to sufficient water, power and a local labour force. The project benefits from a large oxide resource (average depth 45 m) that sits above a large sulphide resource. The average depth of over 430,000 m of drilling to date is 120 m and the sulphide resource reaches depths of 200 m within the CIL 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 June 2013, the Company postponed the completion of the oxide material CIL FS and switched its development focus from an 8 Mt/yr Phase I oxide-only CIL operation to a 5.5 Mt/yr Phase I oxide-only HL scenario. The Company completed an updated PEA on the HL scenario that was released and filed during Q1 2014. The Company has further optimized the planned processing method which will employ a combined approach of HL and CIL circuit. Tests indicate gold recoveries can be increased from 79% to 87% with the addition of an upfront scrubber and screen, gold recovery testing has estimated the overall recovery to be 87%, with all size fractions showing excellent percolation rates and gold extraction in the 80 and 90 percent range. Along with the increased recoveries, the Company expects operating costs to be lower due to less cement required, partially offset by additional capital requirements needed for the additional equipment. An initial study that combines the heap leach and tailing facility was completed during Q3 2014 with positive results and work has now begun to optimize the design to a full feasibility study level. In addition, the Company is optimizing its open pit mine design and is exploring the use of a more versatile mining fleet made up of smaller trucks and shovels than the fleet in the 2014 PEA that could represent a significant capital cost savings, improved operating costs and a reduction in the strip ratio. The mine plan was completed in Q1 2015. The Company plans to complete the FS and submit a mining permit application in H1 2015. In addition the Company has commenced a resource update that will include 50,000 m of additional drilling. Data validation and geological modeling is in progress and the updated resource is scheduled to be completed and released in H2 2015.

On April 29, 2013, the Company announced an updated NI 43-101 compliant resource statement (the "2013 Resource") 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 averages 45 m in depth 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 CIL 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 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, Cassiday & Associates ("KCA"), and Golder Associates Inc. ("Golder").

Much of the CIL FS work (technical studies) completed to date has been incorporated into the PEA update for 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 are not included in the HL mine plan. In Q1 2014, the Company commenced the detailed heap leach metallurgical and comminution testwork including cement agglomeration and compaction-permeability tests, column leach 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 H1 2015. Upon completion of an ESIA and RAP, which require sign-off by the local population, the Company plans to complete the FS and submit a mining permit application in Q2 2015.

During Q2 2014, positive metallurgical results from the ongoing feasibility work on the Bomboré permit were announced. A second round of metallurgical tests using 2.2 tonnes of oxide core commenced during the month of July. Test results also indicated that the scrubbed crushed material shows acceptable characteristics to be used as over liner material for the HL pad instead of using higher priced gravel from quarries. Preliminary metallurgical testwork results indicate just under 50% of the oxide material (>0.212 mm) will be processed on the HL side of the circuit where recoveries are expected to be in the 82-88% range. The remaining 50% of the oxide material (<0.212 mm) will be processed through a simple CIL circuit without grinding and recoveries are expected to range between 87-92%. The final metallurgical results and environmental results on the process residues from this new program were received in February 2015 and continue to indicate overall recoveries around 87%.

During H2 2014, work continued on the design of the combined heap leach and tailings facility. In September 2014, the Company announced that the initial prefeasibility study level assessment for the design and capital cost of the combined heap leach pad and tailings facility provides for up to 45% more capacity (65 Mt) and preliminary results indicate that the unit cost estimates (per tonne) are in line with those of the heap leach pad (45 Mt) in the PEA. The approach of combining the two facilities saves both space and capital which benefits both the community and the project. The study work continued to update the open pit optimizations and develop a new mine plan based on the April 2013 resource model for the FS. In October 2014, the Company announced that as part of the work, it is exploring the use of a more versatile mining fleet made up of smaller trucks and shovels compared to the fleet in the 2014 PEA. Overall this change could represent a significant savings in capital costs, improved operating costs and reduction in the strip ratio. These improvements could lead to an expansion in the mine plan from the current resources used in the PEA with only a marginal reduction in grade while maintaining or improving on the ROI of the project outlined in the PEA.

On November 2, 2014, the Bomboré camp was vandalized with damages to the camp of approximately $45K. The damages could have been more extensive without the intervention of local community members who succeeded in stopping the vandals who were squatters and have subsequently left the region. The Company increased security at the camp, which was fully repaired and operational by November 28, 2014.

In December, engineering and environmental studies continued, including the last geotechnical investigations required for the FS on several infrastructure sites.

2013 Resource

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 GMS using parameters established by GMS in January 2013 and taking into account the FS results of the metallurgical and geotechnical testwork. 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 final 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. The mineralization remains open at depth and for the most part along strike.

During Q3 2014, the Company completed a 21,383 m RC infill drilling program in the Bomboré North resource model area to improve the current mine plan and upgrade the current resources. The Company expects to update the 2013 resource model with a total 50,000 m of additional drill results in H2 2015. The additional drilling will also allow the Company to confirm or sterilize previously untested targets, which will facilitate the optimization of the FS layout.

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	Measured Mineral Resource			Indicated Mineral Resource			Inferred Mineral Resource		
		Tonnage	Grade	Contained Gold	Tonnage	Grade	Contained Gold	Tonnage	Grade	Contained Gold
	g/t	Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	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	4.53	0.86	125	1.66	0.89	48
Transitional	0.45	7.49	0.89	214	2.97	0.96	92	1.35	0.96	41
Fresh	0.50	20.58	1.02	674	15.26	1.19	584	5.46	1.26	222
Sub-total		**36.17**	**0.98**	**1,134**	**22.80**	**1.10**	**801**	**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	19.10	0.84	513	4.00	0.89	115
Transitional	0.45	16.96	0.92	502	9.14	0.94	275	2.37	0.97	74
Sub-total	0.45	**38.88**	**0.94**	**1,174**	**28.24**	**0.87**	**789**	**6.37**	**0.92**	**189**
Combined:										
Fresh	0.50	44.14	1.03	1,456	28.55	1.24	1,142	12.05	1.38	534
Total		**83.03**	**0.99**	**2,630**	**56.79**	**1.06**	**1,930**	**18.42**	**1.22**	**723**
Total M+I		**139.82**	**1.01**	**4,560**						
Total M+I Oxidized		**67.12**	**0.91**	**1,963**						

* 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[1] Whittle Pit Sensitivity to Gold Price, CIL Processing Scenario

	Measured and Indicated Oxide + Transition + Fresh					Measured and Indicated Oxide + Transition Only			
Gold Price US$/oz	Total Tonnage (Mt)	Au Metal (Moz)	Au Grade (g/t)	Strip Ratio [2]		Total Oxide Tonnage (Mt)	Au Metal (Moz)	Au Grade (g/t)	Strip Ratio [2]
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

[1] 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.

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.

[2]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.

Bomboré Regional Exploration Potential

The Bomboré oxide resources could be further expanded by incorporating in the resource model the drilling results excluded from the 2013 Resource Statement (Table 3), (approximately 50,000 m of new drilling) as well as by upgrading the current inferred resources and untested targets in the southern portion of the property (which would require approximately 12,000 m of RC drilling). The Company does not currently have any plans to undertake further exploration drilling.

Currently, the gaps in the drilling information for the 11 km-long mineralized trend resulted in more than eighty individual and relatively small-sized pits. If economic mineralization is demonstrated in those gaps by the next phase of drilling, allowing a merger of many pits, this would not only increase the mineralized resources, but could marginally reduce the overall stripping ratio by eliminating several ramps and what may now be internal waste.

At P17S prospect that is located along the main shear zone trend, results from 22 core and 7 RC holes completed to date indicates a deformed and shallowly dipping granodiorite unit that averages 7.1 m in thickness (true width is approximately 85%) with an average uncut grade of 2.71 g/t (using a 0.5 g/t cutoff). The drilling extends over an area of about 1 hectare with an average depth to the mineralized unit of only 28 m; the deepest intersection is 55 m below surface. Projecting the geology to a depth of 100 m could double the prospective area. All assays were performed using a 1kg bottle roll technique (identical to the other Bomboré samples) with indicative cyanide soluble recoveries over 95%. Although these results are interesting with grades more than double the average grade of the Bomboré resource, further drilling is not likely to occur until after the Bomboré oxide deposit is developed.

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 measured and indicated oxide 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 input from KCA and Golder. 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 but could be processed later with a standard CIL expansion scenario in better gold price and capital market conditions. GMS 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.

Subsequent metallurgical test results indicate that the installation of a combined HL and CIL circuit could increase overall gold recoveries from 79% to 87% and eliminate the requirement for cement agglomeration. With the addition of CIL leach tanks and an upfront scrubber, fine material (<0.212 mm) can be separated and sent directly to the CIL tanks without grinding. The addition of the scrubber and tanks will lower production risks by removing the fine soft oxide material from the HL circuit that would otherwise require high cement agglomeration. The remaining coarse material would go directly to the HL pad to be stacked to a height of 64 m without agglomeration or interlift liners, though the upper two lifts may require perforated pipe addition to assist with drainage. The reduction in cement consumption will offset the cost of the additional power required for the CIL circuit. Test results on the scrubbed crushed material continue to show that it is acceptable for use as over liner material on the leach pad reducing the capital cost of crushing and screening gravel from quarries. The 2014 PEA included approximately $20M of total capital expenditures for gravel over liner material which will be significantly reduced with the combined approach. These savings would be partially offset by the additional capital costs of the CIL circuit. Additionally a prefeasibility study level assessment completed in Q3 2014 for the design and capital cost for combining the heap leach pad and tailing facility indicated that on a capital cost per tonne basis, results were in line with the PEA for an enlarged 65 Mt capacity as compared to 45 Mt (HL pad only) in the PEA. The increased design height will save both space and capital to the benefit of the local population and the project.

The use of a more versatile mining fleet consisting of smaller trucks (45t) and shovels than the fleet in the 2014 PEA could also represent a significant capital cost savings, improved operating costs and reduction in the strip ratio. These improvements could lead to an expansion in the mine plan from the current resources used in the PEA with only a marginal reduction in grade while maintaining or improving on the project returns outlined in the PEA.

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, labour, 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 [1] 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

Base Case Financials Description	Heap Leach
Initial Capital ($M)	$180.0
Sustaining Capital ($M)	$53.8
Closure Costs ($M)	$10.0
Orezone [(2)]	
NPV after tax (0%) ($M)	$246.6
NPV after tax (5%) ($M)	$158.9
IRR after tax	23.9%
Government [(3)]	
NPV (0%) with taxes ($M)	$135.5
NPV (5%) with taxes ($M)	$102.3

*(**1**) 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.*
*(**2**)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.*
*(**3**) 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.*
All figures in USD.
Exchange Rates: XOF : USD = 485. XOF : EURO = 655.96

Feasibility and infrastructure work

The Company plans to continue with the ongoing technical studies of the FS to examine the potential for a 5.5M t/yr open pit combined HL and CIL process operation that could commence operations in early 2017 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 order to apply for a mining permit in Q2 2015. To complete the geotechnical studies, 2,504 m of geotechnical drilling was completed during Q1 2014, together with 71 test pits located in the area of the planned heap leach infrastructure. This was complimented in Q4 2014 by an additional 3,154 m of line geophysics, 61 test pits and 38 RC geotech holes (1,038 m) in the Off Channel Reservoir area, Tailing Storage Facility, Stockpiles and other planned infrastructure sites. Cement agglomeration and compaction-permeability testing, crushing testwork and additional column leach tests were among the remaining technical studies that continued during H2 2014. The testwork completed in 2014 shows that with the addition of an upfront scrubber/screen and CIL tanks gold recoveries can be increased from 79% to 87% and the requirements for cement agglomeration are potentially eliminated. Fine materials can be sent directly to the leach tanks and the remaining coarse material has demonstrated excellent compaction and permeability allowing it to go to the heap leach pad without agglomeration or interlift liners.

As of March 2014, detailed social and environmental baseline studies were completed over a study area that covered 83 km^2, and baseline studies have been completed over 47 km^2 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 purchase 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 H1 2015. The Company has identified possible resettlement areas for each of the communities potentially impacted by the project and has contracted WSP to lead the Company's ESIA and RAP.

The revised and final FS site plan layout was delivered by RPA and KCA late in Q1 2015, allowing the social impact study and the relocation action plan to be completed for presentation to the local population for their approval.

Permit status and expansion

The original Bomboré I permit (104.5 km^2) was renewed in December 2012 for an additional two-year exploration term (expiry February 17, 2015). In 2014, the Company applied and paid for an additional one-year extension on the Bomboré exploration permit. The final title document evidencing the exceptional extension to February 17, 2016 was received on January 29, 2015. The Company intends to apply for a mining permit during Q2 2015, well within the extension period.

In August 2011, the Company announced it had been granted exploration rights to the Toéyoko permit, an additional 63 km^2 of prospective ground adjacent to Bomboré. The initial three-year Toéyoko permit expired in July 2014, the Company applied for a three-year renewal in April 2014 and paid the required fee in Q3 2014. The Company received the formal title document evidencing the renewal on December 30, 2014.

The Government of Burkina Faso requires an annual minimum expenditure of 270,000 CFA (~ US $498) per km^2 resulting in minimums of 28,215,000 CFA (~ US $52,057) for Bomboré and 17,010,000 CFA (~ US $31,383) 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. See note below, Proposed New Mining Code.

Analysis of expenditures

Drilling and assaying expenditures at Bomboré increased for the year ended December 31, 2014 by $0.13M over the prior-year comparative period due to additional drilling meters drilled (26,153 in 2014 vs. 21,658 in 2013), mostly related to the infill and expansion drill program. General camp, infrastructure and other costs for the year ended December 31, 2014 has decreased by $0.28M over the comparative prior-year period due to the increased focus on development studies and a reduction in camp occupancy. Expenses related to exploration and development studies for the year ended December 31, 2014 have increased by $1.1M over the comparative prior-year period due to the ongoing HL FS activities undertaken in 2014, as compared to the CIL FS being undertaken in 2013 which was halted in June 2013 resulting in lower development study costs in 2013.

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 150,000 oz of Inferred resources at a grade of 1.84 g/t. During 2009, the Company completed a 2,162 m 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 (≥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. During Q2 2012, the Company initiated a metallurgical study and completed a 2,500 m auger drilling program on several targets, with positive results warranting follow up work in the area located to the south and southeast of the current gold resources. During H1 2013, the Company completed a 7,079 m RC and core drilling program (4,583 m of RC and 2,496 m of DD). 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 south east 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 ("MMI™") 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 MMI™ 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 ≥ 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.

In May 2013, the Company decided to reduce its planned spending on exploration and development activities putting the project on care and maintenance resulting in negligible expenses in the year ended December 31, 2014. Drilling and assaying expenditures for the year ended December 31, 2014 decreased by $0.72M as compared to the prior-year period due to the project being on care and maintenance in 2014 while the Company completed drilling of 7,078 m in the comparative prior-year period.

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 $498) per km^2 resulting in a minimum of 45,360,000 CFA (~ US $83,689) 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.

Burkina Faso Political Situation

Transition institutions are in place with a civil President, His Excellency Michel Kafando, a legislative institution (Conseil National de Transition) and Lieutenant Colonel Isaac Zidal as Prime Minister. A new Government is in place with the participation of civil society, political parties and the Army (4 militaries are members of the Government including the PM). The Minister of Mines and Energy ("MOM") is also from the military, Colonel Ba Boubacar. The political situation is stable although several private and public companies have been hit by strikes due to union demands for improved work conditions. The Minister of Mines and Energy has reaffirmed that the mining sector is a strategic priority for the Government. They have taken measures to protect mining sites following a number of violent strikes or riots involving the local communities. Several exploitation permits were granted by the Government on January 14, 2015. The presidential and legislatives elections are planned for October 11, 2015, and the new Government is expected to take over from the Conseil National de Transition ("CNT") on November 19, 2015.

Proposed New Mining Code

The mining legislation of Burkina Faso provides for certain taxes that are specific to mining activities and offers certain tax incentives for titleholders at different stages of their projects. As in many other African mining jurisdictions, Burkina Faso has revisited its 2003 Mining Code in view of increasing its benefits from the sector and has circulated proposed amendments to the mining code during the last two years but those drafts have been withdrawn by the Government. However, on February 18, 2015, the Minister of Mines and Energy presented proposed changes to the existing 2003 Mining Code to the Council of Ministers who authorized the document be sent to the Conseil National de Transition and the Chamber of Mines for their review and comments. The Conseil National de Transition met with various groups on March 13, 2015 for comments and to announce they will commence the debate on March 23, 2015 but this date has been postponed until the end of April 2015. Items under consideration include the introduction of a new tax of 0.5% of the gross revenues to support a Mining Fund for Local Development (which was created based on the request of the World Bank ("WB") as a condition for future financial support of the country by the WB), the removal of the 10% reduction in income tax rates for the mining sector, penalties for changes in levels of productions, the obligation for a mining company to pay a dividend if an after-tax profit is made and adequate reserves have been accumulated, and for feasibility studies to include a plan for the training and the promotion of local mining executives. As at March 31, 2015, there has been no further change or implementation.

Brighton Energy, Niger (Uranium)

The exploration activities in Niger ceased in 2013. The Company is currently making the necessary arrangements to effect the wind down of its Brighton operations.

Financial Review

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

Table 6 – Financial Information

	2014	2013	2012
	$	$	$
Expenses			
Exploration and evaluation	**7,548,248**	7,712,756	21,501,493
General and administrative	**2,510,503**	3,153,126	3,696,222
Share-based compensation	**906,706**	861,073	3,329,665
Depreciation and amortization	**1,109,987**	1,195,071	1,186,683
	12,075,444	12,922,026	29,714,063
Other income (loss)	**1,280,181**	(9,044,015)	24,596,471
Non-Controlling Interest	-	-	339,736
Net loss before tax	**(10,795,263)**	(21,966,041)	(4,777,856)
Income tax expense	**(102,159)**	-	-
Net loss	**(10,897,422)**	(21,966,041)	(4,777,856)
Net change in fair value of available-for-sale financial assets	**548,941**	371,250	(1,649,702)
Realized gain on available-for-sale financial assets	**(1,157,993)**	-	-
Impairment of available-for-sale financial assets	**-**	1,538,914	-
Foreign currency translation (loss) gain	**(991,765)**	(562,546)	1,449,339
Other comprehensive loss	**(1,600,817)**	1,347,618	(200,363)
Net loss per common share, basic and diluted	**(0.11)**	(0.25)	(0.06)

Table 7 – Consolidated Balance Sheets (Summary)

	2014	2013	2012
	$	$	$
Cash	**3,415,283**	9,476,471	16,833,596
Investment	**-**	2,825,738	10,106,288
Interest in exploration properties	**3,785,638**	5,320,983	6,592,846
Shareholders' equity	**6,464,614**	18,056,147	32,997,695
Total assets	**7,757,389**	18,397,194	34,873,101
Comprehensive loss	**(12,498,239)**	(20,618,423)	(4,978,219)

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, 2014 and 2013.

Exploration and evaluation costs in the year ended December 31, 2014 decreased by $0.16M over the comparative prior-year period, comprising:

- decrease of $0.72M due to reduced drilling activities on the Bondi project as compared to the prior-year periods;

- decrease of $0.51M due to reduced camp costs due to lower occupation and more focus on technical studies;

Offset by:

- increase of $1.06M due to increased exploration & development studies in the amount spent on technical studies related to the Bomboré project as work transitioned from the completion of the PEA, Heap leach feasibility studies and environmental studies; and
- increase of $0.13M due to higher drilling activities on the Bomboré project in 2014 - 26,153 meters compared to 21,658 meters in 2013.

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 $0.64M over the comparative prior-year period, mainly due to:

- a decrease in salaries and employee costs of $0.49M as compared to the prior-year period due to the reduction of staff in Burkina Faso and Niger in order to lower costs and preserve cash, and a reduction to the CEO and SVP of Exploration salaries in 2014 as compared to 2013;
- a decrease in general and office costs of $0.11M due to reduced IT and supply purchases as well as lower costs as a result of reduced activities on the permits, including Bomboré and Niger; and including the decision to abandon the exploration activities in Niger and cost cutting measures in Burkina Faso; and
- a decrease in investor relations and travel expenses of $0.02M for the year ended December 31, 2014 due to lower conference and related travel costs in 2014.

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 year ended December 31, 2014 is $1.57M representing a decrease of $0.27M over the comparative prior-year period, mainly due to lower salaries, conference attendance, and reduced investor relations activities.

Share-based compensation expense recognized during the year ended December 31, 2014 increased $46K over the comparative prior-year period mainly due to:

- An increase related to the January 30, 2014 option grant, and options granted to COO & Director in May and October 2014 respectively; and
- A decrease due to the vesting of a significant grant in April 2014 and the vesting of a grant in June 2014.

Other income (loss) includes:

- Impairment of available-for-sale financial assets of $9.1M for the year ended December 31, 2013 due to a significant and prolonged reduction in the value of the shares in Amara Mining held by the Company as opposed to a realized gain of $1.2M in the first quarter of 2014 related to the sale of the shares.

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 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
	$	$	$	$	$	$	$	$
Net income (loss) attributable to common shareholders	(3.07)	(3.23)	(3.30)	(1.30)	(1.70)	(1.69)	(6.86)	(11.71)
Net income (loss) per share, basic	(0.04)	(0.03)	(0.03)	(0.01)	(0.01)	(0.02)	(0.08)	(0.14)
Net income (loss) per share, diluted	(0.04)	(0.03)	(0.03)	(0.01)	(0.01)	(0.02)	(0.08)	(0.14)

The increase in net loss during Q4, Q3 and Q2 2014 compared to Q1 2014 is partially due to a gain on the sale of the Amara investment and decreased exploration activities in Q1 2014. The increase in Q4 2014 compared to Q4 2013 is mainly due to increased exploration activities and higher share based compensation. The company is still in the exploration and evaluation phase and does not yet have revenue-generating activities.

2015 Financing

On January 27, 2015 the Company announced the completion of a royalty purchase agreement ("Agreement") with Sandstorm Gold Ltd. ("Sandstorm") that provides up to $8 million in financing to advance its Bomboré Project. Sandstorm has initially purchased a 0.45% net smelter returns ("NSR") royalty payable by the Company on future revenues from Bomboré (the "Upfront Royalty") for $3.0 million. The Company has the option to buy back 100% of the Upfront Royalty for a period of 36 months at a premium of 5% within six months or thereafter at 10% per annum (non-compounded).

Sandstorm has also committed to provide the Company with up to an additional $5 million (the "Standby Royalty") for a period of two years. The Company can draw on the Standby Royalty by selling an additional royalty in the following tranches:

1. First tranche proceeds of $1 million cash in exchange for an additional 0.15% NSR;
2. Second tranche proceeds of $1 million cash in exchange for an additional 0.15% NSR; and
3. Third tranche proceeds of $3 million payable in either cash or shares of Sandstorm (at their option) in exchange for an additional 0.45% NSR. Sandstorm is required to provide liquidation protection on the sale of its shares (to guarantee minimum proceeds of $3 million) by the Company in the event that the option to provide shares is exercised.

The Agreement also grants Sandstorm a right of first refusal ("ROFR") on all future gold stream financings ("Stream") completed by the Company up to three years subsequent to the commencement of commercial production on the Bomboré project. In the event that the Company completes a Stream and Sandstorm exercises its ROFR, the Standby Royalty may be repurchased if Sandstorm's participation in the Stream is $30 million or greater, or the total value of the Stream is $80 million or greater. The repurchase price would be equal to the sum of all tranches advanced to the Company under the Standby Royalty plus a premium of 30% if repurchased prior to 2018. For repurchases subsequent to 2018, the premium increases by 10% per annum.

To the extent that any amounts advanced under the Upfront Royalty and the Standby Royalty are not repurchased based on the above, the Agreement contains a provision that requires Orezone to pay, on or before January 15, 2025, any shortfall between the amounts advanced under the royalty and royalty payments received by Sandstorm.

The Agreement with Sandstorm was executed with Orezone Gold Corporation ("Orezone") and, while any related royalty obligations are calculated based on production from the Bomboré permit, they remain the obligation of Orezone. As security for the Agreement, Orezone has pledged all of the issued and outstanding shares of a subsidiary. No project level security has been provided (including security against the Bomboré permit), however in the event that the Company completes a project debt financing, Sandstorm has the right to receive security for its royalty interest (if one exists at that time) equivalent to that being given to the project debt facility lender, which could include transferring the security to the Bomboré project permit(s).

Liquidity and Capital Resources

The Company had cash of $3.42M at December 31, 2014, a decrease of $6.06M compared to the $9.48M cash position at December 31, 2013. The Company had a working capital of $2.68M at December 31, 2014.

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 no mining operations and does not generate revenue from any operating activities.

As at March 30, 2015 the Company had approximately $3.9 M in cash, including the $3.0 M received from Sandstorm from the sale of the Upfront Royalty in January, 2015. The Company has not drawn from the additional $5.0 M Standby Royalty funds that are available from Sandstorm should the Company wish to sell additional NSR royalties to Sandstorm. The Company currently has no other committed funding or other financing arrangements. During 2015, the Company anticipates spending approximately $1.7M on the completion of the FS and application for the related mining permit. The Company also plans on spending approximately $0.3M on the completion of a Bomboré resource update and minor exploration work on Bondi. The majority of the foregoing expenditures are expected to be be incurred in H1 2015. Based on this, and the Company's estimated monthly recurring expenses of approximately $365K, the cash resources at March 31, 2015 would allow the Company to continue operating until approximately September, 2015[1] without accessing the Standby Royalty or by raising additional funds. The Company has no material contractual obligations that require a payment to be made more than one year in the future.

If the Company were to draw the full Standby Royalty of $5M, it would fund recurring monthly operating expenses until approximately October, 2016 without raising additional funds. The foregoing assumes, with the exception of completing the FS and applying for the related mining permit, completing the Bomboré resource update and minor exploration work on Bondi, that no additional exploration or development work is executed.

Given the above, Management has sufficient committed funding resources available to continue operations, as currently planned, for more than 12 months. However, additional funds will need to be raised in order to extend operations beyond the dates described above, and/or complete additional exploration or development work on the Company's projects, including the Bomboré Project, beyond the FS and application for the related mining permit. Given the continuation of weak investor sentiment and capital market conditions of the gold sector, there continues to exist a material uncertainty as to the Company's ability to raise additional funds on favourable terms through the issuance of equity securities.

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 Financings[1]

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.

[1] This estimated date includes the impact of a contingency for foreign exchange to account for anticipated losses due to the difference between the f/x rates at December 31, 2014 and the average rates anticipated for 2015 expenditures. The above planned spend figures (including monthly recurring expenditures) assume the following exchange rates – USD/CAD = .80, USD/CFA = 550.

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.

On March 19, 2014, the Company sold its available-for-sale investments which consisted entirely of the 11 million ("M") ordinary common shares of Amara Mining plc ("Amara") (formerly "Cliff Gold plc") acquired as part of the sale of the Sega project in 2012. The investment was sold at a price of 0.1850 GBP which resulted in net proceeds of $3.4M.

Table 10 – Use of Proceeds from 2013 Financings

2013 Financing Categories	Total 2013 Financing	Actual expenditures from November 13, 2013 to December 31, 2014[4]
	$	$
Technical studies for HL FS and general corporate purposes	4.78	2.65

[4] The Company allocates the use of funds on a first-in, first-out basis.

Share Capital Information

As at December 31, 2014, the Company had 95,683,698 common shares outstanding (fully diluted – 104,769,348).

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, 2014, the Company also has the following outstanding stock options:

Table 11 – Stock Options Outstanding as at December 31, 2014

	Outstanding			Exercisable	
Range of exercise prices	Outstanding options	Remaining contractual life	Weighted-average outstanding exercise price	Vested options	Weighted-average vested exercise price
C$		(in years)	C$		C$
$0.00 to $0.49	3,175,000	4.34	0.39	3,175,000	0.39
$0.50 to $0.99	2,630,500	4.44	0.69	630,500	0.80
$1.00 to $1.99	3,080,150	2.59	1.63	3,013,484	1.63
$2.00 to $2.99	200,000	5.81	2.35	200,000	2.35
	9,085,650	**3.81**	**0.94**	**7,018,984**	**1.01**

Contractual Obligations

As at December 31, 2014, the Company had contractual obligations for environmental and social impact studies, feasibility costs, head office rent, professional fees, resource update costs, communication services, metallurgical work and equipment and inventory purchases and rentals in the amount of $1,021,290 (as at December 31, 2013 – $199,938). 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 in H1 2015.

Subsequent to December 31, 2014, the Company entered into further contractual obligations in the amount of $325,333 for professional fees, environmental and social impact studies, geotechnical work, feasibility study costs, insurance costs, conference fees, marketing costs and equipment and inventory purchases and rentals, which are expected to be payable throughout the 2015 fiscal year.

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, 2014.

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;
- Potential for the Company to become subject to additional tax liabilities;
- 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, including changes in government related unrest, protests and vandalism, government sanctions and related operational delays;
- 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;
- Impact of evolving anti-corruption laws;
- 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.

Financial Risks

- Foreign currency risk;
- Market price risk;
- Liquidity risk;
- Credit risk; and
- Title risk, including renewals and application delays.

For a more detailed discussion of the above risk factors, refer to the Company's Annual Information Form and the Company's Annual Financial Statemens filed for the year ended December 31, 2014

Standards, Amendments and Interpretations Recently Adopted

The following accounting policies were adopted by the Company for the year ended December 31, 2014. The new accounting policies did not have an impact on the Company's 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 was permitted.

- IAS 36, "Impairment of Assets" - This accounting standard was amended to clarify disclosures of the recoverable amount of impaired non-financial assets and is effective for annual periods beginning on or after January 1, 2014.

- 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.

- IFRS 3, "Business combinations" – This accounting standard was amended to clarify the details regarding contingent consideration on business combinations. The amendment is to be applied prospectively to any business beginning on or after July 1, 2014.

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 accounting standard was amended and is effective for annual periods beginning on or after January 1, 2018.

- IFRS 11, "Joint Arrangements" – This accounting standard was amended and is effective for annual periods beginning on or after January 1, 2016.

- IFRS 8, "Operating Segments" – This accounting standard was amended to clarify the disclosure regarding management's judgement in applying aggregation criteria. The amendment is to be applied for annual periods beginning on or after July 1, 2014. Earlier application is permitted.
- IFRS 13, "Fair Value Measurement" – This accounting standard was amended to clarify the scope of contracts to be included in this and related standards. The amendment is to be applied for annual periods beginning on or after July 1, 2014. Earlier application is permitted.
- IFRS 15, "Revenue from Contracts with Customers" – This accounting standard was issued by the nternational Accounting Standards Board in May 2014 and provides interim guidance on accounting for revenue and cash flows arising from a contract with a customer. This standard is effective for annual periods beginning on or after January 1, 2017.
- IAS 1, "Presentation of Financial Statements" – This accounting standard was amended to clarify disclosures relating to materiality, order of notes, subtotals, accounting policies and disaggregation. The amendment is to be applied for annual periods beginning on or after January 1, 2016. Earlier application is permitted.
- IAS 16, "Property, Plant and Equipment" - This accounting standard was amended and is effective for annual periods beginning on or after January 1, 2016.
- IAS 19, "Employee Benefits" - This accounting standard was amended to clarify that actuarial assumptions take currencies rather than country of origin into account for discount rate calculations. The amendment is to be applied for annual periods beginning on or after January 1, 2016. Earlier application is permitted.
- IAS 24, "Related Party Disclosures" – This accounting standard was amended to clarify the disclosures related to key management personnel. The amendment is to be applied for annual periods beginning on or after July 1, 2014. Earlier application is permitted.
- IAS 38, "Intangible Assets" - This accounting standard was amended and is effective for annual periods beginning on or after January 1, 2016.

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.
- 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. 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. An evaluation of the effectiveness of disclosure controls was completed as at December 31, 2014 and based on the results of that evaluation, subject to the limitations noted above, the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") concluded that these controls and procedures provided reasonable assurance that material information is appropriate summarized and communicated to Management and recorded in the Company's annual, interim and other regulatory filings as required by securities regulations.

There have been no material changes in disclosure controls since December 31, 2014 and their design remains appropriate.

Internal control over financial reporting

Management is responsible for certifying the design, and on an annual basis the effectiveness, 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.

An evaluation of the effectiveness of ICFR was completed as at December 31, 2014 and Management, including the CEO and CFO concluded, subject to the limitations noted above, that the Company had effective ICFR. 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* (1992).

There have been no material changes in ICFR since December 31, 2014 and their design remains appropriate.

Forward Looking Statements

Management's Discussion and Analysis of Financial Position and Total Comprehensive Loss for the three and nine month periods ended September 30, 2014 (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 material 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. Tim Miller, the Company's Chief Operating Officer, 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. One or more of the Company's qualified persons have reviewed and verified the technical information in this MD&A.

Other MD&A Requirements

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