



OREZONE GOLD CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2020

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 26, 2021, the date of this MD&A. The following discussion of performance, financial condition, and prospects should be read in conjunction with the audited annual consolidated financial statements for the years ended December 31, 2020 and 2019 ("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. 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 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's common shares also trade on the OTCQX market under the symbol "ORZCF".

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 in 2021.

2020 Highlights and Events Subsequent to Year-end

1. Project Financing

- On January 29, 2020, the Company closed a bought-deal equity financing by issuing 37,595,900 units ("Units") at a price of C\$0.54 per Unit for aggregate gross proceeds of C\$20.3M (\$15.4M). Each Unit was comprised of one common share and one-half of one common share purchase warrant ("Warrant"). Each Warrant is exercisable for C\$0.80 per share on or before January 29, 2023.
- On November 4, 2020, the Company filed a final short form base shelf prospectus for offerings of up to C\$150M.
- On January 21, 2021, the Company announced it had secured a financing package totalling \$182M and consisting of \$96M in senior secured loans, a \$35M convertible note, and a \$51M bought-deal equity offering to fully fund Bomboré into production. Refer to "*Project Debt Facilities for Bomboré*" section below for more details on the debt component of the financings.
- On January 28, 2021, the Company closed the bought-deal equity financing for aggregate gross proceeds of C\$73.8M (\$58.0M) by issuing 70,242,500 common shares at C\$1.05 per share. The final offering included an exercise of the overallotment option by the underwriters, thereby increasing gross proceeds to \$58.0M.
- On March 1, 2021, the Company announced the signing of a binding letter of intent for a stream agreement with Euro Ressources S.A. ("ERSA") to sell 50% of future silver production from Bomboré for \$7.15M.

2. Completion of Phase I Resettlement Action Plan ("RAP")

- The Company completed the construction of the new resettlement villages in Q4-2020 followed by the relocation of families in early 2021. Under Phase I RAP, the Company built over 1,100 private homes, public buildings, and community roads, and moved over 370 families into their new homes. Compensation payments covering land, crops, trees, and non-replaced private structures were also organized and made in H2-2020. Community feedback on the new resettlement villages has been overwhelmingly positive.

- Completion of Phase I RAP has opened access within the mining permit for all major areas required for the construction of the process plant, surface infrastructure, tailings storage facility ("TSF"), and off-channel reservoir ("OCR").

3. Bomboré Phase II Sulphide Expansion Permitting

- In April 2020, the Company received the executive order approving the environmental and social impact assessment ("ESIA") for the staged Phase II Expansion from the Ministry of Environmental and Sustainable Development.
- In July 2020, the Burkina Faso's National Commission of Mines approved the modification of the Bomboré mining permit to include all aspects of the future Phase II Expansion following receipt of the ESIA. The approval encompasses the Phase II mining and processing of higher-grade fresh rock and lower transition reserves, and the high-grade P17S deposit, in addition to the Phase I oxide reserves covered under the original mining permit.
- On March 23, 2021, the Company received the official government decree for the expanded Bomboré mining permit.

4. Bomboré Early Development Activities

- The Company undertook several early development initiatives to continue to advance the overall schedule to first gold. These initiatives included:
 - *Selection of Mining Contractor:* The Company selected Sila Equipement ET BTP SA ("Sila"), an established Burkinabé company, as its mining contractor to commence pre-production mining of the OCR in March 2021.
 - *Award of EPCM Contract to Lycopodium:* The Company awarded the engineering, procurement, and construction management ("EPCM") contract for the process plant construction and commissioning to Lycopodium Minerals Pty Ltd. ("Lycopodium"), an EPCM firm with a long track record of success on similar projects in West Africa. Detailed engineering and procurement of long-lead equipment commenced in January 2021.
 - *Ordering of Long-lead Ball Mill:* In early March 2021, the Company placed the purchase order for the ball mill, the long lead item on the project schedule's critical path.
 - *Signed Letter of Intent for Power Plant:* In February 2021, the Company signed a letter of intent for the Bomboré power plant under a build-own-operate ("BOO") arrangement with a proven independent power producer ("IPP") with extensive operations in West Africa.
 - *Recruitment of Owner's Project Development Team:* The Company continues to hire experienced site-based personnel in construction, supply chain management, and project controls in preparation for the start of main mine construction in Q2-2021.
- Refer to "*Bomboré Project Development Activities*" section below for more details.

5. OTXQC Listing to Improve US Trading Liquidity and Investor Outreach

- The Company's common shares commenced trading on the OTCQX in the United States on April 30, 2020 under the symbol "ORZCF".

Outlook

The Company's near-term strategic focus is to advance the Bomboré gold mine into production by Q3-2022 within the \$189M of committed financing announced for the project. Once ore commissioning commences, the Company expects the process plant will achieve a fast ramp-up to its nameplate capacity of 5.2M tonnes per annum ("tpa") based on Lycopodium's successful track record on similar past projects and on the proposed circuit's simple and proven designs. The Company expects to reach commercial production in Q4-2022.

The current implementation schedule for the construction of the Bomboré process plant and surface infrastructure is 19 months from start of engineering by Lycopodium in January 2021. The project's capital budget and construction timeline from those estimated in the 2019 feasibility study are being updated as part of the first phase of detailed engineering. Based on work completed in this area to date, the Company does not expect any material changes to either the capital cost estimate or project schedule.

For 2021, the Company's objectives are centred on the following activities:

1. Close the senior secured debt and convertible note facilities in Q2-2021.

2. Close the sale of Bomboré silver stream in Q2-2021.
3. Commence pre-production mining of the OCR in March 2021 to ensure the OCR is ready for water intake and storage before the onset of the 2022 rainy season.
4. Order the ball mill and all other critical long-lead items in H1-2021 to ensure the project schedule remains on track.
5. Complete detailed engineering and award all major equipment and contract packages before the end of 2021.
6. Finalize the power purchase agreement with the preferred IPP by early Q2-2021 to allow for power plant installation at site prior to the commencement of process plant commissioning in 2022.
7. Complete early civil works to provide for year-round access to all construction areas, and additional camp upgrades to meet peak construction occupancy, and begin site-wide bulk earthworks by the end of H1-2021 to facilitate the start of process plant erection in H2-2021.
8. Start site preparation and initial embankment raise of the TSF.
9. Complete recruitment of the Owner's project development team.
10. Commence exploratory drilling on high-priority oxide and sulphide targets to extend Bomboré expansion potential.

Successful execution of the above objectives will ensure that the Company remains on schedule for first gold by Q3-2022.

Bomboré Project Development Activities

In Q4-2020, the Company proceeded with several important early development initiatives in anticipation that project financing would be successfully secured to allow for a rapid start of full development activities in 2021. These early initiatives included:

- *Mining Contract:* The Company completed a competitive tender process during Q4-2020 and negotiated the framework and key commercial terms for a long-term mining contract with Sila. The Company notified Sila of its successful bid in December 2020 to allow Sila to immediately place orders for its mining fleet. In Q1-2021, Sila mobilized equipment and personnel to Bomboré to establish the mine site services and to prepare the OCR pit for mining, scheduled to commence before the end of Q1-2021.
- *OCR Grade Control ("GC") Drilling:* A 19,759m, over 527 holes GC drilling program of the OCR was completed in December 2020.
- *EPCM Award:* During Q4-2020, the Company evaluated several EPCM proposals received for the Bomboré process plant and selected Lycopodium as the preferred firm in December 2020 mainly on their unrivaled track record of success in building gold plants in West Africa over the last decade. Lycopodium's recent successful track record in Burkina Faso includes the 2.0Mtpa Sanbrado project (adjacent to Bomboré) for West African Resources Ltd., the 3.0Mtpa Houndé project for Endeavour Mining Corporation, and the 2.5Mtpa Wahgnion project for Teranga Gold Corporation. Lycopodium's past involvement with the 2018 feasibility study, the 2019 updated feasibility study, and the previously completed front-end engineering and design will provide a considerable advantage in achieving a quick start to detailed engineering and procurement.
- *Power Plant:* In October 2020, the Company requested tender proposals for the Bomboré power plant under a BOO arrangement from energy companies familiar with West Africa. After adjudication of the bids, the Company entered into negotiations with its favoured vendor that offered a clean energy solution at cost-competitive tariff rates. In February 2021, the Company signed a letter of intent with this chosen vendor, an established IPP active in the region, and are working towards concluding a power purchase agreement by April 2021.

In addition to the above activities, the Company has also performed the following key tasks up to the date of this MD&A:

- *Ordering of Ball Mill:* The ball mill is on the project schedule's critical path and therefore, its procurement was prioritized. The Company placed the ball mill purchase order with a well-known supplier in early March 2021. The supplier's indicative delivery dates are ahead of those estimated in the current project schedule.
- *Recruitment of Site-Based Development Team:* The Company continues to bolster its Owner's team through recruitment of experienced professionals with recent working experience on greenfield construction projects in Burkina Faso and neighbouring countries. During Q1-2021, the Company added two new hires into senior project positions

(civil superintendent and contracts manager) and are actively recruiting for other open positions as project activities under the Owner's scope begin to ramp up.

The Company will provide regular updates on the measured progress on detailed engineering, procurement activities, and construction milestones as development advances during the 2021-2022 construction period.

Management believes the early work completed in late 2020 and the steps already undertaken in 2021 will assist the Company in reaching its goal of pouring first gold by August 2022 under an accelerated project schedule of 19 months. The Company's guidance to first gold assumes that the risk of COVID-19 will not have a material effect on the normal movement of workers and contractors, delivery times, supply routes, and fabrication schedules. With the rollout of COVID-19 vaccinations worldwide and the later start of the primary fieldwork in the H2-2021, the Company believes it has a reasonable basis for this assumption.

Project Debt Facilities for Bomboré

In January 2021, the Company entered into binding commitments for \$131M of project debt for the development of the Bomboré gold mine. The project debt commitments consist of:

- a) \$96 million (XOF 52.5 billion) senior secured debt facility with Coris Bank International ("Coris Bank") ("Senior Debt Facility"), and
- b) \$35 million 8.5% convertible note with Resource Capital Fund VII L.P. ("RCF") and Beedie Investments Ltd. ("Beedie") ("Convertible Note Facility").

The Senior Debt Facility is a project-level debt and is divided into a Medium-term loan and a Short-term loan. The loans are denominated in XOF which will provide a natural currency hedge for local costs during construction.

The medium-term loan of \$64M (XOF 35.0 billion) has a term of 5 years, bears interest of 9.0% per annum, and is available for drawdown to June 30, 2022 with first drawdown by December 31, 2021. Principal repayments are deferred for the first 24 months and early repayments are permitted in the remaining years subject to a prepayment penalty of between 2% to 3%.

The short-term loan of \$32M (XOF 17.5 billion) has a term of 12 months from first drawdown, bears interest at 8.0% per annum, and is available to September 30, 2022 with first drawdown to commence only after the full drawdown of the Medium-term loan.

The Convertible Note Facility has a term of 5 years, bears interest of 8.5% per annum, and is available in one single drawdown to September 30, 2021. Interest is payable up to 75% in common shares at the option of the Company and is convertible at the option of the lenders at any time at the conversion share price of \$1.08 ("Conversion Price"). The note is non-callable with principal due only at maturity. The Company may elect to convert up to 50% of the outstanding principal at the Conversion Price when commercial production has been achieved and if over 20 consecutive trading days, the VWAP of the Company's common shares exceeds a 50% premium to the Conversion Price.

Both loan facilities are free of any hedging, cost overrun reserves, cash sweeps, royalties, streams, production payments, and metal offtakes. In addition, the debt covenants are moderate and accommodates the reinvestment of operating cashflows into the Phase II sulphide expansion during the terms of the loans.

Conditions precedent to loan drawdowns include execution and delivery of final loan documentation, security registration, and other customary conditions, including sufficiency of undrawn project debt to fully fund remaining construction. The Company will be seeking shareholder approval for the Convertible Note Facility to be issued to RCF as the conversion of such note into common shares of the Company could result in the creation of a new "Control Person", as such term is defined in the policies of the TSXV. Shareholder approval will be sought at the Company's annual general and special meeting to be held before the end of June 2021.

The Company anticipates the closing of both debt facilities concurrently in Q2-2021.

Silver Stream

In March 2021, the Company entered into a binding letter of intent for a stream agreement whereby Bomboré has agreed to sell 50% of future silver production over the life of mine for no additional proceeds in exchange for an upfront payment of \$7.15M from ERSA ("Silver Stream"). Other key terms under the proposed Silver Stream include:

- Minimum annual delivery of 37,500 ounces of silver to ERSA commencing from the date of commercial production. Should there be a shortfall in the annual silver deliveries, the Company will make an initial catch-up payment only on the later of: (a) the fifth anniversary from the date of the initial silver delivery under the Silver Stream, and (b) repayment of the senior secured loans, to ensure the aggregate minimum annual payment has been satisfied for each of the

preceding years. Thereafter, the Company will make shortfall payments, if required, on an annual basis until the cumulative delivery or payment of 375,000 ounces of silver has been reached after which the minimum annual payment guarantee will no longer apply.

- A buyback right to repurchase 50% of the Silver Stream from ERSA for \$7.15M if, within the first five years of life of mine, the Bomboré sulphide processing circuit achieves a plant throughput rate that is 50% higher than the 2019 feasibility study design capacity of 2.2Mtpa.
- ERSA has a right of first refusal over any further silver production from Bomboré that has not been purchased by ERSA pursuant to the Silver Stream.

The Company believes the Silver Stream is an attractive non-dilutive source of capital to fund exploration on high-priority oxide and newly identified high-grade sulphide targets during construction. Due to the lack of comprehensive silver assays, no silver production was included in the 2019 feasibility study for Bomboré. The sale of the Silver Stream is permitted under the proposed terms of the Company's announced project debt facilities.

Closing of the Silver Stream is expected concurrently with or shortly after the closing of the project debt.

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 14,934 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 Mogtêdo, 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.

In accordance with the Burkina Faso mining laws, the Government of Burkina Faso has a 10% carried equity interest in Orezone Bomboré SA ("OBBSA"), 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 was prepared for the Company under the direction of Lycopodium Minerals Canada Ltd. ("Lycopodium Canada"). The principal contributors to the 2019 FS were as follows:

Contributor	Scope
Orezone Gold Corporation	Project history, metallurgical test work, resettlement
Lycopodium Canada	Metallurgy test work interpretation, process plant, project infrastructure, project development plan, compilation of capex and opex, financial modelling, 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, 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 IRR¹ of 62% with a 1.5 year payback²
- After-tax NPV_{5%}¹ of \$361M and IRR¹ of 44% with a 2.5 year payback²
- 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 \$153M³
- LOM expansion capital costs of \$63M
- LOM cash costs of \$681/oz with cash costs of \$629/oz in the first 10 years
- LOM AISC⁴ 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	Cut-off Au g/t	Measured			Indicated			Measured + Indicated			Inferred		
		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 updated mineral resource and mineral reserve estimates in 2021.

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:

- Oxides include regolith, saprolite and upper transition material.
- Sulphides include lower transition and fresh material.
- Mineral Reserves have been estimated in accordance with the CIM Definition Standards.
- Mineral Reserves are estimated at an average long-term gold price of US\$1,250/roy oz.
- 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.
- Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability.
- 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.
- Mining recovery factors estimated at 98% for oxides and 96%-100% for sulphides.
- Processing recovery varies by grade, weathering unit and location.
- 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 5.2Mtpa, 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
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, site management and contractor supervision.

Oxides

Mining will be performed by conventional diesel-hydraulic excavators in tandem with a fleet of rigid body Sino dump trucks and Komatsu articulated dump trucks for deeper in-pit hauls. Ore and waste are readily excavated without the need for drill-and-blast ("free-dig"). 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.

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%. A 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 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 through a floating turret system 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. 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 power station will be constructed at the process plant by an IPP under a BOO agreement. Overhead transmission lines of 11kV will be constructed from the power station to the TSF, camp, and the mining contractor's area.
- (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. 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.

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)	Base Case				
	\$1,100	\$1,200	\$1,300	\$1,400	\$1,500
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%

PROJECT ENHANCEMENT OPPORTUNITIES

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.
- **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 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 project spans over 13kms and is yet to be fully defined. Several isolated mineralized zones are believed to be continuous but have not been drilled sufficiently to confirm such continuity. Two such zones identified as high priority drill targets are the P17 sulphide zone and the hanging wall oxide zone at Maga.

For the P17 sulphide zone, recent drilling has defined high-grade sulphide resources at P17S with grades more than double that of the overall average grade for the project. Drilling just north of the P17S reserve pit indicates that the deposit is still open and trending towards surface at P17, situated 1.2kms to the north. Historical drilling at P17 has returned excellent intercepts and a large untested gap exists between these two areas. Future drilling is planned to infill this large, underexplored area.

For Maga, oxide targets in the hanging wall were previously inaccessible prior to the recent relocation of families to their new resettlement villages. Limited previous drilling together with auger drilling and historic artisanal gold workings all outside of current reserve pits provide a strong indication that the mineralized structures hosting the current reserves display good lateral continuity and are highly prospective to reserve expansion.

In addition, high-grade sulphide inferred mineralized zones are present directly below or along strike of several sulphide pits in the current mineral reserves, and previous drilling suggests that these zones are both wide and continuous at Siga South where the sulphide zone definition drilling is most advanced. The Company has identified three main target areas (Maga, Siga South, and Siga East) for sulphide resource drilling that warrant future exploration.

Bomboré also has 14,547 hectares of exploration claims surrounding its mining permit with numerous prospective targets that have been identified including the KT and P13 prospects located to the northeast and to the southwest of the mining permit, respectively.

Social Responsibility and Sustainability

The Company has made investments in local livelihood restoration initiatives and on community assistance programs with the purpose of improving the lives of those families on or near the project, and will continue with these investments during the project's life. The Company has contributed funding and in-kind resources toward community health and safety, educational programs, vocational training, food security, and regional development in addition to opportunities for local employment and support for small businesses. Examples include local hiring for RAP construction, heavy equipment skills training for future job applicants, and support for new community businesses and subsistence programs (e.g. soap making, blanket weaving, agricultural gardens, chicken breeding, tree nurseries, and promotion of land reclamation techniques to improve yields and areas of arable land).

In addition, the Company is committed to open and responsive engagement with local stakeholders. The Company holds monthly meetings with planning committees comprised of local leaders and government officials and makes regular visits to nearby villages to disseminate information on project activities and to address any concerns. The Company has instituted a grievance mechanism whereby 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.

As a result, the Company believes that community support for the Bomboré project remains strong.

Permit Status

The Bomboré Project is permitted for construction and Phase I oxide operations. The Phase II sulphide expansion has been approved with the formal decree issued on March 23, 2021.

The Bomboré project consists of the expanded mining permit (28.9 km²) and four exploration permits: Bomboré II (17.2 km²), Bomboré III (45.5 km²), Bomboré IV (11.6 km²) and Bomboré V (46.2 km²). The Bomboré II, Bomboré III and Bomboré IV permits have been renewed once for another three-year term expiring on January 16, 2023. On November 24, 2020, a new exploration permit ("Bomboré V") was issued covering the area under the former Toéyoko permit, which expired during the year, and not included in the expanded mining permit.

In May 2017, the Company received the order that sets the 2-year construction fiscal regime period from December 30, 2016 (the grant date of the original Bomboré mining permit) to December 29, 2018. The Company requested suspensions to this original construction order on two previous occasions with the first instance, to allow for the 2018 updated Bomboré feasibility study to be completed, and in the second instance, to account for delays in securing project financing due to market disruptions brought on by COVID-19. With the expectation of project financing in early 2021, the Company recently requested a final re-instatement of this 2-year construction order. Effective March 15, 2021, the Company received written confirmation that its application for a full re-instatement of the 2-year construction order was approved by both the Ministry of Energy and Mines, and the Ministry of Finance. The valid application of the 2-year construction order entitles the Company to the main benefit of reduced custom duties on the importation of equipment and materials during the Bomboré construction period.

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 development stage 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, 2020 and 2019 is provided below.

Financial Results for the Year Ended December 31, 2020

	2020	2019
Expenses		
Exploration and evaluation costs	\$14,566,153	\$17,325,061
General and administration costs	3,078,796	3,825,932
Share-based compensation	857,067	1,232,437
Depreciation and amortization	847,808	624,793
Total expenses	19,349,824	23,008,223
Other income	242,609	586,128
Net loss for the period	19,107,215	22,422,095
Net loss attributable to shareholders of Orezone	17,646,214	20,834,215
Basic and diluted net loss per share attributable to shareholders of Orezone	(0.07)	(0.10)

Exploration and Evaluation Costs

Exploration and evaluation costs decreased by \$2.8M in 2020 as compared to 2019 due mainly to:

- a decrease in consultant and study costs of \$2.4M from \$2.6M in 2019 to \$0.2M in 2020 attributable to the preparation of the 2019 FS and front-end engineering and design for the Phase I oxide plant in 2019.

- a decrease of \$0.6M in RAP costs from \$7.7M in 2019 to \$7.1M in 2020. RAP costs in 2020 included \$2.7M in compensation for land, crops, trees, and private structures to impacted families and landowners. The remaining 2020 RAP costs of \$4.4M relates predominantly to construction costs to finish the new resettlement villages. For 2019, the Company incurred \$7.7M on RAP expenditures primarily on RAP construction following mobilization of contractors in March 2019.

offset partially by:

- an increase of \$0.4M of personnel costs from \$3.7M in 2019 to \$4.1M in 2020 due to more hiring of site-based personnel to manage the completion of Phase I RAP, to conduct early project works, and to prepare for start of project construction including pre-production mining. This increase was partially offset by temporary salary reductions and personnel costs during the short suspension of site activities in the middle of 2020 as a precautionary measure against COVID-19.

General and Administrative Costs

General and administrative costs decreased by \$0.7M from \$3.8M in 2019 to \$3.1M in 2020 primarily as a result of:

- a decrease in personnel costs of \$0.4M from \$2.1M in 2019 to \$1.7M in 2020 due to severance costs for two former management employees in 2019, and from the temporary reduction in senior management salaries and Board fees for part of 2020.
- a decrease of \$0.3M from lower travel and marketing expenditures due to COVID-19 restrictions.

Share-based Compensation

Share-based compensation expense decreased by \$0.3M from \$1.2M in 2019 to \$0.9M in 2020 due mainly to the timing of option grants. In 2020, 5,167,000 options were granted on May 5, 2020 with a weighted-average fair value of C\$0.22, whereas in 2019, 4,065,000 options were granted on February 21, 2019 with a weighted-average fair value of C\$0.24. Stock options granted by the Company typically vest 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 \$0.2M from \$0.6M in 2019 to \$0.8M in 2020 due to capital additions made as part of the Bomboré Project's early works in 2019.

Other Income

Other income decreased by \$0.4M from \$0.6M in 2019 to \$0.2M in 2020 largely as a result of reduction in interest income due to lower average cash balances and interest rates.

Financial Results for the Three Months Ended December 31, 2020

	Three months ended December 31, 2020	Three months ended December 31, 2019
Expenses		
Exploration and evaluation costs	\$4,394,132	\$5,840,863
General and administration costs	860,918	897,576
Share-based compensation	167,473	208,009
Depreciation and amortization	221,392	181,525
Total expenses	5,643,915	7,127,973
Other loss	(136,415)	(55,971)
Net loss for the period	5,780,330	7,183,944
Net loss attributable to shareholders of Orezone	5,335,554	6,601,012
Basic and diluted net loss per share attributable to shareholders of Orezone	(0.02)	(0.03)

Exploration and Evaluation Costs

Exploration and evaluation costs decreased by \$1.4M from \$5.8M in Q4-2019 to \$4.4M in Q4-2020 due to a decrease in RAP costs following the completion of Phase I RAP construction activities in Q4-2020. In Q4-2020, the Company incurred \$0.5M in RAP construction costs to finish the new resettlement villages, compared with \$3.1M in Q4-2019 during the peak of RAP construction activities. This decrease was partially offset by Phase I RAP compensation costs of \$1.4M in Q4-2020 for land, crops, trees, and private structures compensation to impacted families and landowners to facilitate the relocation of families to their new resettlement homes.

General and Administrative Costs

General and administrative costs remained consistent at \$0.9M as savings from the voluntary reduction in senior management salaries and Board fees ended in Q4-2020, partially offset by additional professional fees in Q4-2020 in connection with the filing of the base shelf prospectus.

Share-based Compensation

Share-based compensation expense remained consistent at \$0.2M in Q4-2020 in comparison to Q4-2019.

Depreciation and amortization

Depreciation and amortization expense remained consistent at \$0.2M in Q4-2020 in comparison to Q4-2019.

Other Loss

Other loss increased by \$0.1M largely as a result of reduction in interest income due to lower average cash balances and interest rates.

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 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Net loss for the period	(5.78)	(4.12)	(2.34)	(6.87)	(7.18)	(5.71)	(5.29)	(4.24)
Net loss attributable to shareholders of Orezone	(5.36)	(3.79)	(2.17)	(6.35)	(6.60)	(5.27)	(4.94)	(4.02)
Net loss per common share attributable to shareholders of Orezone, basic and diluted	(0.02)	(0.02)	(0.01)	(0.03)	(0.03)	(0.02)	(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 \$8.9M as at December 31, 2020, a decrease of \$3M from cash of \$11.9M at December 31, 2019 as a result of \$14.2M in net proceeds raised in the January 2020 public offering of Units, offset by project and corporate expenditures incurred in 2020.

Subsequent to year-end, the Company announced a full financing package totaling \$131M in binding loan commitments and the closing of a bought-deal common share offering for gross proceeds of C\$73.8M on January 28, 2021. The Company is now funded to commence construction of its Bomboré project with first gold scheduled for Q3-2022.

Use of Net Proceeds from the January 2020 Public Offering

On January 29, 2020, the Company completed a bought deal equity financing of 37,595,900 Units of the Company at a price per Unit of C\$0.54. Each Unit is comprised of one common share of the Company and one half of one common share purchase warrant of the Company exercisable at a price of C\$0.80 per share at any time on or before January 29, 2023. The Company received gross proceeds of C\$20,301,786 (\$15,384,795) and net proceeds of C\$18,736,673 (\$14,198,744). As of December 31, 2020, the Company has used C\$11.4M of the net proceeds as outlined below:

Activity or Nature of Expenditure	Net Proceeds Raised C\$ M	Actual Expenditures to December 31, 2020 C\$ M
Phase I RAP – direct costs of construction of remaining private residences, compensation and relocation of affected families and communities	8.8	3.7
Indirect costs for advancement of Bomboré and RAP	7.2	6.3
Bomboré capital expenditures including security upgrades, and mine planning software and hardware	0.9	0.2
Bomboré detailed engineering and design of water management structures	0.5	-
General and administrative	1.3	1.2
Total Use of Net Proceeds	18.7	11.4

Share Capital

As of March 26, 2021, the Company had 322,930,806 common shares, 18,247,450 warrants, 19,640,500 stock options and 1,307,000 restricted share units issued and outstanding.

Contractual Obligations

As of December 31, 2020, the Company had contractual obligations in the amount of \$69,000 (as at December 31, 2019 – \$1,547,000).

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.

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, however with the Bomboré financing announced in January 2021, the Company is well-positioned to meet its stated development goals and targets. 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 sourcing the project capital, which are primarily complete. 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
- the Bomboré Project is subject to financing risks. The Company expects to close the Senior Debt Facility and Convertible Note Facility in Q2-2021, but such financings may not be finalized or become available. The Company expects the terms of the Senior Loans and Convertible Note to be substantially on the terms of the commitment letters, but any material changes to the terms may impact the Company's ability to complete construction of the Bomboré Project
- the Company's ability to pay interest, repay the principal or to refinance its indebtedness depends on the Company's future performance
- 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
- 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
- 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 the remaining phases of the RAP 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 and are subject to various factors that have historically made Orezone's share price volatile
- repatriation of funds may be difficult in the future

COVID-19 outbreak may adversely impact the Company's operations

On March 11, 2020, COVID-19 was declared a worldwide pandemic by the World Health Organization. The speed and extent of the spread of COVID-19 and the duration and intensity of resulting business disruption and related financial and social impact remains uncertain at this time. The adverse effects related to COVID-19 and other public health crises may be material and

adverse to the Company. The impact of COVID-19 and efforts to slow the spread of COVID-19 could severely impact the development of the Bomboré Project. To date, a number of governments have declared states of emergency and have implemented restrictive measures such as travel bans, quarantine and self-isolation. If the development of the Bomboré Project is disrupted or suspended as a result of these or other measures, it may have a material adverse impact on the Company's financial position.

COVID-19 and efforts to contain it may have broad impacts on the global economy and the Company, including its supply chain, which could have a material adverse effect on the Company's financial position. While governmental agencies and private sector participants are seeking to mitigate the adverse effects of COVID-19, and the medical community is seeking to develop and administer vaccines and other treatment options, the efficacy and timing of such efforts is uncertain.

In response to the COVID-19 pandemic, development at the Bomboré Project may be impacted by government restrictions on the Company's operations. Potential stoppages on development activities could result in additional costs, project delays, cost overruns, and operational restart costs. The total amount of funds that the Company needs to carry out the proposed operations may increase from these and other consequences of the COVID-19 pandemic.

In addition, the current outbreak of COVID-19, and any future emergence and spread of similar pathogens, could have a material adverse impact on global economic conditions, which may adversely impact: the Company's operations, its ability to complete debt or equity financings for the purposes of project development, and the operations of the Company's suppliers, contractors and service providers.

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, 2020, the Company had 3,200,000 common shares of Sarama Resources Ltd. with a fair value of \$791,021 (December 31, 2019 - \$516,213).

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. Actual 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:

COVID-19

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The outbreak and efforts to contain it have had a significant effect on commodity prices and capital markets. We have adopted certain procedures to respond to COVID-19, and to date, our operations have not been significantly impacted, nor have any of the significant estimates or judgments used in the consolidated financial statements.

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 reached as project financing was not yet reasonably advanced to provide adequate assurance that Bomboré will be fully financed into commercial production. In January 2021, upon receipt of binding commitments for project debt, management determined that commercial viability had been achieved.

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 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, 2020 and 2019 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

Unless otherwise indicated, all mineral resource and mineral reserve estimates included in this MD&A have been prepared in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") and the Canadian Institute of Mining and Metallurgy Classification System. NI 43-101 is a rule developed by the Canadian securities administrators, which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Canadian standards, including NI 43-101, differ significantly from the requirements of the United States Securities and Exchange Commission. Accordingly, mineral resource and mineral reserve estimates, and other scientific and technical information, contained in this MD&A may not be comparable to similar information disclosed by U.S. companies.

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.