OREZONE GOLD CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2019

This Management's Discussion and Analysis ("MD&A") was prepared by management, and was reviewed and approved by the Board of Directors ("Board") on March 31, 2020, the date of this MD&A. The following discussion of performance, financial condition and future prospects should be read in conjunction with the audited annual consolidated financial statements for the years ended December 31, 2019 and 2018 ("Annual Financial Statements"), which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). 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" or "XOF" are to West African 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. Throughout this document, abbreviations "M" means millions, "K" means thousands, "km" means kilometres, "m" means metres, and "oz" means troy ounces.

This MD&A contains forward-looking statements. Statements regarding the adequacy of cash resources to carry out exploration and development programs or the need for future financing are forward-looking statements. Statements regarding the potential for expansion of current mineral resources, expected results including, but not limited to, targeted economic parameters and production levels for Bomboré, planned expenditures on the Company's projects and the potential timing and milestones required to become 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 MD&A.

Corporate Information

The Company was incorporated on December 1, 2008 under the *Canada Business Corporations Act* and is the product of a spin-out transaction between Orezone Resources Inc. and IAMGOLD Corporation. The Company has a Tier 1 listing on the TSX Venture Exchange ("TSXV") with its common shares and warrants trading under the symbols "ORE" and "ORE.WT", respectively.

The Company is engaged in the exploration and development of gold properties in Burkina Faso, West Africa, focusing on its 90%-owned flagship Bomboré gold project ("Bomboré" or "Bomboré Project"). The Company's strategic plan is to bring its multi-million ounce Bomboré Project into production by commencing full-scale mine construction once project financing is secured.

2019 Highlights

1. Positive Results of Phase II Sulphide Expansion Feasibility Study ("2019 FS") for Bomboré

- On June 26, 2019, the Company released the results of an updated feasibility study for its Bomboré Project that included a staged higher-grade sulphide expansion ("Phase II Sulphide Expansion") to complement the oxide-only mine plan in the 2018 FS.
- Under the 2019 FS, the Company will process ore from higher-grade shallow sulphide zones directly beneath the existing oxide reserves and from the nearby P17S satellite deposit starting in Year 3 of commercial production.
- The 2019 FS has significantly raised the gold production profile, mineral reserves, and project economics as compared to the 2018 FS. The 2019 FS base case established a highly attractive gold development project with a new Mineral Reserve estimate of 1.8M gold ounces, an after-tax $NPV_{5\%}$ of $361M, an after-tax IRR of 43.8%, and an after-tax payback period of 2.5 years (from start of commercial production) based on a gold price of $1,300/oz. Gold production will be over a 13-plus year mine life with average annual production of 118K gold ounces.
- The Company expects to fund the Phase II Sulphide Expansion from internal cash flows generated from the early years of oxide operations, thereby reducing the initial capital requirements for the overall project.

2. Progress on Bomboré Resettlement Action Plan ("RAP") and Community Programs

- Access to key areas for construction within the project's mining lease requires the relocation of several villages to eight nearby resettlement sites under the RAP. The Company commenced construction in March 2019 with several local contractors and by the end of 2019 had achieved construction progress approximating 70% of the over 1,100 private homes and community buildings required to be built.
- Delivery of completed residences by contractors has been slower-than-anticipated due to labour and fiscal challenges encountered by certain contractors. The Company has addressed this schedule slippage by self-executing on certain of the construction works and by awarding additional homes to better performing contractors. Phase I RAP was 95% complete when the Company announced a temporary halt of works on March 26, 2020 as a precautionary response to the COVID-19 pandemic.

- The Company has and will continue to make investments in local livelihood restoration activities and on community assistance programs with the aim of improving the lives of those families on or near the project. In particular, the Company has contributed resources and funding towards health and social initiatives, educational programs, vocational training, and employment and business opportunities. As a result, community support for the Bomboré Project remains strong. These programs will continue through the COVID-19 response period as they are managed and administered by locally trained personnel who live in the local communities.
- In 2019, the Company invested in the following programs:
  - ➢ Local Hiring and Training: Contractors including those on the RAP continue to honour their commitment to the Company to hire local workers, most of whom had undergone training programs organized and financed by the Company. The Company has also sourced temporary local workers for the self-executed portion of RAP construction. The Company continues to successfully train groups of select men and women in vehicle and heavy equipment operations to better their career opportunities for upcoming mine construction and operations.
  - ➢ Business Promotion: As part of an agreed livelihood restoration program, the Company continues to provide training and resources to community members to support local businesses. These businesses include chicken breeding, soap making, blanket weaving, agricultural gardens and tree nurseries to enable households to supplement their income generating capacity.
  - ➢ Education: The Company donated construction material for a new local school and provided funding for the opening of literacy centres in two local towns.
  - ➢ Land Reclamation Programs: The Company initiated several land reclamation programs to reclaim land lost to de-forestation. These programs successfully used locally developed techniques and will provide additional arable and crop growing areas for the communities.
- The Company is committed to an open and responsive engagement with the project's local stakeholders. As part of this commitment, the Company holds monthly meetings with planning committees comprised of local leaders and government officials and makes regular courtesy visits to nearby villages to disseminate information on project activities and to address any concerns. The Company has also instituted a grievance mechanism whereby affected residents can lodge any project-related issues with the Company. The Company strives to respond rapidly and in a fair manner to all grievances received.

3. Project Financing

- Following the delivery of the 2019 FS, the Company in tandem with its financial advisor (Cutfield Freeman or "CF") for project debt have made a concentrated effort to secure project financing to fund the construction of Bomboré. As part of this work, CF mandated well-established consulting firms to act as the independent technical engineer ("ITE") and independent environmental and social consultant ("IESC") on behalf of prospective lenders, and to conduct a lender-focused due diligence review on the Bomboré Project. These appointed firms have now completed their initial assignments by providing their independent reports to CF.
- In September 2019, the Company issued a detailed information memorandum (including respective copies of the ITE and IESC reports) for project financing to interested lenders. In October 2019, the Company received several non-binding proposals from commercial banks and specialized mining debt funds. Based on this response, the Company had anticipated securing a binding commitment for project debt by the end of 2019 or early 2020.
- However, on November 6, 2019, SEMAFO Inc. reported an attack by unknown assailants on their transportation convoy on the road to their Boungou Mine in the remote eastern region of Burkina Faso, resulting in numerous fatalities and injuries to their workers and contractors. This high-profile incident delayed the Company's estimated timing to achieving a binding debt commitment. The Company took a strategic pause in its pursuit of project debt after this incident and recommenced negotiations with potential lenders in early 2020.
- The onset of the COVID-19 outbreak in Q1-2020 will further delay the Company's project financing timeline as travel bans imposed by governments worldwide have delayed the confirmatory project site visit by lenders. Once these travel bans are lifted and the scheduled commencement of the Bomboré project construction can be accurately defined, the Company will re-engage with lenders to finalize and secure binding commitments for project debt.

4. Bomboré Phase II Sulphide Expansion Permitting

- The Company submitted the draft environmental and social impact assessment ("ESIA") for the Phase II Sulphide Expansion including the Restricted Zones to the Burkina Faso National Office of Environmental Assessments ("BUNEE") on December 23, 2019.
- The compilation of the draft ESIA required a properly validated census and agreement on the compensation package for the relocation of families that will be affected by mining at the P17S deposit (i.e. future Phase III RAP). Terms of the compensation package were negotiated between the Company and the community leaders representing the affected families and finalized in Q4-2019.
- Final ESIA approval involves a public consultation and further technical reviews by BUNEE and other associated government bodies. Once the ESIA is approved by BUNEE and an executive order is granted from the Ministry of Environment, the ESIA will be appended to the permit application to expand the Bomboré mining lease to include the Phase II Sulphide Expansion, P17S deposit and Restricted Zones for future mining.
- The Company anticipates receiving final ESIA approval in Q2-2020 and the expanded mining permit in Q3-2020.

5. Bomboré Early Works and Pre-Construction Readiness

- The Company completed certain camp and road upgrades in 2019 in preparation of the current RAP and for the future start of main project construction. These upgrades included two new accommodation blocks, kitchen and dining room upgrades, new security barracks, communication system enhancements, reinforced security fencing, and main access road improvements.
- The Company has substantially completed the front-end engineering and design ("FEED") for the oxide component of the Bomboré Project in Q1-2019, building on the work that commenced in Q4-2018. The FEED deliverables included finalized plant site layouts, project design specifications, and delivery times and formal cost quotes of major equipment packages which have better defined quantity take-offs and provided more precise cost and schedule estimates. Minor FEED work remains as a result of the plant modifications made in the 2019 FS.

6. Project Delivery Model for the Process Plant Construction

- The Company is reviewing the relative merits of a fixed price turnkey EPC delivery option for the construction of the process plant against the more conventional EPCM alternative. The Company has received comprehensive proposals for both EPCM and fixed price EPC contracts for the process plant construction from leading global engineering firms. The Company is currently evaluating these options and expects to make a selection once a binding commitment for project financing is secured. Detailed engineering and early procurement activities will commence immediately thereafter.

7. Project Leadership Appointments

- During the year, the Company bolstered the technical and management capabilities of its project development team through the recruitment of:
  - Mark Humphery – Project Director. Mr. Humphery is a mechanical engineer with 25 years of experience in the mining industry, successfully led the construction and commissioning on two recent greenfield projects in Guinea and Colombia, and had previously worked in Burkina Faso in senior engineering, project implementation and construction roles. Mr. Humphery joined the Company in October 2019 and is leading the Company's construction and commissioning efforts at Bomboré.
  - Ian Chang – VP Projects. Mr. Chang is a registered professional engineer with over 30 years of experience and has overseen projects from initial design through to commissioning both in corporate management roles and in senior positions with leading engineering companies. Mr. Chang works in close collaboration with Mr. Humphery to ensure that engineering and design meet the project's stringent specifications for operability, costs and schedule, and that contractors adhere to their contractual commitments during the field construction phase. Mr. Chang joined the Company on November 20, 2019.
  - Senior site-based hires. During the fourth quarter of 2019, the Company made further experienced hires to its Owner's site-based project team in the areas of mining, engineering, construction and field supervision.

8. Exploration

- During the fourth quarter of 2019, the Company completed a 1,982 metre drilling program at Bomboré centred on the Maga Hill target to further define several high-grade mineralized zones identified by drilling in previous years. This program was designed to test and validate the refined geological interpretation of a higher-grade plunging gold system within the existing lower-grade mineralization.
- The drilling was successful in returning high-grade intercepts in most of the drill holes. Highlights include:
  - BBD1034: 8.9 m of 3.21 g/t gold including 1.0 m of 16.25 g/t gold;
  - BBC4995: 8.0 m of 3.04 g/t gold including 3.0 m of 5.71 g/t gold;
  - BBC4996: 18.0 m of 3.68 g/t gold including 8.0 m of 7.31 g/t gold;
  - BBC4997: 4.0 m of 3.74 g/t gold including 1.0 m of 13.35 g/t gold;
  - BBC4999: 11.0 m of 1.89 g/t gold including 4.0 m of 4.53 g/t gold; and
  - BBC5000: 12.0 m of 3.09 g/t gold including 6.0 m of 5.16 g/t gold.

Significant Developments after 2019

Bought-Deal Public Offering of Units in January 2020

On January 29, 2020, the Company closed a bought-deal public offering of 37,595,900 units at a price of C$0.54 per unit ("Units") for gross proceeds of C$20,301,786 ("2020 Public Offering"). Each Unit consists of one common share of the Company and one-half of one common share purchase warrant (each whole share purchase warrant, a "Warrant"). Each Warrant entitles the holder to acquire one common share of the Company until January 29, 2023 at an exercise price of C$0.80. In connection with the public offering, the Company paid the underwriters a cash commission equal to 6.0% of the gross proceeds. The Warrants are listed on the TSXV under the symbol "ORE.WT".

Suspension of Non-Essential Activities in Response to COVID-19

On March 26, 2020, after consultation with local stakeholders and in conjunction with recently imposed Burkina Faso government travel and work restrictions, the Company announced the suspension of all non-essential activities at its Bomboré Project as a further measure to combat the potential transmission of COVID-19. The main activity at Bomboré is the Phase I RAP construction which is conducted alongside existing local villages and involves a significant workforce. These factors could lead to a greater population of infections within the communities if other measures to prevent the introduction of the virus are not successful. To-date, there are no known or suspected cases of COVID-19 amongst the Company's employees and contractors. The Company expects to resume normal project development including final completion of resettlement villages and subsequent relocation of families to their new homes once these activities can be completed in a safe and responsible manner.

2020 Objectives and Outlook

Prior to the announcement to temporarily suspend all non-essential activities at its Bomboré Project, the Company's 2020 development plans were contingent on the Company's ability to obtain full project financing in a timely manner to facilitate project construction under a schedule that called for first gold pour in H2-2021.

The later completion of the Phase I RAP has affected the project timetable and has caused the Company to withdraw its guidance for first gold in 2021 as the Company is unable to confidently predict the duration of the work suspension, and the stabilization of debt and equity markets for mine financing. The Company remains committed to advancing Bomboré into commercial production in a prompt, cost-effective, and responsible manner.

Against this backdrop, the Company's objectives and outlook for 2020 are presently focused on:

- Executing an orderly plan to swiftly and safely wind down all non-essential activities at Bomboré including securing all resettlement villages and putting the project on a care and maintenance footing during this suspension period. Essential activities such as security, medical services, community engagement, and environmental monitoring and protection will remain.
- Completion of Phase I RAP construction with relocation of all households including compensation payments to affected families upon resumption of RAP activities.

- Receipt of regulatory approval for the ESIA followed by the mining permit expansion for the Phase II Sulphide Expansion.
- Secure binding commitments for the debt component of the Bomboré Project budget.
- Implement security upgrades to ensure the continued safety of employees, contractors and project.
- Continue with community assistance and livelihood restoration initiatives to ensure continued project support.
- Undertake planning to facilitate a rapid re-start of project construction in the future.

The Company is well funded for its 2020 planned activities and will follow strict financial controls to help maximize the return on its existing treasury during this period of reduced activity. The Company has instituted a hiring freeze and will examine other cost savings measures over the coming weeks. The Company plans to update its 2020 objectives and expenditure forecasts over the course of 2020 as new developments warrant.

Bomboré Gold Project

The Company's material property is the Bomboré Project, the largest undeveloped gold deposit in Burkina Faso, West Africa. Gold resources occur at surface in several zones contained within a gold-in-soil anomaly that extends virtually uninterrupted for 14 km. The property is comprised of a block of contiguous permits totalling 15,029 hectares ("ha") located in the Ganzourgou Province, Burkina Faso, approximately 85 km east of the capital city of Ouagadougou.

The property is readily accessible by a paved national highway RN4 and is in an area of moderate population density supported by local infrastructure that includes access to sufficient water from seasonal streams, modern communications, a local labour force in the nearby town of Mogtédo, and a large pool of skilled in-country contractors and consultants from the country's burgeoning mining sector.

The Bomboré Project benefits from a large oxide resource (average depth of 45 m) that sits above a large sulphide resource. The average depth of over 520,000 m of drilling to date is about 45 m for the RC holes (oxide zone) and 110 m for the core holes (sulphide zone), with deeper core drilling where the sulphide resource reaches depths of up to 240 m within the CIL optimized pit shells that constrain the resource.

The Bomboré Project is permitted for construction and oxide operations, and the Company has commenced early project works including the build-out of new resettlement villages since early 2019 in preparation for full project construction.

In accordance with the Burkina Faso mining laws, the Government of Burkina Faso has a 10% carried equity interest in Orezone Bomboré SA ("OBSA"), the Company's subsidiary that holds the mining permit for the Bomboré Project.

2019 Feasibility Study Update (inclusive of a Phase II Sulphide Expansion)

On June 26, 2019, the Company announced the results of an updated NI 43-101 FS on the Bomboré Project. The NI 43-101 report with an effective date of June 26, 2019 was filed with securities regulators on August 13, 2019 and an amended report was filed on January 6, 2020 to correct for minor deficiencies noted in a review by the British Columbia Securities Commission.

The 2019 FS incorporates a staged Phase II Sulphide Expansion that was not considered in the 2018 FS as the 2018 FS only focussed on the shallow, free-digging oxides. The sulphide expansion envisions the installation of a dedicated front-end sulphide circuit to process select zones of higher-grade sulphide and lower-transition ("LT") mineral resources. The inclusion of mineralization from higher-grade sulphide zones and the P17S deposit, and oxide resources from the previously excluded Restricted Zones has significantly enhanced the life-of-mine ("LOM") gold production and economics of the Bomboré Project from those in the 2018 FS.

The 2019 FS was prepared for the Company under the direction of Lycopodium Minerals Canada Ltd. ("Lycopodium"), a leading engineering firm with extensive successful project development experience in West Africa. The contributors to the 2019 FS were the same as those for the 2018 FS except for the addition of Antea Group on environmental, social and permitting matters. The principal contributors to the 2019 FS were as follows:

Contributor	Scope
Orezone Gold Corporation	Project history, metallurgical test work, resettlement
Lycopodium	Metallurgy test work interpretation, process plant, project infrastructure, project development plan, compilation of capex and opex, financial modelling,

Contributor	Scope
	coordination and compilation of 2019 FS
Roscoe Postle Associates Inc. ("RPA")	Geology, mineral resources
AMC Consultants ("AMC")	Mining, reserve statement
Knight Piésold Consulting	Tailings storage facility ("TSF"), water management and supply
Antea Group	Environment, permitting and community relations

2019 FS ECONOMICS AND HIGHLIGHTS

Using the base case assumptions of $1,300/oz gold and an exchange rate of 550 CFA:1 US$, the project economics (on a 100% basis) were as follows:

- Undiscounted LOM pre-tax cash flows of $694M and after-tax cash flows of $507M
- Pre-tax NPV$_{5\%}$[1] of $513M and IRR[1] of 62% with a 1.5 year payback[2]
- After-tax NPV$_{5\%}$[1] of $361M and IRR[1] of 44% with a 2.5 year payback[2]
- Mine life of 13+ years with LOM gold production of 1.6M ounces and an average annual gold production of 134K ounces in the first 10 years
- Initial project construction cost estimated at $153M[3]
- LOM expansion capital costs of $63M
- LOM cash costs of $681/oz with cash costs of $629/oz in the first 10 years
- LOM AISC[4] of $730/oz with AISC of $672/oz in the first 10 years

Notes
1. Discounting for purposes of calculating NPV and IRR begins from start of commercial production as cash flows in the pre-production period are not discounted.
2. Payback period is from the start of commercial production.
3. Capital estimate is from Q3-2019 onwards. All project expenditures prior to Q3-2019 are considered sunk.
4. Site-based All-In Sustaining Costs ("AISC") excludes Corporate G&A.

MINERAL RESOURCES (INCLUSIVE OF MINERAL RESERVES)

Bomboré Mineral Resource Estimate as of January 5, 2017, RPA

Classification		Measured			Indicated			Measured + Indicated			Inferred		
	Cut-off Au g/t	Tonnage 000 t	Grade Au g/t	Contained Au koz	Tonnage 000 t	Grade Au g/t	Contained Au koz	Tonnage 000 t	Grade Au g/t	Contained Au koz	Tonnage 000 t	Grade Au g/t	Contained Au koz
Oxides	0.20	31,600	0.62	628	75,300	0.53	1,273	106,900	0.55	1,901	20,900	0.40	265
Sulphides	0.2 / 0.38	9,000	0.90	260	113,600	0.79	2,894	122,600	0.80	3,154	32,400	0.81	842
TOTAL		**40,600**	**0.68**	**888**	**188,900**	**0.69**	**4,167**	**229,400**	**0.69**	**5,055**	**53,300**	**0.65**	**1,107**

Notes:
1. CIM definitions (2014) were followed for Mineral Resources.
2. Mineral Resources are inclusive of Mineral Reserves.
3. Oxide resources are made up of the regolith, saprolite and upper transition layers reported at a cut-off of 0.2 g/t Au.
4. Sulphide resources are made up of lower transition and fresh layers reported at a cut-off of 0.2 g/t Au and 0.38 g/t Au respectively.
5. Mineral Resources have been constrained within a preliminary pit shell generated in Whittle software.
6. Mineral Resources are estimated using a long-term gold price of US$1,400 per ounce.
7. A minimum mining width of approximately 3 m was used.
8. Bulk densities vary by material type.
9. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
10. Numbers may not add due to rounding.

RPA updated the mineral resource estimate used in the 2019 FS by incorporating the oxide material within the previously excluded Restricted Zones and the drilling completed to-date on the high-grade P17S deposit. The mineral resource estimate for the P17S deposit has an effective date of December 21, 2018 but the effective date of the deposit as a whole remains January 5, 2017 since the bulk of the mineral resources has not been updated since that estimate.

The 2019 FS mine plan is based on the above 2017 mineral resource estimate for Bomboré. The Company is currently working on updating the Bomboré mineral resource estimate by incorporating and re-modelling new and encouraging results from infill and step out drilling on both oxide and sulphide targets completed in 2017 to 2019. The Company expects to release an updated mineral resource estimate in 2020.

MINERAL RESERVES

The Proven and Probable Mineral Reserves are the economically minable portions of the Measured and Indicated Mineral Resources as supported by the 2019 FS. The mineral reserves used in the 2019 FS includes all oxides, upper and lower transition, and sulphides delineated in the 2017 mineral resource estimate.

AMC prepared the following mineral reserve estimate using a long-term gold price assumption of $1,250/oz.

Bomboré Mineral Reserve Estimate – AMC, June 26, 2019

Classification		Proven			Probable			Proven & Probable		
	Cut-off Au g/t	Tonnage 000 t	Grade Au g/t	Contained Au koz	Tonnage 000 t	Grade Au g/t	Contained Au koz	Tonnage 000 t	Grade Au g/t	Contained Au koz
Oxides	0.300 - 0.325	20,213	0.73	473	32,326	0.66	687	52,539	0.69	1,161
Sulphides	0.466 - 0.555	3,241	1.31	136	14,320	1.17	538	17,561	1.19	675
TOTAL		**23,453**	**0.81**	**610**	**46,647**	**0.82**	**1,225**	**70,100**	**0.81**	**1,835**

Notes:

1. Oxides include regolith, saprolite and upper transition material.
2. Sulphides include lower transition and fresh material.
3. Mineral Reserves have been estimated in accordance with the CIM Definition Standards.
4. Mineral Reserves are estimated at an average long-term gold price of US$1,250/troy oz.
5. Mineral Reserves are based on cut-off grades that range from 0.300 to 0.325 g/t Au for oxides, and 0.466 to 0.555 g/t Au for sulphides.
6. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability.
7. There are 1.7Mt of low-grade mineralized oxide material above cut-off grade remaining in the stockpiles that are not included in the Reserves Estimate.
8. Mining recovery factors estimated at 98% for oxides and 96%-100% for sulphides.
9. Processing recovery varies by grade, weathering unit and location.
10. Rounding of some figures may lead to minor discrepancies in totals.

MINE PLAN AND PRODUCTION SUMMARY

The 2019 FS mine plan is based on an annual plant feed rate of 5.2M tonnes per annum ("Mtpa"), delivering higher-grade ore in the early years by stockpiling lower-grade material for drawdown in later years. The first 2.5 years of production will be free-dig oxide ore only. In Year 3 of commercial production, the sulphide circuit will be commissioned and as it ramps up to 2.2Mtpa, the throughput of the oxide circuit will be correspondingly reduced to 3.0Mtpa to maintain a combined mill feed rate of 5.2Mtpa.

Estimated gold production, ore feed type, diluted head grades, and metallurgical recoveries for each year in the LOM are summarized in the table below.

Summary Production Schedule – 2019 FS

Year	Oxide ore tonnes processed (Mt)	Oxide Gold grade (g/t)	Sulphide / LT ore tonnes processed (Mt)	Sulphide / LT Gold grade (g/t)	Total ore tonnes processed (Mt)	Gold grade (g/t)	Recoveries (%)	Gold Production ('000 ounces)
Pre-prod.	1.21	1.02	0.00	0.00	1.21	1.02	92.3%	36.63
1	5.19	1.03	0.00	0.00	5.19	1.03	92.3%	158.58
2	5.20	0.91	0.00	0.00	5.20	0.91	91.2%	138.56
3	3.75	0.73	1.45	1.59	5.20	0.97	88.7%	144.15
4	3.00	0.68	2.20	1.46	5.20	1.01	88.7%	149.70
5	3.00	0.76	2.20	1.23	5.20	0.96	87.2%	139.51
6	3.00	0.65	2.20	1.20	5.20	0.89	85.0%	125.82
7	3.00	0.70	2.20	1.12	5.20	0.88	86.0%	126.33
8	3.00	0.66	2.20	1.12	5.20	0.85	85.4%	121.83
9	3.00	0.66	2.20	1.12	5.20	0.85	85.3%	121.63
10	3.08	0.67	2.13	0.94	5.20	0.78	85.8%	112.07

Year	Oxide ore tonnes processed (Mt)	Oxide Gold grade (g/t)	Sulphide / LT ore tonnes processed (Mt)	Sulphide / LT Gold grade (g/t)	Total ore tonnes processed (Mt)	Gold grade (g/t)	Recoveries (%)	Gold Production ('000 ounces)
11	4.55	0.57	0.65	0.92	5.20	0.62	85.8%	88.54
12	5.11	0.49	0.09[1]	1.00	5.20	0.50	83.9%	70.32
13	5.16	0.40	0.04[1]	0.87	5.20	0.40	80.1%	53.58
14	1.29	0.37	0.01[1]	0.83	1.30	0.37	78.7%	12.32
Life of Mine	**52.54**	**0.69**	**17.56**	**1.19**	**70.10**	**0.81**	**87.2%**	**1,599.57**

Note 1: For these small yearly tonnages, the LT and sulphide feeds will be crushed and processed through the oxide circuit, thereby eliminating the need to operate the sulphide SAG mill.

The LOM strip ratio is 2.34:1. The mine plan calls for 1.7Mt of unprocessed low-grade mineralized oxide material in stockpiles to remain at end of mine life. These stockpiles are not included in the mineral reserve estimate but are available for processing if future gold prices warrant.

MINING

The Bomboré mine will be developed as an open pit operation mining oxide and sulphide material from over 60 separate pits of variable size and depth across a mineralized zone approximately 12.2 km long and 3 km wide.

Mining of ore and waste will be contracted out with an Owner's team responsible for mine planning, grade control, surveying, pit de-watering, site management and contractor supervision.

Oxides

Mining will be performed by a conventional diesel-hydraulic excavator fleet in tandem with 30t to 50t road type rear-dump trucks. Ore and waste are readily excavated without the need for drill-and-blast ("free-dig"). This type of load-and-haul fleet is common in Burkina Faso and West Africa for similar free-dig material and will provide the needed versatility for a mine plan having a large number of shallow pits of varying tonnages over the LOM.

Mining of oxides in the Restricted Zone pits will take place during a single dry season occurring between November to March as each mined pit will be backfilled and compacted with waste in the same dry season. The Restricted Zone pits contain 1.7Mt of mineral reserves.

Approximately 64.5Mt (~53%) of the oxide mine waste will be used in the phased construction of the TSF with the remainder hauled either to the oxide waste rock dumps or to the environmental barriers.

Sulphides

Mining of the sulphides in the first three years of Phase II will preferentially include higher-grade ore from P17S to be blended with higher-grade ore from other sulphide zones to maximize the value of the project. The mining schedule was developed to satisfy the physical and practical constraints including a sustainable production profile, achievable vertical advance rates, efficient use of low-grade stockpiling, and minimization of concurrent mining of oxides and sulphides within the same pits.

Mining of sulphide and LT ore will also be by contractors with trucks suited to the more abrasive and denser rock types. The LT ore requires a lower density drill hole blast pattern and a reduced powder factor than that needed for the fresh rock sulphides which will positively impact mining costs.

Approximately 24% of the 17.6Mt of sulphide circuit ore feed in the 2019 FS mine plan is comprised of LT ore.

MINERAL PROCESSING

The process plant design prepared by Lycopodium is based on a robust metallurgical flowsheet developed for optimum recovery while minimizing initial capital expenditures and LOM operating costs. This flowsheet is based on unit operations (crushing, milling, Carbon-in-Leach ("CIL"), Zadra elution, gold electrowinning and carbon regeneration) that are well proven in the industry and represents a low risk standard design that has been operating successfully at other similar West African gold mines.

The processing plant is designed with a nameplate capacity of 5.2Mtpa and will operate continuously year-round.

The Company has conducted extensive metallurgical test work on all Bomboré ore types since 2008. The most recent testing was completed in May 2019 by Base Metallurgical Laboratories Ltd. in Kelowna, Canada on LT and sulphide composite and variability samples to determine grinding and abrasion parameters and the effect of grind size, cyanide addition, pre-aeration and leach time on gold extraction. The most recent testing of oxide material was completed by SGS Canada Inc. in Quebec, Canada in Q4-2017 that included grinding and reagent optimization work.

Oxide Circuit

The oxide flowsheet and plant have been designed to treat the soft, fine-grained oxide ore without the need for crushing and only minimal grinding to achieve LOM plant recovery in excess of 88%. Ore is direct dumped across a static grizzly into a large hopper and onto a variable speed apron feeder. From the apron feeder, the ore is transferred to a conveyor that feeds directly to a ball mill. The plant is designed with two ore transfer points and one conveyor, thereby minimizing issues associated with wet sticky ore in the rainy season. The ball mill is equipped with a variable speed drive sized to accommodate a wide range of ore types and hardness.

The single-stage ball mill, in closed circuit with hydrocyclones, will be utilized to attain the optimal grind size of 80% passing 125 microns with the cyclone overflow discharge reporting to a single-stage leach tank in series with a seven-stage CIL tank circuit for optimal gold recovery. Residence time within the CIL tanks will be 24 hours due to the fast leach kinetics of the oxide ore. Gold will be recovered in a standard carbon desorption (Zadra) plant, finishing with electrowinning and smelting to produce gold doré bars.

The CIL tails will be thickened for cyanide and process water recovery, and then pumped to a HDPE-lined TSF. The TSF is a fully lined facility and of downstream construction, designed to be zero discharge, with water recovered in a decant tower and returned to the process water tank at the plant to maximize use of recycled water.

Sulphide Circuit

The sulphide comminution circuit will consist of a primary jaw crusher followed by a SAG mill in closed circuit with hydrocyclones and a recirculation pebble conveyor system to achieve the optimal grind size of 80% passing 75 microns. A surge ore bin and dead ore stockpile are included in the design to provide surge capacity between the crushing and grinding stages. The cyclone overflow will report to a pre-leach thickener to increase leach slurry density, which minimizes leach tank volume and reduces overall reagent consumption. The slurry is then transferred to a pre-oxygenation tank followed by three leach tanks to provide 24 hours of residence time. The partially leached slurry is then pumped into the oxide circuit where it is combined with the oxide mill product and fed into the CIL circuit for an additional 24 hours of residence time to provide for an overall leach duration of 48 hours for the sulphide ores.

PROJECT INFRASTRUCTURE

Bomboré is located in a mining-friendly jurisdiction and is favourably situated near the capital city of Ouagadougou. Burkina Faso has experienced rapid development of its mining sector over the past decade, which has contributed to the growth of available mining contractors, suppliers and skilled labour. These project characteristics will help to keep construction and operating costs low. Additional infrastructure items pertaining to water supply, power and accommodations are described below:

(a) **Water Supply:** Raw water will be sourced from the seasonal Nobsin River during a portion of each wet season and diverted by a permanent weir into an Off-Channel Reservoir ("OCR"). The OCR is essentially one of the mine pits excavated early and designed to hold sufficient water for the project on an annual basis. Pumps will transfer water from the OCR to the raw and process water tanks by pipeline. The amount of water that will be harvested each year will be a minor portion of the streamflow and will not negatively impact downstream users.

(b) **Power Supply:** A heavy-fuel oil ("HFO") power station will be constructed at the process plant by an independent power provider ("IPP") under a build-own-operate agreement. Overhead transmission lines of 11kV will be constructed from the power station to the TSF, camp, and the mining contractor's area. The power station will utilize a dedicated bulk HFO storage facility located adjacent to the powerhouse. Additional HFO generator engines will be installed later by the IPP as part of the staged sulphide expansion.

(c) **Offices and Accommodation:** A main camp, kitchen, and office complex including warehousing, sample preparation facility and small vehicle repair shop are fully functional at the project site. The camp was recently upgraded to include two new single-bed accommodation blocks for senior staff, new office areas for technical staff, and an expanded kitchen and dining facility. A contractor will continue to be responsible for all camp operations including catering, cleaning and maintenance activities. All communications systems, including internet, are in place.

In Ouagadougou, the Company owns a fully functional office and warehouse facility which will serve as a management and logistics base for the Bomboré operation. Administrative functions such as procurement, accounting and government relations will be based out of the Ouagadougou office to reduce the burden on site facilities.

CAPITAL COSTS (INITIAL PHASE I, EXPANSION PHASE II, AND SUSTAINING CAPITAL)

The Phase I oxide operation will be constructed over a 23-month period followed by four months of commissioning and ramp-up to commercial production. Construction of the Phase II Sulphide Expansion will start in Year 2 of commercial production with introduction of sulphide feed commencing in Year 3.

Significant work has been completed to de-risk the project. FEED for the Phase I oxide facility is essentially complete which has more accurately defined material quantities, and detailed firm quotes have also been obtained for all major equipment. The camp and early stage civil works are complete and Phase I RAP construction is nearing completion.

The initial construction costs for the Phase I oxide plant are estimated at $153.0M before the pre-production build-up of ore stockpiles in working capital, and operating costs and revenues from gold produced during the four-month commissioning period. Inclusive of these amounts, total upfront project costs are estimated at $138.7M. Capital cost estimates are from Q3-2019 onwards and excludes project expenditures incurred before July 1, 2019 which are considered sunk.

Initial Capital Costs for the Oxide Project

Oxide Project Capital By Area	US$ M
Process Plant	51.4
Infrastructure	21.3
Mining	0.8
Construction Indirects	9.9
EPCM	11.2
Resettlement Action Plan	20.8
Owner's Costs	26.1
Subtotal	**141.7**
Contingency	11.3
Total Initial Construction Costs	**153.0**
Working Capital (Ore Stockpiles)	24.9
Pre-production Operating Costs	8.4
Total Upfront Costs Before Sales	**186.3**
Pre-production Gold Sales	(47.6)
Total Upfront Costs	**138.7**

Expansion Capital for the Sulphide Circuit

Sulphide Project Capital By Area	US$ M
Process Plant	36.2
Infrastructure	1.1
Mining	0.0
Construction Indirects	5.4
EPCM	6.4
Resettlement Action Plan	3.7
Owner's Costs[1]	5.2
Subtotal	**58.0**
Contingency[1]	5.2
Total Construction Costs	**63.2**

[1] Excludes $1.4M in opening stock of consumables reclassified to working capital.

Sustaining Capital Costs

Sustaining Capital by Area	US$ M
Tailings and Water Management	59.7
Mining	5.1
General and Administration	1.5
Total Sustaining Capital Costs	**66.2**
Reclamation and Closure	17.9
Salvage Value	(5.6)
Total Sustaining Capital and Closure Costs	**78.5**

Sustaining capital costs relate predominantly to the successive TSF dam embankment raises over LOM including the costs for liners, decant tower raises, piping, valves, pumps and motors. Sustaining capital also includes haul road extensions, mine dewatering pumps and piping, surface water management pumps and piping, and regular replacement of surface support fleet on a scheduled basis.

Closure costs include all necessary remediation work required to return the site to meet all conditions of the ESIA thereby reducing the risks for health and safety, controlling erosion, and developing a profile compatible with the future uses of the site.

OPERATING COSTS

LOM Operating Costs by Area	Total Costs ($M)	$/tonne processed	$/oz
Mining	386.3	5.51	242
Processing	456.9	6.52	286
Site G&A	139.4	1.99	87
Refining and transport	2.4	0.03	1
Government royalties	103.9	1.48	65
Total Cash Cost	**1,089.0**	**15.53**	**681**
Sustaining capital	66.2	0.94	41
Rehabilitation and closure	17.9	0.26	11
Salvage Value	(5.6)	(0.08)	(3)
All-in Sustaining Cost[1]	**1,167.5**	**16.66**	**730**

[1] Site-based AISC excludes corporate G&A expenses.

The project operating costs are built-up from three main components:

- **Mining**

  Mine operating costs are based on a detailed mining schedule developed by AMC that accounts for haul distances and pit depths using unit rates provided by contractor quotes.

- **Processing**

  Processing costs are LOM averages and were developed by Lycopodium based on quantities and costs data from a variety of sources including metallurgical test work, consumable price quotes from reputable suppliers, Lycopodium database and experience with recent projects in the region, Orezone input, and first principle calculations. Processing costs will fluctuate by year depending on the annual blends of oxide, transition and sulphide ores into the mill as the different ore types have varying reagent consumption, work indices, abrasion indices and power requirements.

- **General and Administration ("G&A")**

  G&A costs are based on Orezone's recent experience of operating in Burkina Faso and on the expected build-up of departmental headcounts using first principles. G&A costs cover general management, permitting, insurance, accounting, communications and information technology, community and government relations, environmental and social management, health and safety, human resources, legal, supply chain, security, travel, and camp operating costs. G&A costs were benchmarked against other existing or proposed mining operations in Burkina Faso that takes into consideration Bomboré's more desirable location and proximity to Ouagadougou.

PROJECT SENSITIVITIES

The project economics are most sensitive to changes in gold price. At a gold price of $1,500/oz, the project's after-tax $NPV_{5\%}$ increases by 44% to $520M.

The table below highlights the sensitivity of the project's NPV at different average gold prices over LOM.

Gold Price ($/oz)	$1,100	$1,200	Base Case $1,300	$1,400	$,1500
$NPV_{5\%}$ ($M) After-Tax	186.6	273.8	361.0	434.7	520.0
IRR After-Tax	25.8%	34.7%	43.8%	51.8%	61.4%

DEVELOPMENT TIMETABLE

The estimated time to construct the Bomboré oxide process plant (pre-production) is 23 months, including time to excavate the OCR and complete the Phase I RAP, followed by a four-month commissioning and ramp up of the process plant. The critical path items are the Phase I RAP and OCR excavation. Timely completion of the Phase I RAP will allow commencement of the OCR excavation which will meet the water needs for commissioning, start-up and subsequent operations as the OCR is filled during the rainy season each year from May through October.

Construction of the sulphide expansion will commence in the second full year of oxide operations with construction estimated to take 12 months. The critical path for this expansion will be delivery and installation of the large SAG mill and motors.

COMPARISON OF 2019 FS TO 2018 FS

Description	2018 FS	2019 FS
Base Case Gold Price (US$/oz)	1,275	**1,300**
Mine Life (years)	12.3	**13.3**
Total Waste Tonnes Mined (Mt)	93.8	**164.4**
Total Ore Tonnes Mined (Mt)	56.0	**70.1**[3]
Strip Ratio	1.68	**2.34**
Production		
Processing Annual Throughput (Mt)	4.5	**5.2**
Total Gold Ounces Recovered (oz)	1,024,239	**1,599,569**
Average Annual Gold Production (oz)	83,271	**117,760**
Operating Costs		
Unit Operating Costs ($/tonne processed)	12.38	**15.53**
Cash Costs ($/oz)	677	**681**
AISC ($/oz)	746	**730**
Capital Costs		
Initial Construction Costs ($M)	143.8	**153.0**
Expansion Capital Costs (Phase II Sulphide) ($M)	-	**63.2**
Sustaining Capital Costs ($M)	58.9	**66.2**
Closure Costs ($M)	14.5	**17.9**
Financials[1, 2]		
Pre-tax $NPV_{(5\%)}$ ($M)	315.2	**513.5**
Pre-tax IRR	59.3%	**61.9%**
Post-tax $NPV_{(5\%)}$ ($M)	223.5	**361.0**

Description	2018 FS	2019 FS
Post-tax IRR	42.4%	**43.8%**

Notes:
1. Represents total project cash flows net of government royalties and taxes. The Government of Burkina Faso benefits from a 10% free-carried interest, sales royalties (4% NSR between $1,000 and $1,300 Au), Local Development Mining Fund tax (1% NSR), corporate income tax (27.5% tax rate), fuel taxes, VAT and withholding taxes on services.
2. Exchange rate assumptions: XOF:USD = 550; USD:EURO = 1.19; XOF:EURO = 655.957; Fuel price delivered to site: Diesel = $1.05/litre; Heavy-Fuel Oil = $0.62/litre.
3. Total ore tonnes mined exclude 1.7M tonnes of mineralized low-grade material not in the current mill feed schedule.

The most important change in the 2019 FS in comparison to the 2018 FS is the inclusion of a staged Phase II Sulphide Expansion which allows for the mining and processing of select higher grade LT and sulphide ores that were not previously considered in the 2018 FS oxide mine plan. This expansion has greatly increased mineral reserves, gold production and overall project economics.

Other notable changes include:

- Increase in annual plant throughput from 4.5Mtpa to 5.2Mtpa with the addition of one more CIL tank to the oxide circuit.
- Upsizing of the carbon elution circuit for gold recovery from a 5t vessel to a 10t vessel based on additional test work completed in 2019. The larger circuit will allow carbon stripping to be conducted on a more systematic basis and provide capacity for further expansion.
- Optimization of TSF design as the previous design used in the 2018 FS was based on a TSF footprint that was restricted by the location of low-grade ore stockpiles. During the FEED, the TSF design was optimized by utilizing the expanded TSF footprint made available by the elimination of this stockpile location. The new TSF design requires lower tailings embankment construction quantities through the LOM, reducing both pre-production capital and ongoing sustaining capital.

The change in initial construction costs for the Phase I oxide project from $143.8M to $153.0M is attributable mainly to the change in annual throughput incorporating expanded CIL and elution circuits, and higher estimated Owner's costs to reflect more resources and activities for security, environmental and permitting, and project management. The Company believes the additional spending in Owner's costs will help de-risk project execution and provide for better project financing opportunities.

PROJECT ENHANCEMENT OPPORTUNITIES

Many of the enhancement opportunities identified in the 2018 FS have been included in the 2019 FS. As part of the 2019 FS work, several additional opportunities have been identified:

- **Geological Interpretation**: Refine the geological model to incorporate the knowledge gained from drilling at P17S and evaluate the potential for higher-grade oxides and sulphides at depth along plunge:
  - Drilling undertaken during 2017, 2018 and 2019 was very successful in continuing to intercept significantly higher-grade oxide mineralization;
  - To date, these results have not been incorporated into the mineral resources or reserves;
  - Modelling of these zones is ongoing, and it is expected that this will be complete in 2020; and
  - Limited deeper drilling has intercepted these higher-grade mineralized trends in sulphides along the same plunge zones which may provide underground targets for future exploitation.

- **Metallurgical Recoveries**: The most recent sulphide test work program resulted in better than historic test work recoveries. The 2019 FS has not included these improved recoveries and further test work is now planned, including the addition of oxygen sparging to the sulphide pre-leach to better quantify these higher recoveries.

- **Dilution and Grade Control**: Ongoing grade control and test mining work at site for the oxide material to determine if the mining dilution factors in the 2019 FS can be reduced which may improve mill feed grade.

- **Regional Exploration**: Regional exploration drilling in 2017 and 2018 continued to intercept oxide mineralization in several identified zones within the exploration leases surrounding the current mining lease. Further exploration is warranted in these areas to determine if there is potential to add additional near surface oxide material and thereby extend mine operating life.

Bomboré Exploration Potential

The Bomboré oxide resources have the potential for further expansion and upgrading through RC drilling the current inferred resources and higher-grade mineralized zones within the mining permit, and advancing the KT and P13 targets located to the northeast and to the southwest of the mining permit, respectively. Furthermore, drill testing for mineralization in the untested gaps between the many smaller pits along the mineralized trend could result in the joining of several pits, in particular along the less well defined hangingwall structures. This drilling, if successful, could add additional resources and may also improve the overall strip ratio. Additional shallow sulphide mineralization targets have been identified between the P17 and P17S deposits, as well as down-plunge from several shallow high-grade zones, in particular in the Maga Hill area.

Permit status

The current Bomboré Project surface area is 150 km^2 which includes the mining permit (25 km^2) and four exploration permits: Toéyoko (46.7 km^2), Bomboré II (18.2 km^2), Bomboré III (48.1 km^2) and Bomboré IV (12.4 km^2). The second three-year term of the Toéyoko permit expired in July 2017 and the Company received the official renewal Arrêté for the last 3-year tenure from the Ministry of Mines on August 1, 2017. The Bomboré II, Bomboré III and Bomboré IV permits were granted on January 17, 2017 and renewed in January 2020 for another three-year term set to expire on January 16, 2023.

In May 2017, the Company received the Order that sets the 2-year construction fiscal regime period from December 30, 2016 to December 29, 2018. As the Company was not expected to make a decision about the construction of the mine until after the completion of the 2018 FS and as provided by the Mining Code, the Company applied for and the Minister of Mines approved on November 23, 2017, the request to suspend construction for up to two years. Effective December 26, 2018, the Company received written confirmation that its application to re-instate the 2-year construction order was approved by the Minister of Mines.

The Burkina Faso government requires an annual minimum exploration expenditure of 270,000 CFA (~US$465) per km^2 resulting in a minimum of 33,800,000 CFA (~US$58,200) for its exploration permits. Expenditures can be carried forward year over year throughout the term and renewals of the permits. The Company has not had any difficulty in meeting these minimum requirements.

2015 Burkina Faso Mining Code ("Mining Code")

The mining legislation of Burkina Faso provides for certain fiscal policies that are specific to mining activities and offers certain tax incentives for titleholders at different stages of their projects. On June 26, 2015, the *Conseil National de la Transition* (National Council of Transition) approved a new Mining Code that was adopted by the parliament on July 16, 2015 and promulgated on October 29, 2015.

Since January 2017, the government commenced the release of a series of seven Decrees that will implement the 2015 Mining Code; these Decrees will be followed by several Orders that will further define how the 2015 Mining Code will be implemented. Items within the new Mining Code include, amongst others, the introduction of a new tax of 1.0% of the gross revenues to support a Mining Fund for Local Development, an effective increase in income tax rates from 17.5% to 27.5%, and for feasibility studies to include a plan for the training and the promotion of local mining executives. A sliding scale government NSR royalty of 3% to 5%, depending on the gold price, remains.

On February 26, 2019, the Company signed the mining convention with the Government of Burkina Faso in connection with the mining license for Bomboré. This mining convention clarifies the rights and obligations of the parties and to guarantee the Company stability, including taxation and foreign exchange regulations. The mining convention is not a substitute for the law but specifies the provisions of the law. It is valid for the initial duration of the mining license and is thereafter renewable for one or more periods of five years at the request of the Company.

REVIEW OF FINANCIAL RESULTS

The Company is in the exploration and evaluation phase and does not yet have revenue-generating activities in any financial period. Accordingly, the Company's financial performance is largely a function of the level of exploration and evaluation activities undertaken on Bomboré and the administrative expenses required to operate and carry out these activities. Discussion of the major items that impacted net losses for the three months and year ended December 31, 2019 and 2018 is provided below.

With the release of the 2019 FS during Q3-2019, the Company made a determination on whether the Bomboré Project had established "technical feasibility and commercial viability" under its accounting policy for exploration and evaluation expenditures. Management concluded that "commercial viability" has not yet been reached as project financing is not yet reasonably advanced to provide adequate assurance that Bomboré will be fully financed into commercial production and hence, Bomboré remains in the exploration and evaluation phase. As a result, the Company has continued to expense exploration and evaluation expenditures for 2019.

Financial Results for the Year Ended December 31, 2019

	2019	2018
Expenses		
Exploration and evaluation costs	**$17,325,061**	$11,083,467
General and administration costs	**3,825,932**	2,750,273
Share-based compensation	**1,232,437**	1,619,609
Depreciation and amortization	**624,793**	342,184
Total expenses	**23,008,223**	15,795,533
Other income	**586,128**	22,419
Net loss for the year	**22,422,095**	15,773,114
Net loss attributable to shareholders of Orezone	**20,834,215**	14,974,814
Basic and diluted net loss per share attributable to shareholders of Orezone	**(0.10)**	(0.08)

For the year ended December 31, 2018, within exploration and evaluation costs, salaries and employee costs of $885,165 were previously included within general and administrative costs. The comparatives have been reclassified to conform with the current year presentation.

Exploration and Evaluation Costs

Exploration and evaluation costs increased by $6.2M in 2019 as compared to 2018 due mainly to:

- an increase of $1.7M in personnel, office and camp costs at the project level from $5.2M in 2018 to $6.9M in 2019 due to additional project staffing and greater site activities to support the RAP, permitting, and project early works and development.

- an increase in RAP related costs of $5.7M due mainly to the construction commencement of new resettlement villages in early 2019 for Phase I RAP. In 2019, the Company incurred $7.7M on RAP expenditures consisting of $5.7M on construction costs for new resettlement homes and community buildings, $0.8M on community by-pass and resettlement site roads, $0.9M on consultant costs for RAP implementation and independent monitoring, and $0.3M on artisanal miner compensation, livelihood restoration programs and other miscellaneous costs. In 2018, the Company incurred $2.0M on RAP expenditures with $1.3M spent on compensation payments to relocated artisanal miners and $0.7M for local consultants to assist with RAP permitting, implementation and monitoring efforts.

offset partially by:

- a decrease in drilling and assaying costs of $1.0M due to less exploratory drilling in 2019. In 2019, the Company spent $0.2M in total on a small definition grade control program in Q2-2019 and a minor drill program (~2,000 m) in Q4-2019 of infill and close-range step-out holes focused on shallowly-plunging higher-grade mineralization previously identified at Maga Hill. In 2018, the Company incurred $1.2M on a drilling campaign consisting of 24,013 m on step-out and definition holes on multiple targets within the Company's four exploration permits.

- a decrease in consultant and study costs of $0.2M attributable to FEED activities undertaken by Lycopodium in Q4-2018 which was substantially completed in early 2019. In 2019, the Company incurred consultant costs of $1.3M for the updated 2019 FS, $0.3M on FEED activities, $0.3M on detailed engineering and design of water management structures and the remaining $0.7M on the Bomboré mineral resource update and permitting for the Phase II Sulphide Expansion. In 2018, the Company incurred consultant costs of $1.3M on the 2018 FS, $0.8M on the major portion of FEED activities, and $0.7M on optimization studies, commencement of the 2019 FS, Bomboré mineral resource update and other work.

General and Administrative Costs

General and administrative costs increased by $1.1M from $2.7M in 2018 to $3.8M in 2019 primarily as a result of:

- an increase in personnel costs of $0.9M due to $0.3M in severance paid to two former management employees and $0.6M from additional corporate staffing in areas of engineering, legal, investor relations and corporate development.

- an increase in professional fees of $0.3M attributable to financial advisory fees and due diligence consulting costs on the Company's project financing initiatives in 2019 partially offset by a reduction in external search fees for the recruitment of project-based managers and superintendents.

Share-based Compensation

Share-based compensation expense decreased by $0.4M from $1.6M in 2018 to $1.2M in 2019 due mainly to the lower fair values assigned to stock options granted in 2019 versus 2018. Fair value estimates are driven by the market price and volatility of the Company's shares at the time of grant and by the expected life of the options. Share-based compensation also follows the vesting pattern of the stock options granted by tranches with the Company's stock options typically vesting over two years in three tranches with 1/3 vesting on grant, 1/3 vesting on the first anniversary and 1/3 vesting on the second anniversary.

Depreciation and amortization

Depreciation and amortization expense increased by $0.3M due to capital additions made as part of the Bomboré Project's early works in 2019 and 2018, and from the adoption of the new lease accounting standard (IFRS 16) effective for 2019 which requires the capitalization and depreciation of leased assets previously classified as operating leases.

Other Income

Other income increased by $0.6M to $0.6M in 2019 largely as a result of fair value movements in the Company's investment in Sarama Resources Ltd. ("Sarama"). In 2019, the Company recognized a $0.2M fair value gain as its Sarama investment benefitted from a higher share price on December 31, 2019 versus a fair value loss of $0.5M in 2018 when Sarama shares traded at a lower price on December 31, 2018.

Financial Results for the Three Months Ended December 31, 2019

	Three months ended December 31, 2019	**Three months ended December 31, 2018**
Expenses		
Exploration and evaluation costs	**$5,840,863**	$4,773,405
General and administration costs	**897,576**	835,204
Share-based compensation	**208,009**	233,698
Depreciation and amortization	**181,525**	93,676
Total expenses	**7,127,973**	5,935,983
Other loss (income)	**55,971**	(43,183)
Net loss for the period	**7,183,944**	5,892,800
Net loss attributable to shareholders of Orezone	**6,601,012**	5,465,094
Basic and diluted net loss per share attributable to shareholders of Orezone	**(0.03)**	(0.03)

For the three months ended December 31, 2018, within exploration and evaluation costs, salaries and employee costs of $345,071 were previously included within general and administrative costs. The comparatives have been reclassified to conform with the current year presentation.

Exploration and Evaluation Costs

Exploration and evaluation costs increased by $1.1M from $4.7M in Q4-2018 to $5.8M in Q4-2019 as a result of:

- an increase in RAP related costs of $2.2M driven mainly by the construction of resettlement villages in Q4-2019 with no such construction in Q4-2018. In Q4-2019, the Company incurred $3.4M in RAP costs consisting of $3.1M on construction costs for new resettlement homes and public buildings, $0.2M on consultant costs for RAP implementation and independent monitoring, and $0.2M on livelihood restoration programs and compensation. In Q4-2018, the Company incurred $1.2M on RAP expenditures predominantly on compensation payments to relocated artisanal miners.

offset partially by:

- a decrease of $1.0M in consultant and study costs from $1.2M in Q4-2018 to $0.2M in Q4-2019 due to higher level of study work in the prior period. In Q4-2019, the Company incurred $0.2M in consulting costs in connection with the ESIA for the Phase II Sulphide Expansion. In comparison, the Company incurred $1.2M in consulting fees in Q4-2018 for the FEED, optimization studies and start of the 2019 FS initiated in November 2018.

General and Administrative Costs

General and administrative costs had a small increase of $0.1M mainly as a result of higher personnel costs from staffing additions made in 2019 in investor relations and corporate development.

Share-based Compensation

Share-based compensation expense had a minor decrease of $26K as a result of lower fair values assigned to stock options granted in 2019 versus 2018.

Depreciation and amortization

Depreciation and amortization expense increased by $0.1M due to capital additions for the project's early works, and from the adoption of the new lease accounting standard (IFRS 16) in 2019 which requires the capitalization and depreciation of leased assets previously classified as operating leases.

Other Income

Other income decreased by $0.1M as a result of lower interest income earned on the Company's reduced cash balances in Q4-2019 as compared to Q4-2018.

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 loss figures in the table are presented in US$ millions, except for the net loss per common share amounts (basic and diluted).

	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net loss for the period	(7.18)	(5.71)	(5.29)	(4.24)	(5.89)	(2.93)	(3.83)	(3.12)
Net loss attributable to shareholders of Orezone	(6.60)	(5.27)	(4.94)	(4.02)	(5.46)	(2.81)	(3.67)	(3.03)
Net loss per common share attributable shareholders of Orezone, basic and diluted	(0.03)	(0.02)	(0.02)	(0.02)	(0.03)	(0.01)	(0.02)	(0.02)

Under the Company's current exploration and evaluation phase, the fluctuation in net loss between quarters is mainly a function of project development, exploratory drilling, and project study work undertaken.

Liquidity and Capital Resources

The Company raises funds through the issuance of equity to conduct its activities, or through the sale of royalties or related interests. The Company is not yet in production and does not generate revenue from its current operating activities.

The Company had cash of $11.9M at December 31, 2019, a decrease of $19.6M compared to the $31.5M of cash at December 31, 2018 as the Company continues to advance the development of Bomboré and fund general corporate expenditures.

On January 29, 2020, the Company closed the 2020 Public Offering which resulted in net proceeds to the Company of $14.2M after deduction for underwriters' commission of 6.0% and other equity issuance costs.

The Company is currently funded to carry out its stated activities for 2020 based on available cash at the start of the year plus proceeds from the 2020 Public Offering. This assessment is based on the Company's budgeting and from the discretionary nature of certain planned expenditures which may be deferred without a significant detrimental impact to the Company or its mineral property interests.

Management is currently working on securing an optimum financing package for construction of the Bomboré Project as additional financing will be needed to construct and commission the mine. Although the Company has been successful in raising funds to date, there can be no assurances that adequate financing will be available in the future or available under terms that are acceptable to the Company.

Use of Net Proceeds from the April 2018 Financing

On April 10, 2018, the Company completed a non-brokered private placement of 56,150,000 common shares of the Company at a price per share of C$0.80 ("2018 Private Placement"). No finders' fee or commissions were payable on the 2018 Private Placement. The Company recorded C$44,920,000 ($35,599,100) as an increase to share capital offset by share issuance costs of $385,502 for net proceeds of $35,213,598. As of December 31, 2019, the Company has used C$32.8M of the net proceeds as outlined below:

Activity or Nature of Expenditure	Net Proceeds Raised C$ M	Actual Expenditures to December 31, 2019 C$ M
Advancement of Bomboré including Phase I RAP construction and compensation, completion of the 2018 and 2019 feasibility studies, early project works for construction readiness, and commencement of project engineering and design		26.6
Exploration & Feasibility Study expenses		6.2
Total Use of Net Proceeds	**44.4**	**32.8**

Share Capital

As at March 31, 2020, the Company had 250,972,806 common shares, 18,797,950 warrants and 16,376,838 stock options issued and outstanding.

Contractual Obligations

As at December 31, 2019, the Company had contractual obligations primarily relating to the resettlement action plan and detailed engineering and design of its Bomboré Project in the amount of $1,547,000 (as at December 31, 2018 – $3,246,000).

Off Balance Sheet Arrangements

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

Transactions with Related Parties

The Company had no transactions with related parties except for compensation of key management personnel as disclosed in Note 17 to the Company's 2019 Annual Financial Statements.

Proposed Transactions

The Company continually reviews potential merger, acquisition, investment and other joint venture and strategic alternative transactions that could enhance shareholder value. However, there are no proposed transactions currently under examination.

Risks and Uncertainties

The Company's business at the present stage of exploration and development of the Bomboré Project involves a high degree of risk and uncertainty. In addition, the natural resource industry is by its nature, both cyclical and with significant risks as listed below. 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, regulatory and political issues and economic factors (including the need to source the capital required to develop the project). Many of these are beyond the control of the Company. The most significant risks and uncertainties faced by the Company are:

- resource exploration and development projects are inherently speculative in nature
- terrorist or other violent attacks on or around the Bomboré Project, or in Burkina Faso generally, may hinder, delay or halt the Company's ability to finance, advance, develop or operate the Bomboré Project and/or increase the Company's cost to operate in Burkina Faso
- the risk that the COVID-19 virus outbreak persists for a prolonged period thereby restricting access to continue project related activities and delaying the delivery of key supplies and equipment
- the Bomboré Project is subject to financing risks and there can be no assurances that the Company will obtain the necessary financing to construct Bomboré. Any such potential financing has been delayed by temporary business travel restrictions that potential financiers are implementing in response to the COVID-19 virus. Furthermore, the financial capacity of potential lenders to extend new loans due to liquidity or other challenges may be reduced or cancelled should the COVID-19 virus continue for a prolonged period of time.
- the Company has a history of losses and negative cash flows and expects to incur losses until such time as the Bomboré Project achieves commercial production
- Recent security concerns in Burkina Faso may contribute to logistical challenges and may limit the number of contractors, suppliers, and employees willing to service the local mining industry in the near term
- the RAP is a complex and costly activity and may not go according to plan
- successfully establishing mining operations and profitably producing gold cannot be assured
- the Company's operations are dependent on receiving and maintaining required permits and licenses
- the Company's economic prospects and the viability of the Bomboré Project is subject to changes in, and volatility of, the price of gold
- government regulations and permitting may have an adverse effect on Orezone's activities
- adverse changes may be made by the government of Burkina Faso to the Mining Code, tax rates, and related regulations
- there is the potential for the Company to become subject to additional tax liabilities
- Mineral Resource and Mineral Reserve estimates are only estimates and may not reflect the actual deposits or the economic viability of gold extraction
- uncertainties and risks relating to feasibility studies
- Orezone relies on its management team and the loss of one or more of these persons may adversely affect Orezone
- the Company's operations rely on the availability of local labour, local and outside contractors and equipment when required to carry out its exploration and development activities
- the Company's Bomboré Project is subject to title risks
- there are health risks associated with the mining workforce in Burkina Faso that may impact the availability of labour
- the Bomboré Project is subject to environmental risks which may affect operating activities or costs
- the Bomboré Project, if mining operations are established, will be subject to operational risks and hazards inherent in the mining industry
- the Bomboré Project is subject to risks associated with its location, lack of infrastructure and other resources, including its required water supply
- artisanal miners may impact operations at the Bomboré Project
- failure to continue to have strong local community relations may impact the Company
- evolving anti-corruption laws may result in fines or other legal sanctions
- the Company's insurance coverage does not cover all of its potential losses, liabilities and damages related to its business and certain risks are uninsured or uninsurable
- the mining industry is extremely competitive
- currency fluctuations may affect Orezone's financial performance
- investors may have difficulty enforcing judgments in Canada, the United States and elsewhere
- shareholders' interest in Orezone may be diluted in the future
- Orezone's common shares and warrants are publicly traded on the TSXV and are subject to various factors that have historically made Orezone's share price volatile
- repatriation of funds may be difficult in the future

For a more detailed discussion of the above risk factors, refer to the Company's 2019 Annual Information Form dated March 31, 2020.

New, Amended and Future IFRS Pronouncements

IFRS 16 *Leases* ("IFRS 16")

On January 1, 2019, the Company adopted IFRS 16 Leases which replaces IAS 17 Leases and related interpretations. The new standard eliminates the previous classification of leases as either operating leases or finance leases and introduces a single lessee accounting model which requires lessee to recognize assets and liabilities for all leases. The Company elected to use the exemptions proposed by the standard on lease contracts for which the lease terms end within twelve months as of the date of adoption and lease contracts for which the underlying asset is of low-value. The Company adopted IFRS 16 using the modified retrospective approach and recognized the right-of-use assets at the amount equal to the lease liabilities. As a result, there was no impact to accumulated deficit upon adoption. On transition to IFRS 16, the Company recognized lease liabilities for leases which were previously classified as operating leases. The lease liabilities were measured at the present value of the remaining lease payments, discounted using the rate that reflects the Company's incremental borrowing rate as of January 1, 2019. The weighted average incremental borrowing rate applied to the lease liabilities on January 1, 2019 was 10%.

The impact of adoption is disclosed in Note 4 to the Company's 2019 Annual Financial Statements.

Financial Instruments and Related Risks

The fair values of the Company's financial instruments consisting of cash, trade and other receivables, and accounts payable and accrued liabilities approximate their carrying values because of their short terms to maturity. The fair value of marketable securities is determined based on quoted market prices.

At December 31, 2019, the Company had 9,600,000 common shares of Sarama with a fair value of $516,213 (December 31, 2018 - $316,656).

Critical Accounting Estimates and Judgments

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make estimates, assumptions and judgments that affect the application of accounting policies and the reported amounts of assets, liabilities and expenses. Actuals outcomes could differ from these estimates and assumptions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which estimates are revised and in any future period affected.

Significant estimates and judgments used in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

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 has determined that the current functional currency of all entities is the Canadian dollar except for its subsidiaries, Orezone Inc. SARL and Orezone Bomboré SA, which have a current functional currency of the CFA.

Exploration and evaluation expenditures within Mineral Properties, Plant and Equipment

The Company expenses exploration and evaluation expenditures during the exploration and evaluation phase. Once the technical feasibility and commercial viability of a mineral property have been established, the property is no longer in the exploration and evaluation phase and is now a mine property under development. Thereafter, costs incurred on mine development and construction are capitalized.

With the release of the updated feasibility study in 2019 on Bomboré, the Company assessed whether the technical feasibility and commercial viability of Bomboré had been established. Management concluded that the commercial viability has not yet been achieved as project financing is not yet reasonably advanced to provide adequate assurance that Bomboré will be fully financed into commercial production.

Current income taxes

The Company's operating subsidiary tax filings may be reviewed from time to time in accordance with the Burkina Faso Tax Code. The Company's interpretations of underlying tax regulations may differ from those of the tax department. Judgment is required in order to determine the appropriate accounting and disclosure treatment based on the facts. To the extent that a dispute arises, management must determine whether it is probable that a tax liability exists and whether the extent of the liability may be estimated and accrued in the financial statements in addition to determining the appropriate level of disclosure regarding the dispute.

Share-based compensation related to stock options

Management assesses the fair value of stock options 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.

Additional Disclosure of Venture Issuers Without Significant Revenue

Additional disclosure concerning the Company's exploration and evaluation expenses, and general and administrative expenses is provided in the Company's Annual Financial Statements for the years ended December 31, 2019 and 2018 which are available on the Company's website at www.orezone.com or on SEDAR at www.sedar.com.

Forward-Looking Statements

This MD&A refers to and contains certain forward-looking statements and information ("forward-looking statements") relating, but not limited to, the Company's expectations, intentions, plans and beliefs. Forward-looking statements 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 statements may include mineral reserve and resource estimates and the timing of updates thereof, planned expenditures on the Company's projects, obtaining renewed exploration permits, obtaining expansion of mining permit, 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, the results of exploration and drilling activities, the timing of commencement of operations, and estimates of the amount of time the Company may carry on operations with existing cash resources and available funding, and is based on current expectations that involve a number of business risks and uncertainties.

All such forward-looking statements are based on certain assumptions and analyses made by management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believe are appropriate in the circumstances.

These forward-looking statements, however, are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements including, but not limited to, unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of parties to contracts to perform as agreed; social or labour unrest; changes in commodity prices; unexpected failure or inadequacy of infrastructure, the failure of exploration programs, including drilling programs, to deliver anticipated results and the failure of ongoing and contemplated studies to deliver anticipated results or results that would justify and support continued studies, development or operations. Other 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, delays in the development of projects, unexpected increases in budgeted costs and expenditures, and other factors.

This MD&A also contains references to estimates of Mineral Resources. The estimation of Mineral Resources is inherently uncertain and involves subjective judgments about many relevant factors. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The accuracy of any such estimates is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation, which may prove to be unreliable and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. Mineral Resource estimates may have to be re-estimated based on, among other things: (i) fluctuations in the price of gold; (ii) results of drilling; (iii) results of metallurgical testing, process and other studies; (iv) changes to proposed mine plans; (v) the evaluation of mine plans subsequent to the date of any estimates; and (vi) the possible failure to receive required permits, approvals and licences.

Shareholders (both current and potential) are cautioned not to place undue reliance on forward-looking statements. By its nature, forward-looking statements involve 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 disclosure in this MD&A was prepared in accordance with NI 43-101, which differs significantly from the requirements of U.S. Securities and Exchange Commission Industry Guide 7. Accordingly, such disclosure may not be comparable to similar information made public by companies that report in accordance with Industry Guide 7. In particular, this MD&A refers to "resources". While mineral resources are recognized and required to be disclosed by Canadian securities laws, they are not recognized by Industry Guide 7 and have not historically been permitted to be disclosed in SEC filings by U.S. companies subject to Industry Guide 7. U.S. investors are cautioned not to assume that any part of a "resource" will ever be converted into a "reserve."

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. Patrick Downey, P. Eng., the President and Chief Executive Officer and Mr. Ian Chang, P. Eng., VP Projects, are also a qualified person under NI 43-101. One or more of the Company's qualified persons have reviewed, approved and verified the technical information in this MD&A.

The Company has prepared and filed a current amended technical report on the Bomboré Project titled "NI 43-101 Technical Report (Amended) Feasibility Study of the Bomboré Gold Project Burkina Faso" with an effective date of June 26, 2019. This technical report includes relevant information regarding the effective dates and the assumptions, parameters and methods of the mineral resource and reserve estimates at the Bomboré Project, as well as information regarding data verification, and other matters relevant to the scientific and technical disclosure contained in this MD&A.

Technical and scientific information in this MD&A has been extracted from, and is supported by, the filed Technical Report.