



OREZONE GOLD CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024

This Management's Discussion and Analysis ("MD&A") was prepared by management, and was reviewed and approved by the Board of Directors ("Board") on August 6, 2024, the date of this MD&A. The following discussion of performance, financial condition, and future prospects should be read in conjunction with the condensed consolidated interim financial statements for the three and six months ended June 30, 2024 ("Interim Financial Statements"), which have been prepared in accordance with International Financial Reporting Standard, as issued by the International Accounting Standards Board ("IFRS").

All dollar figures in this MD&A are in United States dollars and all tabular amounts are in thousands, unless stated otherwise. 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. Abbreviations "M" means millions, "K" means thousands, "km" means kilometres, "m" means metres, "oz" means troy ounces, "Q1" means first quarter, "Q2" means second quarter, "H1" means first six months of the year, and "H2" means the last six months of the year.

Corporate Information

Orezone Gold Corporation (the "Company") was incorporated on December 1, 2008 under the Canada Business Corporations Act and is listed on the Toronto Stock Exchange (TSX) under the symbol ORE and on the OTCQX under the symbol ORZCF.

The Company is a West African gold producer engaged in mining, developing, and exploring its 90%-owned flagship Bomboré gold mine ("Bomboré") in Burkina Faso. The Bomboré mine achieved commercial production on its Phase I oxide operations on December 1, 2022, and is now focussed on its staged Phase II hard rock expansion that is expected to materially increase annual and life-of-mine gold production from the processing of hard rock mineral reserves. On July 10, 2024, the Company announced its Board of Directors had approved a positive construction decision on the Phase II expansion after securing binding commitments for debt and equity totalling over \$105 million for the construction. First gold from this brownfield expansion is scheduled for late 2025.

2024 Second Quarter Highlights and Significant Subsequent Events

(All mine site figures on a 100% basis)		Q2-2024	Q2-2023	H1-2024	H1-2023
Operating Performance					
Gold production	oz	25,524	35,482	55,663	76,783
Gold sales	oz	24,937	33,608	56,166	76,747
Average realized gold price	\$/oz	2,334	1,970	2,185	1,926
Cash costs per gold ounce sold ¹	\$/oz	1,386	924	1,242	854
All-in sustaining costs ¹ ("AISC") per gold ounce sold	\$/oz	1,613	1,109	1,452	1,006
Financial Performance					
Revenue	\$000s	58,343	66,396	123,028	148,108
Earnings from mine operations	\$000s	23,167	27,490	50,049	67,160
Net income attributable to shareholders of Orezone ¹	\$000s	8,939	11,380	20,636	33,940
Net income per common share attributable to shareholders of Orezone ¹					
Basic	\$	0.02	0.03	0.06	0.10
Diluted	\$	0.02	0.03	0.05	0.09
Adjusted EBITDA ¹	\$000s	20,491	31,526	46,419	74,171
Adjusted earnings attributable to shareholders of Orezone ¹	\$000s	3,326	11,236	11,062	35,810
Adjusted earnings per share attributable to shareholders of Orezone ¹	\$	0.01	0.03	0.03	0.10
Cash and Cash Flow Data					
Operating cash flow before changes in working capital	\$000s	15,331	25,228	35,688	66,365
Operating cash flow	\$000s	(51)	20,155	13,586	59,081
Free cash flow ¹	\$000s	(16,951)	8,016	(14,938)	39,514
Cash, end of period	\$000s	11,446	32,309	11,446	32,309

¹ Cash costs, AISC, Adjusted EBITDA, Adjusted earnings, Adjusted earnings per share, and Free cash flow are non-IFRS measures. See "Non-IFRS Measures" section below for additional information.

- **Safety:** Continued strong safety performance with 1.32 million and 2.73 million hours worked without a lost-time injury for Q2-2024 and H1-2024, respectively.
- **Grid Power:** Gold production, plant throughput, and AISC in Q2-2024 were negatively affected by lower-than-normal availability of the national grid. The Bomboré mine successfully connected to the grid at the end of January 2024 and expected to operate on grid power at its historical availability of over 90%. However, Burkina Faso receives power from neighbouring Côte d'Ivoire and Ghana which began to temporarily reduce power exports in March 2024 due in part to conduct repairs to power generation plants. As a result, grid utilization at the Bomboré mine averaged 34% in Q2-2024 with grid blackouts and power dips contributing to 176 hours (8%) of plant downtime. During the quarter, power costs using on-site diesel generators averaged approximately \$0.59/kwh whereas grid power cost approximately \$0.22/kwh, and this higher power cost impacted AISC for Q2-2024 by an estimated \$110 per ounce. Encouragingly, grid availability for July 2024 has significantly improved with utilization in excess of 95% which will help increase gold production and lower operating costs in H2-2024.
- **Rescoped Phase II Hard Rock Expansion:** On May 6, 2024, the Company announced a rescoping of its Phase II expansion into two stages to better align capital requirements with available financing. The Company will now construct a 2.5 million tonnes per annum ("Mtpa") hard rock plant for stage one in comparison to the larger 4.4 Mtpa hard rock plant outlined in the 2023 feasibility study.

- Phase II Expansion Construction Decision and Financing:** On July 10, 2024, the Company announced that its Board of Directors had approved a positive construction decision on the Phase II expansion after the Company had secured binding commitments totaling over \$105 million in additional debt and equity for the construction. The commitments consisted of binding term sheets for a XOF 35.0 billion (~\$58 million) senior secured term loan with Coris Bank International ("Coris Bank") and a C\$64.9 million (~\$47 million) non-brokered private placement of 92,743,855 common shares of Orezone at C\$0.70 per share with Nioko Resources Corporation ("Nioko"). The Company expects to close on both the loan and private placement in Q3-2024.
- Multi-year Exploration Campaign:** On July 25, 2024, the Company announced it will initiate a 30,000 metre, multi-year discovery focused drill program designed to test the broader size and scale of the Bomboré mineralized system which has a shallow average drill depth for resource definition of only 200 metres across a 14 km strike length. An initial drill program of 5,000 metres centred on the Maga Zone will commence in August 2024.
- Debt Reduction:** Scheduled principal repayment of XOF 6.0 billion (\$9.9 million) made in H1-2024 on the Company's Phase I senior loan with Coris Bank. Outstanding principal on the Phase I senior debt stood at XOF 31.0 billion (~\$51 million) on June 30, 2024.
- Liquidity:** Cash stood at \$11.4 million at June 30, 2024, a decrease of \$4.2 million from March 31, 2024 and a decrease of \$20.9 million from December 31, 2023. On May 10, 2024, the Company closed and drew down on a XOF 12.0 billion (\$19.8 million) bridge loan with Coris Bank in order to improve the Company's cash position which was heavily impacted in H1-2024 by a \$22.1 million increase in non-cash working capital, mainly from the build-up of value-added tax ("VAT") receivables, payment of income taxes, and reduction in trade payables.
- Board Changes:** At the June 7, 2024 annual general meeting of shareholders ("AGM"), Ms. Tara Hassan was elected as a new director and Mr. Sean Harvey was appointed by the directors as the new Board Chair following the meeting. Mr. Halvorson, a director since 2009 and Board Chair since 2018, and Mr. Charles Oliver, a director since 2017, two long-serving directors that have made substantial contributions to the Company's success, did not stand for re-election at the AGM.

2024 Outlook

2024 Guidance for Bomboré Mine

Operating Guidance (100% basis)	Unit	2024 Guidance	H1-2024 Actuals
Gold production	Au oz	110,000 – 125,000	55,663
All-In Sustaining Costs ¹²³	\$/oz Au sold	\$1,300 - \$1,375	\$1,452
Sustaining capital ²	\$M	\$14 - \$15	\$7.3
Growth capital (excluding Phase II Expansion) ²	\$M	\$16 - \$17	\$9.4
Growth capital – Phase II Expansion	\$M	see commentary below	Unchanged

- AISC is a non-IFRS measure. See "Non-IFRS Measures" section below for additional information.
- Foreign exchange rates used to forecast cost metrics include XOF/USD of 600 and CAD/USD of 1.30.
- Government royalties included in AISC assumes an average gold price of \$2,000 per oz.

Gold production in 2024 is forecasted to range between 110,000 to 125,000 gold ounces with production more weighted to the second half of the year due to mining in the higher grade southern zone of the mining permit. Mining was confined to the northern zone of the mining permit in the first half of the year with staged access to higher-grade southern pits (Siga East and Siga South) planned in the second half as Phases II and III of the resettlement action plan ("RAP") progress. Mining in the Siga East pit commenced in June 2024 and will continue to ramp up through Q3-2024. Haul road access to Siga South are in place and grade control drilling is being advanced in key areas with mining scheduled in Q4-2024.

AISC per ounce sold for 2024 is estimated to fall within the range of \$1,300/oz to \$1,375/oz. AISC per ounce sold in H2-2024 is forecasted to be materially lower than H1-2024 as mining advances south to Siga East and Siga

South thereby accessing softer near surface oxide ore at higher grades resulting in better gold production and operating costs. In addition, grid availability is expected to now continue at normal high levels in H2-2024 (as evidenced by grid availability in excess of 95% in July 2024) resulting in higher mill throughput and lower power costs.

Sustaining capital for 2024 is expected to range between \$14M to \$15M with \$5M to \$6M dedicated towards the tailings storage facility expansion (stage 3 and stage 4 lifts). Other areas of sustaining capital cover mine and mine infrastructure, process plant improvements, security, and camp. Planned expenditures for mining and mine infrastructure is budgeted at over \$6.0M and include the purchase of two new reverse circulation ("RC") drill rigs and spares for grade control (replacing more expensive contractor drills), construction of a new explosives magazine (to reduce the frequency of explosives deliveries and associated costs), southern extension of the main haul road, and additional perimeter fencing to restrict public access to new active mining areas.

Growth capital consists of two carryover projects from 2023:

- (i) Power connection to Burkina Faso's national grid (\$1.0M)

System commissioning of the newly installed transmission line and substations.

- (ii) Resettlement Action Plan – Phases II and III (\$15M to \$16M)

RAP Phases II and III commenced in 2023 and will see the construction of over 2,200 private and public structures in three new resettlement communities (MV3, MV2, and BV2) to help relocate communities occupying areas in the southern half of the Bomboré mining permit. For 2024, construction costs of \$10.0M to \$10.5M are forecasted to carry out the completion of MV3 and for the start and expected completion of MV2. RAP costs of \$5.0M - \$5.5M are estimated for compensation, consultants, relocation allowances, and livelihood restoration programs.

The Phase II Hard Rock Expansion Guidance

A hard rock plant, to complement the existing Phase I oxide plant, is required to process the fresh rock and lower transition mineral reserves of the Bomboré orebody.

Prior to a formal construction decision on the Phase II expansion, the Company undertook early works activities in order to maintain schedule to deliver first gold before the end of 2025. Approved early works in progress or completed in H1-2024 included front-end engineering and design ("FEED") with Lycopodium Minerals Canada Ltd. ("Lycopodium"), additional camp accommodations and offices, geotechnical investigations, and bulk earthworks on the new plant layout area.

Following the Board's positive construction decision to proceed with the expansion in early July 2024, the Company has released awards on four long-lead equipment packages including a 9MW SAG mill.

The capital cost for the expansion is estimated at \$85 million.

Bomboré Gold Mine, Burkina Faso (100% Basis)
Operating Highlights

		Q2-2024	Q2-2023	H1-2024	H1-2023
Safety					
Lost-time injuries frequency rate	per 1M hours	0.00	0.00	0.00	0.00
Personnel-hours worked	000s hours	1,322	1,037	2,372	1,965
Mining Physicals					
Ore tonnes mined	tonnes	1,966,547	1,927,753	4,369,080	4,132,809
Waste tonnes mined	tonnes	3,451,757	3,152,264	6,574,856	5,534,399
Total tonnes mined	tonnes	5,418,305	5,080,017	10,943,936	9,667,208
Strip ratio	waste:ore	1.76	1.64	1.50	1.34
Processing Physicals					
Ore tonnes milled	tonnes	1,428,396	1,400,160	2,784,015	2,845,853
Head grade milled	Au g/t	0.64	0.87	0.71	0.92
Recovery rate	%	86.8	91.1	88.0	91.7
Gold produced	Au oz	25,524	35,482	55,663	76,783
Unit Cash Cost					
Mining cost per tonne	\$/tonne	3.29	2.86	3.38	2.89
Mining cost per ore tonne processed	\$/tonne	8.87	6.46	8.46	6.49
Processing cost	\$/tonne	9.19	10.72	9.21	9.95
Site general and admin ("G&A") cost	\$/tonne	3.96	3.73	3.87	3.47
Cash cost per ore tonne processed	\$/tonne	22.02	20.91	21.54	19.91
Cash Costs and AISC Details					
Mining cost (net of stockpile movements)	\$000s	12,672	9,050	23,539	18,467
Processing cost	\$000s	13,120	15,006	25,640	28,328
Site G&A cost	\$000s	5,654	5,217	10,788	9,883
Refining and transport cost	\$000s	136	164	253	312
Government royalty cost	\$000s	4,595	3,930	9,727	8,842
Gold inventory movements	\$000s	(1,625)	(2,299)	(209)	(280)
Cash costs¹ on a sales basis	\$000s	34,552	31,068	69,738	65,552
Sustaining capital	\$000s	3,281	4,308	7,299	7,838
Sustaining leases	\$000s	73	-	146	187
Corporate G&A cost	\$000s	2,319	1,883	4,388	3,614
All-In Sustaining Costs¹ on a sales basis	\$000s	40,225	37,259	81,571	77,192
Gold sold	Au oz	24,937	33,608	56,166	76,747
Cash costs per gold ounce sold¹	\$/oz	1,386	924	1,242	854
All-In Sustaining Costs per gold ounce sold¹	\$/oz	1,613	1,109	1,452	1,006

¹ Non-IFRS measure. See "Non-IFRS Measures" section for additional details.

Bomboré Production Results

Q2-2024 vs Q2-2023

Gold production in Q2-2024 was 25,524 ounces, a decline of 28% from the 35,482 ounces produced in Q2-2023. The lower gold production is attributable to a 26% decrease in head grades and a 5% decrease in plant recoveries, partially offset by a 2% increase in plant throughput. The better head grades achieved in Q2-2023 were primarily the result of processing high-grade stockpiles accumulated during the Phase I construction, which were fully depleted by June 2023, and from the sequencing of higher-grade pits in earlier periods of the mine plan. Plant recoveries were lower in Q2-2024 primarily due to the greater blend of transition ore in the mill feed as mining deepens in certain pits. The presence of transition ore results in slightly lower metallurgical recoveries and additional plant maintenance due to the harder nature of the ore. In addition, instability in operational controls from grid power interruptions unrelated to Bomboré operations contributed to a marginal dip in recoveries in Q2-2024.

Plant downtime caused by grid blackouts and power dips, and time lost to switch to back-up gensets, also negatively impacted plant operations in Q2-2024. In response, the Company successfully improved hourly plant throughput by increasing mill power draw and reducing residence time in the CIL circuit without a noticeable effect on recovery rates, leading to a monthly record of 525K tonnes processed in June 2024.

Plant throughput, head grades, and recoveries are expected to improve from a greater blend of softer oxide ore as mining continues to ramp up at Siga East in Q3-2024. Furthermore, reliability of the national grid has significantly increased since the start of July 2024.

H1-2024 vs H1-2023

Gold production in H1-2024 was 55,663 ounces, a decline of 28% from the 76,783 ounces produced in H1-2023. The lower gold production is attributable to a 23% decrease in head grades, a 4% decrease in plant recoveries, and a 2% decrease in plant throughput namely for the same reasons as explained in the above section.

Bomboré Operating Costs

Q2-2024 vs Q2-2023

AISC per gold ounce sold in Q2-2024 was \$1,613, a 45% increase from \$1,109 per ounce sold in Q2-2023. The higher AISC is primarily the result of: (a) lower Q2-2024 gold production and sales as explained above; (b) greater per ounce royalty costs from new royalty rates that took effect in October 2023, coupled with a higher realized selling price; and (c) increased unit mining costs with deeper pits, harder transition ore mined, and higher strip ratio.

Cash cost per ore tonne processed in Q2-2024 was \$22.02 per tonne, an increase of 5% from \$20.91 per tonne in Q2-2023. The higher cash cost in Q2-2024 was predominantly due to greater mining and site G&A costs with costs per ore tonne processed increasing by 37% (\$8.87 versus \$6.46) for mining and 5% (\$3.96 versus \$3.73) for site G&A. Mining costs have increased as lower benches are mined resulting in longer hauls and more transition material that requires drill-and-blast prior to excavation and greater rehandle prior to feeding into the dump pocket on the ROM pad. In addition, unit mining costs have increased from a higher strip ratio and more management fees from the mobilization of a second mining contractor in July 2023 to supplement material movement of the main mining contractor. Site G&A costs reflect greater spending for security as the Company expands its operations into the southern portion of the mining permit.

Processing costs per ore tonne in Q2-2024 was \$9.19 per tonne, a decrease of 14% from \$10.72 per tonne in Q2-2023. Unit processing costs were expected to decline by over \$3 per tonne in Q2-2024 from 2023 levels upon the introduction of grid power to the Bomboré mine at the end of January 2024; however, the power cost savings from using grid power have been offset by a greater blend of transition ore requiring higher per tonne consumption of power, grinding media, and main reagents, and more plant maintenance to address higher equipment wear. Furthermore, the mine relied on more self-generated power beginning in March 2024 from lower-than-expected grid availability directly impacted by issues with the Ghanian and Côte d'Ivoire supply systems which export power to Burkina Faso. Grid utilization was historically low in Q2-2024, but gradually improved throughout the quarter from 18% in April to 58% in June, and normalizing to over 95% starting in July.

H1-2024 vs H1-2023

AISC per gold ounce sold in H1-2024 was \$1,452, a 44% increase from \$1,006 per ounce sold in H1-2023. The higher AISC were due namely for the same reasons as explained in the above section.

Bomboré Growth Capital Projects

Grid Power Connection

The commissioning of the powerline to connect Bomboré to Burkina Faso's national energy grid commenced in January 2024 and was successfully energized by the end of the same month. As of June 30, 2024, the Company has incurred costs of \$19.7M, of which \$0.3M was incurred in Q2-2024 (\$1.4M in H1-2024). The Company continues to make minor upgrades to the grid connection by installing equipment and software to reduce the transfer time to back-up gensets.

RAP Phases II and III

RAP Phases II and III involve the construction of three new resettlement communities (MV3, MV2, and BV2) in order to relocate households currently residing within the southern half of the Bomboré mining permit. The Company sequenced MV3 first, followed by MV2 and BV2, to prioritize mining areas closest to the processing plant.

The construction of homes and relocation of families to the new MV3 resettlement community were successfully completed in Q2-2024, and in parallel, construction of MV2 commenced with site establishment activities and award of contracts to local companies. Compensation payments to affected residents for loss of land, crops, trees, and private structures continue to progress.

As of June 30, 2024, the Company has incurred project-to-date costs of \$18.6M for RAP Phases II and III, of which \$5.0M was incurred in Q2-2024 (\$8.1M in H1-2024).

Genser Damage Claim

The Company initiated a damage claim against Genser Energy Burkina S.A. and its parent company ("Genser") through binding arbitration with the London Court of International Arbitration to recover past and future financial losses arising from Genser's fraudulent misrepresentation and breach of contract.

The Company signed a power purchase agreement ("PPA") in June 2021 with Genser pursuant to which Genser was responsible for the construction and operation of an independent power plant facility to supply power to the Bomboré operations using liquified natural gas ("LNG") as the main fuel source, and in exchange, the Company would pay a low fixed-rate tariff for each kilowatt hour of energy delivered by Genser. Genser fell significantly behind schedule, was unable to meet supplier payment deadlines, and took no meaningful steps to establish the infrastructure and permitting required to import LNG into Burkina Faso to supply Bomboré operations. Furthermore, the incomplete diesel power plant delivered to site was unable to pass basic commissioning and frequently broke down due to the supply of defective gensets that were improperly fitted and manufactured with refurbished components, which in some cases, were decades old. The three Genser-supplied gensets at site are not in use while the fourth genset was never delivered. In 2023, the Company gave written notice to Genser that it was terminating the PPA due to Genser's numerous defaults and launched arbitration proceedings against Genser after discussions between the parties did not result in an amicable settlement.

The Company submitted its statement of claim to the arbitration tribunal in April 2024 seeking substantial damages for losses stemming from lost production time, incremental costs of generating on-site power using diesel powered gensets rented from African Power Services ("APS"), construction costs to connect to the national grid, and the tariff differential between the grid and fixed-rate tariff under the PPA. Gensets from another supplier, APS, acted as the primary power source to the mine from November 2022 to January 2024 when the powerline connecting Bomboré to the national grid was energized. The gensets from APS continue to operate as back-up power during periods when grid power is unavailable. The Company is now evaluating options for a financed long-term back-up power solution, including solar power, with sufficient installed power to operate the mine after the Phase II expansion comes into production.

The Company has received Genser's response to our statement of claim in late July 2024 and is currently consulting with external counsel on the appropriate next steps.

Royalty and Income Tax Rate Changes

The Burkina Faso government passed changes to its mining code to increase the royalty rates on gold producers effective beginning in October 2023. Royalty rates are applied according to a sliding scale based on spot gold prices with rates increasing from 5.0% to 6.0% for spot prices from \$1,500/oz to under \$1,700/oz, rising to 6.5% for spot prices from \$1,700/oz to under \$2,000/oz, and 7.0% for spot prices at \$2,000/oz and above.

Furthermore, in January 2024, the Burkina Faso government introduced a temporary special levy of 2% on after-tax profits, effective beginning for the 2023 taxation year, to raise additional funds to support its efforts in improving national security.

Workforce Composition

As of June 30, 2024, there were 1,557 contractor personnel and 779 permanent and temporary Company employees directly involved with or supporting mining, processing, exploration, and capital project activities at Bomboré. Burkinabé citizens comprise 97% of this direct workforce with female representation at 8%.

Bomboré Debt, Stream, and Equity Financings

Senior Secured Debt Facility with Coris Bank – Phase I Financing

The senior secured debt facility with Coris Bank is a project-level debt denominated in XOF and was originally divided into a medium-term loan and a short-term loan. The Company closed on this debt facility on October 15, 2021.

The medium-term loan of XOF 40.0 billion bears interest at 9.0% per annum with monthly loan amortization starting in October 2023 and ending in September 2026. As of June 30, 2024, the principal balance of XOF 31.0 billion (~\$51 million) remains outstanding.

The short-term loan of XOF 17.5 billion had a term of 12 months with a June 28, 2023 maturity date, and bore interest at 8.0% per annum. The Company repaid the entire short-term loan in 2023.

Senior Secured Bridge Loan with Coris Bank

On May 10, 2024, the Company closed and drew on a bridge loan for XOF 12.0 billion (\$19.8 million) with Coris Bank in order to improve its cash position. The bridge loan has a term of 12-months, bears interest of 10% per annum, requires principal repayments on a semi-annual basis, and can be repaid prior to maturity without penalty.

Senior Secured Term Loan with Coris Bank – Phase II Financing

A credit committee approved binding term sheet for a XOF 35.0 billion (~\$58 million) senior secured term loan ("Phase II Term Loan") for the Phase II hard rock expansion was executed by the Company and Coris Bank on July 8, 2024. The Phase II Term Loan is a project-level debt denominated in XOF which will provide a natural currency hedge for local construction costs. The proposed loan bears interest at a rate of 11% per annum, has a term of three years, and is available in multiple draws with the first drawdown to repay the Company's existing bridge loan with Coris Bank (see above). Start of monthly principal repayments are deferred to January 2026 and early repayments are permitted with a prepayment fee of 2%.

Conditions precedent to loan drawdowns include execution and delivery of final loan documentation, intercreditor consents with the existing debenture holders, and other customary conditions.

The Phase II Term Loan is expected to close in September 2024.

Convertible Note Facility

The \$35M convertible note facility has a term of 5 years, bears interest of 8.5% per annum, and matures on October 15, 2026. Interest is payable up to 75% in common shares at the option of the Company and is convertible at the option of the holders 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 within three months from the proposed date of conversion, the volume-weighted average price of the Company's common shares exceeds a 50% premium to the Conversion Price.

Silver Stream

On October 15, 2021, the Company sold a silver stream to Euro Ressources S.A. ("ERSA") where Bomboré 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 ("Silver Stream").

Under the Silver Stream agreement, Bomboré will make minimum annual delivery of 37,500 ounces of silver to ERSA commencing from the date of commercial production. If annual silver deliveries are below this minimum, the Company will make an initial shortfall 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 that 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 delivery guarantee will no longer apply.

Private Placement of Orezone Common Shares with Nioko

On July 10, 2024, the Company announced that it had entered into a binding agreement with Nioko, a local Burkinabé and West African investment group, for a non-brokered private placement of 92,743,855 common shares at a price per share of C\$0.70 for gross proceeds C\$64.9 million (~\$47M).

Proceeds from the private placement will be directed towards the construction of the Phase II hard rock expansion, exploration, working capital, and general corporate purposes.

The Company expects to close on the private placement with Nioko in August 2024, following final approval from the TSX.

Bomboré Exploration

The Bomboré mine comprises two prominent mineral trends, the primary Bomboré Shear Zone ("BSZ") and the emerging P17 Trend. The BSZ has been delineated over a strike length of ~14 km and down to an average depth of ~200 m. This zone remains open both along strike and at depth, with the results of recent drilling highlighting the potential for higher grades at depth. Future drilling along this zone will be centered on near-pit mineral extensions and testing for higher-grade centers of mineralization at depth.

The sub-parallel P17 Trend, located towards the southern margin of the BSZ, has been broadly traced over 1.5 km and remains open both along strike and at depth. The P17 Trend hosts a notably higher-grade profile than that of the BSZ, and has more recently been recognized as an independent mineral trend. Near-term drilling at P17 will focus on near-pit mineral extensions and uncovering additional centers of near-surface mineralization along strike. Both of these exploration initiatives host the potential to defer lower grade ounces within the current mine plan, which could serve to further expand the mine's production profile and further improve its overall economics. Longer-term, drilling will look to test the down plunge potential of the P17 Trend sub-zones, including the potential for higher-grade underground feed sources.

Bomboré also has 100.8 km² 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.

Following a recent structural review of the deposit, on July 25, 2024, the Company announced a 30,000 m multi-year discovery focused drill program to test the broader size and scale of the Bomboré mineralized system. Phase 1 of this initial program will consist of 5,000 m of drilling centred on the Maga Zone, with drilling set to commence in August 2024. Subsequent drilling will progressively advance towards the southern half of the mining permit. First pass drilling along the BSZ will focus on testing the potential of the mineralized system down to depths of 400

m, while future drilling at the P17 Trend will focus on incremental step-outs down plunge of the currently defined sub-zones, as well as testing for additional near-surface centers of mineralization along strike.

The Company expects to announce drill results from this first pass program before the end of 2024.

Social Responsibility and Sustainability

The Company continues to maintain strong local community support and engagement, a key foundation to its ongoing success. 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 living on or near the mine and will continue with these investments and others during the mine'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. The Company also supports and promotes 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 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.

Permit Status

The Bomboré mine is permitted for both Phase I oxide operations and Phase II hard rock construction and operations.

The Bomboré mine consists of the expanded mining permit (28.9 km²) and four exploration permits: Bomboré II (12.7 km²), Bomboré III (33.6 km²), Bomboré IV (8.3 km²) and Bomboré V (46.2 km²).

On February 26, 2019, the Company signed the mining convention with the Government of Burkina Faso in connection with the mining permit for Bomboré. This mining convention clarifies the rights and obligations of the parties and to guarantee the Company stability. 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 permit and is thereafter renewable for one or more periods of five years at the request of the Company.

Review of Financial Results**Financial Results for the Six Months Ended June 30, 2024**

(\$000s, except for per share amounts)	H1-2024	H1-2023
Revenue	\$123,028	\$148,108
Cost of sales		
Operating expenses	(60,011)	(56,710)
Depreciation and depletion	(12,122)	(15,396)
Royalties	(9,727)	(8,842)
Ore stockpile write-down reversal	8,881	-
Cost of sales	(72,979)	(80,948)
Earnings from mine operations	50,049	67,160
Other expenses		
Exploration and evaluation costs	(684)	(3,007)
General and administrative costs	(4,388)	(3,614)
Share-based compensation	(1,825)	(1,502)
Depreciation	(52)	(54)
Operating income	43,100	58,983
Other loss	(5,840)	(10,798)
Income tax expense	(13,330)	(9,570)
Net income for the period	23,930	38,615
Net income attributable to shareholders of Orezone	20,636	33,940
Basic net income per share attributable to shareholders of Orezone	\$0.06	\$0.10
Diluted net income per share attributable to shareholders of Orezone	\$0.05	\$0.09

Revenue and cost of sales

Revenue decreased by 17% as compared to the same period in the prior year due to a 27% decrease in gold ounces sold, partially offset by a 13% higher average realized sales price. The Company sold 56,166 gold ounces at an average realized price of \$2,185 per ounce in H1-2024 versus 76,747 gold ounces at an average realized price of \$1,926 per ounce in H1-2023. The lower gold sales were consistent with the 28% decline in gold production, primarily driven by lower head grades, recoveries, and plant throughput. Revenue in H1-2023 benefitted from better gold production from the processing of higher-grade stockpiles accumulated during the construction phase, and from the sequencing of higher-grade pits in earlier periods of the mine plan.

Cost of sales decreased by 10% as compared to the same period in the prior year due to a 27% decrease in gold ounces sold, partially offset by 23% higher operating costs on a per ounce sold basis (\$1,299 per ounce in H1-2024 versus \$1,055 per ounce in H1-2023). The higher per ounce cost in the current period was driven mainly by: (a) lower head grades and recoveries resulting in fewer production ounces and (b) higher royalty expense (\$173 per ounce in H1-2024 versus \$115 per ounce in H1-2023) from a higher realized gold price and increased royalty rates that came into effect in October 2023.

An \$8.9M reversal of a previous write-down on long-term stockpiled ore inventory to net realizable value was recognized in cost of sales in H1-2024 (\$nil in H1-2023) as a result of an increase in the consensus long-term gold price from \$1,724 per ounce at December 31, 2023 to \$1,915 per ounce at June 30, 2024.

Exploration and evaluation (“E&E”) costs

E&E costs decreased by \$2.3M from \$3.0M in H1-2023 to \$0.7M in H1-2024, primarily as a result of the Company undertaking 11,877 m of exploratory RC drilling in H1-2023 and for consultant work on the 2023 feasibility study, with no comparable programs for H1-2024. E&E costs for H1-2024 consisted of fees to maintain Bomboré exploration licenses in good standing and consultant costs for an internal scoping study for an expanded mining scenario incorporating the large mineral resource base outside of current mineral reserves.

General and administrative costs

G&A costs increased by \$0.8M, from \$3.6M in H1-2023 to \$4.4M in H1-2024, mainly from additional staffing costs and professional fees for the Genser arbitration.

Share-based compensation

Share-based compensation expense increased by \$0.3M, from \$1.5M in H1-2023 to \$1.8M in H1-2024, as a result of initial grants made to new employees in Q4-2023 and to new directors in 2024.

Other loss

Other loss decreased by \$5.0M, from a \$10.8M loss in H1-2023, to a \$5.8M loss in H1-2024, primarily as a result of:

- A \$2.2M foreign exchange gain in H1-2024 versus a \$1.4M foreign exchange loss in H1-2023. The gain in H1-2024 is related to the appreciation of the USD which led to foreign exchange gains recognized on the Company's XOF-denominated senior loans and non-USD denominated payables from mine activities. Conversely, the loss in H1-2023 is related to the depreciation of the USD which led to foreign exchange losses recognized on the Company's XOF-denominated senior loans and non-USD denominated payables.
- A decrease of \$0.9M in finance expense, from \$8.5M in H1-2023 to \$7.6M in H1-2024, mainly from the reduction of senior debt beginning in 2023.
- A fair value loss of \$0.6M on the remeasurement on the warrant liability in H1-2023. There was no such remeasurement for H1-2024 as all unexercised warrants expired on January 29, 2023.
- A fair value loss of \$0.7M on the remeasurement of the Silver Stream liability in H1-2024 (H1-2023: \$0.5M loss) attributable to upward revisions in forecasted future silver prices.

Income tax expense

Income tax expense in H1-2024 is comprised of a current income tax expense of \$12.5M (H1-2023: \$9.6M) and a deferred tax expense of \$0.8M (H1-2023: \$nil), and is attributable to earnings generated by the Bomboré mine. Income tax expense in H1-2023 was lower than H1-2024 despite higher mine earnings due to the utilization of the remaining available tax losses accumulated from prior years. Also, no deferred taxes were recognized in H1-2023 for existing deductible tax attributes as the brief operating history of the Bomboré mine did not support an assessment that it was probable that future taxable profits would be available to utilize all or a portion of the available tax attributes.

Financial Results for the Three Months Ended June 30, 2024

(\$000s, except for per share amounts)	Q2-2024	Q2-2023
Revenue	\$58,343	\$66,396
Cost of sales		
Operating expenses	(29,957)	(27,138)
Depreciation and depletion	(6,413)	(7,838)
Royalties	(4,595)	(3,930)
Ore stockpile write-down reversal	5,789	-
Cost of sales	(35,176)	(38,906)
Earnings from mine operations	23,167	27,490
Other expenses		
Exploration and evaluation costs	(141)	(1,507)
General and administrative costs	(2,319)	(1,883)
Share-based compensation	(508)	(417)
Depreciation	(26)	(27)
Operating income	20,173	23,656
Other loss	(3,394)	(3,937)
Income tax expense	(6,400)	(6,710)
Net income for the period	10,379	13,009
Net income attributable to shareholders of Orezone	8,939	11,380
Basic net income per share attributable to shareholders of Orezone	\$0.02	\$0.03
Diluted net income per share attributable to shareholders of Orezone	\$0.02	\$0.03

Revenue and cost of sales

Revenue decreased by 12% as compared to the same quarter in the prior year due to a 26% decrease in gold ounces sold, partially offset by an 18% higher average realized sales price. The Company sold 24,937 gold ounces at an average realized price of \$2,334 per ounce in Q2-2024 versus 33,608 gold ounces at an average realized price of \$1,970 per ounce in Q2-2023. The lower gold sales were consistent with the 28% decline in gold production driven by lower head grades and recoveries. Revenue in Q2-2023 benefitted from better gold production from the processing of higher-grade stockpiles accumulated during the construction phase, and from the sequencing of higher-grade pits in earlier periods of the mine plan.

Cost of sales decreased by 10% as compared to the same quarter in the prior year due to a 26% decrease in gold ounces sold, partially offset by 22% higher costs on a per ounce sold basis (\$1,411 per ounce in Q2-2024 versus \$1,158 per ounce in Q2-2023). The higher per ounce cost in the current quarter was driven mainly by: (a) lower head grades and recoveries resulting in fewer production ounces, (b) higher royalty expense (\$184 per ounce in Q2-2024 versus \$117 per ounce in Q2-2023) from a higher realized gold price and increased royalty rates that came into effect in October 2023.

A \$5.8M reversal of a previous write-down on long-term stockpiled ore inventory to net realizable value was recognized in cost of sales in Q2-2024 (\$nil in Q2-2023) as a result of an increase in the consensus long-term gold price from \$1,790 per ounce at March 31, 2024 to \$1,915 per ounce at June 30, 2024.

Exploration and evaluation ("E&E") costs

E&E costs decreased by \$1.4M from \$1.5M in Q2-2023 to \$0.1M in Q2-2024, primarily as a result of the Company undertaking 3,953 m of exploratory RC drilling in Q2-2023 and for consultant work on the 2023 feasibility study,

with no comparable programs for Q2-2024. E&E costs for Q2-2024 consisted of fees to maintain Bomboré exploration licenses in good standing.

General and administrative costs

G&A costs increased by \$0.4M, from \$1.9M in Q2-2023 to \$2.3M in Q2-2024, mainly from additional staffing costs and professional fees for the Genser arbitration.

Share-based compensation

Share-based compensation expense increased by \$0.1M, from \$0.4M in Q2-2023 to \$0.5M in Q2-2024, as a result of initial grants made to new employees in Q4-2023 and to new directors in 2024.

Other loss

Other loss of decreased by \$0.5M, from \$3.9M in Q2-2023 to \$3.4M in Q2-2024, primarily as a result of:

- A \$0.5M foreign exchange gain in Q2-2024 versus a \$0.2M foreign exchange gain in Q2-2023. The gain in both periods is related to the appreciation of the USD which led to foreign exchange gains recognized on the Company's XOF-denominated senior loans and non-USD denominated payables from mine activities.
- A decrease of \$0.6M in finance expense, from \$4.1M in Q2-2023 to \$3.5M in Q2-2024, mainly from the reduction of senior debt beginning in 2023.
- A fair value loss of \$0.5M on the remeasurement of the Silver Stream liability in Q2-2024 (Q2-2023: \$0.2M loss) attributable to upward revisions in the forecasted future silver prices.

Income tax expense

Income tax expense in Q2-2024 is comprised of a current income tax expense of \$6.0M and a deferred tax expense of \$0.4M and is attributable to earnings generated by the Bomboré mine.

Income tax expense of \$6.7M in Q2-2023 was higher than Q2-2024 due to higher mine earnings. No deferred taxes were recognized in Q2-2023 for existing deductible tax attributes as the brief operating history of the Bomboré mine did not support an assessment that it was probable that future taxable profits would be available to utilize all or a portion of the available tax attributes.

Summary of Quarterly Results

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

	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Net income for the period	10.38	13.55	4.83	6.18	13.01	25.61	4.23	0.11
Net income (loss) attributable to shareholders of Orezone	8.94	11.70	4.01	5.19	11.38	22.56	3.76	(0.19)
Net income (loss) per common share attributable to shareholders of Orezone, basic	0.02	0.03	0.01	0.01	0.03	0.07	0.01	(0.00)
Net income (loss) per common share attributable to shareholders of Orezone, diluted	0.02	0.03	0.01	0.01	0.03	0.06	0.01	(0.00)

Cash Flows

The following table represents the consolidated cash flows for the six months ended June 30, 2024 and 2023. Discussion of the significant items impacting the cash flows is provided below:

(\$000s)	H1-2024	H1-2023
Cash inflows from operating activities	\$13,586	\$59,081
Cash outflows used in investing activities	(28,524)	(19,567)
Cash inflows (outflows) from (used in) financing activities	6,603	(16,660)
Effect of foreign currency translation on cash	298	297
Increase (decrease) in cash	(8,037)	23,151
Cash, beginning of period	19,483	9,158
Cash, end of period	\$11,446	\$32,309

Operating cash flows

The Company generated \$13.6M from operating activities in H1-2024 as compared \$59.1M in H1-2023. Operating cashflows were lower in H1-2024 due to a 27% reduction in gold ounces sold, contributing to a \$30.7M decrease in operating cash flow before changes in working capital. A further \$14.8M decrease in operating cash flows for H1-2024 when compared to H1-2023 was attributable to a larger increase in non-cash working capital from a further build-up of VAT receivables, additions to the long-term stockpile inventory, reduction in trade payables, and payments of 2023 income taxes (\$nil in H1-2023).

Investing cash flows

Cash outflows for investing activities increased by \$8.9M from \$19.6M in H1-2023 to \$28.5M in H1-2024. Investing activities in H1-2024 consisted of capital expenditures at the Bomboré mine for RAP, grid power connection, mine equipment and infrastructure, tailings storage facility expansion, camp and plant improvements, and Phase II expansion early works. Capital expenditures for H1-2023 were lower than H1-2024 mainly from lower RAP spending as construction of MV3 had just commenced in Q2-2023 and compensation payments to affected families had not yet proceeded.

Financing cash flows

Cash inflows of \$6.6M from financing activities in H1-2024 primarily consisted of \$19.8M of proceeds from drawing on the Coris bridge loan and \$1.0M of proceeds from the exercise of stock options offset by \$9.9M in principal repayments on senior debt and \$3.8M in cash interest and fee payments on the Company's project loans. For H1-2023, cash outflows for financing activities of \$16.7M primarily consisted of \$28.8M in principal repayments on senior debt and \$5.3M in cash interest payments on the Company's project loans, partially offset by \$11.6M in net proceeds from the March 2023 non-brokered private placement of common shares, \$5.5M from warrant exercises, and \$0.5M from option exercises.

Financial Position

The following table represents the condensed financial position for the periods ended June 30, 2024 and December 31, 2023. Discussion of the significant items impacting financial position is provided below:

(\$000s)	June 30, 2024	December 31, 2023
ASSETS		
Current assets		
Cash	\$11,446	\$19,483
Inventories	14,140	13,664
Other current assets	25,612	19,774
Total current assets	51,198	52,921
Non-current assets		
Other financial assets	47	36
Other non-current assets	13,386	10,904
Deferred income tax asset	4,010	4,810
Long-term inventories	81,167	58,218
Mineral properties, plant and equipment	200,582	193,190
Total assets	\$350,390	\$320,079
LIABILITIES AND EQUITY		
Current liabilities		
Trade and other payables	\$36,748	\$44,948
Income tax payable	19,262	18,279
Current portion of loans and borrowings	39,003	20,192
Total current liabilities	95,013	83,419
Non-current liabilities		
Loans and borrowings	62,268	72,357
Lease liabilities	539	648
Silver stream liability	7,220	6,697
Environmental rehabilitation provision	11,095	10,596
Total liabilities	176,135	173,717
Total equity	174,255	146,362
Total liabilities and equity	\$350,390	\$320,079

Cash

Cash decreased by \$8.0M from \$19.5M at December 31, 2023 to \$11.5M at June 30, 2024 due mainly to the Company's scheduled debt repayments, Bomboré capital expenditures, and corporate G&A, offset by cash generated by Bomboré mine operations and funds received on the drawdown of Coris Bank bridge loan. Refer to the consolidated statements of cash flows for further detail.

Current Inventories

Inventories increased by \$0.4M from \$13.7M at December 31, 2023 to \$14.1M at June 30, 2024 mainly from the increase in operational supplies and consumables from \$8.0M to \$8.3M.

Other current assets

Other current assets increased by \$5.8M from \$19.8M at December 31, 2023 to \$25.6M at June 30, 2024 primarily from the transfer of \$5.6M in VAT receivables from non-current to current, and a \$1.5M gold sales receivable

(December 31, 2023 - \$nil) collected in early July 2024, partially offset by a \$1.4M decrease in prepaids and deposits. Monthly VAT claims that have been approved by the Burkina Faso tax administration for refund are transferred into current assets on the Company's expectation that refunds will be forthcoming in the twelve months subsequent to the balance sheet date.

Other non-current assets

Other non-current assets increased by \$2.5M from \$10.9M at December 31, 2023 to \$13.4M at June 30, 2024 from the net addition to VAT receivables for VAT paid in H1-2024 on goods and services purchased by the Bomboré mine less receivables transferred into current assets.

Deferred income tax asset

Deferred income tax asset decreased by \$0.8M from \$4.8M at December 31, 2023 to \$4.0M at June 30, 2024 from the amortization of the previously recognized deferred tax asset related to historical exploration and evaluation expenses that the Company estimates can be applied against future taxable profits that are considered probable.

Long-term inventories

Long-term inventories have increased by \$23.0M from \$58.2M at December 31, 2023 to \$81.2M at June 30, 2024 from the stockpiling of medium-to-low grade ore mined as processing of this material is not expected within the next twelve months. The carrying value of long-term stockpiled ore at June 30, 2024 also reflects a \$8.9M reversal of a previously recognized write-down to net realizable value as a result of an increase in the consensus long-term gold price.

Mineral properties, plant and equipment

The increase of \$7.4M from \$193.2M at December 31, 2023 to \$200.6M at June 30, 2024 is from \$20.7M in capital expenditures incurred at the Bomboré mine and a \$0.5M change in estimate of the environmental rehabilitation provision, partially offset by \$12.7M of depreciation and depletion.

Trade and other payables

The decrease of \$8.2M from \$44.9M at December 31, 2023 to \$36.7M at June 30, 2024 is primarily the result of ongoing movements in balances to trade creditors for services, materials, and consumables, and to the government for royalties. Trade and other payables both at June 30, 2024 and December 31, 2023 include \$8.0M accrued to Genser for power plant construction costs incurred in 2022 which is currently in dispute due to defects with the incomplete power plant and from Genser's failure to honour the terms of the power purchase agreement.

Income tax payable

The increase of \$1.0M from \$18.3M at December 31, 2023 to \$19.3M at June 30, 2024 relates to the current tax provision of \$12.5M on mine taxable income in H1-2024, partially offset by tax payments of \$11.5M towards 2023 income taxes.

Loans and borrowings

The \$8.7M increase from \$92.5M at December 31, 2023 to \$101.2M at June 30, 2024 relates to the draw of XOF 12.0 billion (\$19.8M) on the Coris Bank bridge loan and \$0.8M of accretion, partially offset by principal repayments of XOF 6.0 billion (\$9.9M) on the Coris Bank medium-term loan and \$1.8M in foreign exchange. Scheduled principal payments due in the next twelve months for the Coris Bank loans have been classified as a current liability.

Silver stream liability

The \$0.5M increase from \$6.7M at December 31, 2023 to \$7.2M at June 30, 2024 is the result of the remeasurement of the liability primarily from revisions to forecasted future silver prices and updates for production over H1-2024.

Environmental rehabilitation provision

The \$0.5M increase from \$10.6M at December 31, 2023 to \$11.1M at June 30, 2024 is primarily attributable to \$0.8M in obligations incurred as a result of incremental disturbances and \$0.2M of accretion offset by a \$0.5M decrease due to updates in key input estimates including the risk-free discount rate and inflation rate.

Liquidity and Capital Resources

The Company has historically raised funds to conduct its activities and to execute its business plans through debt or equity issuances, the exercise of warrants and options, or the sale of royalties or related interests prior to achieving commercial production at its Bomboré mine on December 1, 2022.

As of June 30, 2024, the Company had cash of \$11.4M and a working capital deficit of \$43.8M. The Company believes its gold production will continue to provide operating cash flow to fund its capital and exploration expenditures, service scheduled debt repayments, and meet working capital requirements; however, to improve its immediate cash position, the Company closed and drew on a XOF 12.0 billion (\$19.8 million) bridge loan with Coris Bank on May 10, 2024. Subsequent to quarter-end, the Company announced it had secured binding commitments totaling over \$105 million to fully finance the construction of the Phase II hard rock expansion and repay the bridge loan. These commitments were comprised of a new XOF 35 billion (~\$58 million) senior secured term loan with Coris Bank and a C\$64.9 million (~\$47 million) non-brokered private placement of 92,743,855 Orezone common shares at C\$0.70 per share. While the Company believes that the funds from the aforementioned Phase II financing and ongoing gold production from its Bomboré mine will be sufficient to fund its capital and exploration expenditures, service scheduled debt repayments, and meet working capital requirements, there can be no assurance that this will occur.

The Company expects to fund its ongoing costs and obligations over the next twelve months with (1) cash on hand, (2) gold sales from operations, (3) proceeds from exercises of equity instruments, and (4) additional debt and equity financing as announced for the Phase II expansion. After considering its plans to mitigate the going concern risk, management has concluded that there are no material uncertainties related to events or conditions that may cast a significant doubt about the Company's ability to continue as a going concern for a period of twelve months from the balance sheet date.

Share Capital

As of August 6, 2024, the Company had 371,207,395 common shares, 20,723,051 stock options, 3,924,842 RSUs, and 2,268,764 DSUs issued and outstanding.

Contractual Obligations

The following table summarizes the contractual maturities of the Company's operating, capital, and financing commitments at June 30, 2024 shown in contractual undiscounted cashflows:

(\$000s)	Within 1 year	Between 1 and 5 years	Thereafter	Total
Trade and other payables	\$36,748	-	-	\$36,748
Income tax payable	19,262	-	-	19,262
Capital commitments	3,605	-	-	3,605
Operating commitments	954	-	-	954
Lease commitments	91	596	-	687
Senior debt facility	24,544	33,721	-	58,265
Bridge loan	21,002	-	-	21,002
Convertible note facility	2,975	38,847	-	41,822
Total	\$109,181	\$73,164	-	\$182,345

The senior debt facility, bridge loan, and the convertible note facility presented include both contractual principal and interest payments, and in the case of the convertible note facility, excludes the exercise of the equity conversion rights.

The Company has a Silver Stream to deliver 50% of future silver production from the Bomboré mine to ERSA with minimum annual silver delivery obligations, which if not met, may require shortfall payments by the Company.

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 has no proposed transactions requiring disclosure under this section.

Non-IFRS Measures

The Company has included certain terms or performance measures commonly used in the mining industry that is not defined under IFRS, including "cash costs", "AISC", "EBITDA", "adjusted EBITDA", "adjusted earnings", "adjusted earnings per share", and "free cash flow". Non-IFRS measures do not have any standardized meaning prescribed under IFRS, and therefore, they may not be comparable to similar measures presented by other companies. The Company uses such measures to provide additional information and they should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Cash Costs, Cash Costs Per Gold Ounce Sold, AISC, and AISC Per Gold Ounce Sold

These measures are intended to reflect the expenditures required to produce and sell an ounce of gold from current operations. Cash costs include mine-level operating costs covering mining, processing, administration, royalties, and selling charges. AISC starts with cash costs and adds sustaining capital, sustaining exploration, sustaining lease payments, and corporate general and administration costs. Excluded from the Company's AISC definition are depreciation and depletion, accretion and amortization of reclamation costs, growth capital, growth exploration, financing costs, and share-based compensation. Cash costs per gold ounce sold and AISC per gold ounce sold are determined by dividing cash costs and AISC by the number of gold ounces sold, respectively.

The Company believes that the use of cash cost per gold ounce and AISC per gold ounce metrics will assist investors, analysts, and other stakeholders of the Company in assessing the operating performance and cash flow generation of current operations.

(\$000s except for ounces sold and per ounce sold figures)	Q2-2024	Q2-2023	H1-2024	H1-2023
Costs of sales – operating expenses	29,957	27,138	60,011	56,710
Royalties	4,595	3,930	9,727	8,842
Cash costs on a sales basis	34,552	31,068	69,738	65,552
Sustaining capital	3,281	4,308	7,299	7,838
Sustaining leases	73	-	146	187
Corporate general and administration	2,319	1,883	4,388	3,614
All-In Sustaining Costs on a sales basis	40,225	37,259	81,571	77,192
Gold ounces sold	24,937	33,608	56,166	76,747
Cash costs per gold ounce sold	1,386	924	1,242	854
All-In Sustaining Costs per gold ounce sold	1,613	1,109	1,452	1,006

Sustaining and Growth Capital

(\$000s)	Q2-2024	Q2-2023	H1-2024	H1-2023
Additions to mineral properties, plant and equipment	9,815	10,005	19,844	15,496
Growth capital	6,534	5,697	12,545	7,658
Sustaining capital	3,281	4,308	7,299	7,838

The distinction of sustaining capital from growth (non-sustaining) capital follows the guidance set forth by the World Gold Council which defines non-sustaining capital as costs incurred at new operations and costs related to major projects at existing operations where these projects will materially benefit the operation. A material benefit to an existing operation is considered to be at least a 10% increase in annual or life of mine production, net present value, or reserves compared to the remaining life of mine of the operation.

For H1-2024, all capital expenditures are considered sustaining, except for the grid power connection, RAP, and early works for the Phase II hard rock expansion.

Sustaining Exploration Expense

(\$000s)	Q2-2024	Q2-2023	H1-2024	H1-2023
Exploration and evaluation costs	141	1,507	684	3,007
Non-sustaining exploration and evaluation costs	141	1,507	684	3,007
Sustaining exploration expense	-	-	-	-

For H1-2024, exploration and evaluation costs primarily related to fees to maintain its exploration licenses in good standing and for consultant costs on an internal scoping study for an expanded Bomboré mining scenario incorporating the large mineral resource base outside of current mineral reserves.

Adjusted Earnings and Adjusted Earnings Per Share

Adjusted earnings exclude certain non-cash and unusual items, net of tax, that the Company either considers unrelated to the Company's core operations or are non-recurring in nature, and therefore, not indicative of recurring operating performance. These adjustments may include unrealized foreign exchange movements on the Coris Bank senior loans, fair value changes on warrant liability, impairment charges and reversal of impairment charges, and other significant items which are not reflective of the Company's core mining business. The Company believes the presentation of adjusted earnings are useful to market participants in understanding the underlying earnings performance of the Company.

(\$000s except for per share amount)	Q2-2024	Q2-2023	H1-2024	H1-2023
Net income	10,379	13,009	23,930	38,615
Unrealized foreign exchange (gain) loss on senior loans	(448)	(160)	(1,757)	1,385
Fair value loss on warrant liability	-	-	-	623
Ore stockpile write-down reversal	(5,789)	-	(8,881)	-
Adjusted earnings	4,142	12,849	13,292	40,623
Attributable to non-controlling interest	816	1,613	2,230	4,813
Attributable to shareholders of Orezone	3,326	11,236	11,062	35,810
Weighted average number of shares outstanding ('000s)	369,980	359,739	368,562	353,130
Adjusted earnings per share attributable to shareholders of Orezone	0.01	0.03	0.03	0.10

Adjusted EBITDA

The Company believes that certain market participants use earnings before interest, tax, depreciation, and amortization ("EBITDA") and adjusted earnings before interest, tax, depreciation, and amortization ("Adjusted EBITDA") to evaluate the Company's ability to generate operating cash flow to fund working capital requirements, service debt repayments, invest in sustaining and growth capital, and ultimately provide capital returns to shareholders.

(\$000s)	Q2-2024	Q2-2023	H1-2024	H1-2023
Earnings before income taxes	16,779	19,719	37,260	48,185
Depreciation and depletion in costs of sales	6,413	7,838	12,122	15,396
Depreciation and depletion in other expenses	26	27	52	54
Finance expense	3,510	4,102	7,623	8,528
EBITDA	26,728	31,686	57,057	72,163
Ore stockpile write-down reversal	(5,789)	-	(8,881)	-
Unrealized foreign exchange (gain) loss on senior loans	(448)	(160)	(1,757)	1,385
Fair value loss on warrant liability	-	-	-	623
Adjusted EBITDA	20,491	31,526	46,419	74,171

Free Cash Flow

Free cash flow is determined from the sum of cash flow from operating activities and cash flow used in investing activities, excluding certain unusual transactions. The Company believes market participants use free cash flow to measure the net cash generated from the Company's operations that is available for strategic investments, for debt repayments, and for capital returns to shareholders.

(\$000s)	Q2-2024	Q2-2023	H1-2024	H1-2023
Cash flow (used in) from operating activities	(51)	20,155	13,586	59,081
Cash flow used in investing activities	(16,900)	(12,139)	(28,524)	(19,567)
Free cash flow	(16,951)	8,016	(14,938)	39,514

Risks and Uncertainties

The Company's business at the present stage of exploration, development, and operations of the Bomboré mine involves a high degree of risk and uncertainty. For full details on the risks and uncertainties affecting the Company, please refer to the Company's audited annual consolidated financial statements, annual MD&A, and annual information form for the year ended December 31, 2023 which are available on the Company's website at www.orezone.com or on SEDAR+ at www.sedarplus.ca.

Financial Instruments and Related Risks

The fair values of the Company's financial instruments consisting of cash, other receivables, and trade and other payables approximate their carrying values because of their short terms to maturity. The fair value of marketable securities held in other financial assets is determined based on quoted market prices. The loans and borrowings were initially recognized at fair value and, subsequently, have been measured at amortized cost. The Silver Stream liability is determined using inputs that are not based on observable market data. The fair value of these financial instruments approximates their carrying value.

As of June 30, 2024, the Company had 3,200,000 common shares of Sarama Resources Ltd. with a fair value of \$0.05M (December 31, 2023: \$0.04M).

As of June 30, 2024, the fair value of the Company's Silver Stream liability was \$7.2M (December 31, 2023: \$6.7M).

As of June 30, 2024, the carrying amount of the Company's loans and borrowings held at amortized cost was \$101.3M (December 31, 2023: \$92.5M), of which \$39.0M is due within the next twelve months.

Critical Accounting Estimates, Judgments, and Assumptions

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.

See "Critical Accounting Estimates and Judgments" in the Company's 2023 annual MD&A as well as Note 4 in the Company's 2023 annual consolidated financial statements for significant estimates and judgments used in applying accounting policies that have the most significant effect on the amounts recognized in the Interim Financial Statements for the three and six months ended June 30, 2024. There have been no significant changes compared to December 31, 2023.

Internal Controls Over Financial Reporting and Disclosure Controls and Procedures

Management is responsible for establishing and maintaining adequate internal controls over financial reporting and disclosure controls and procedures. The Company's internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Any system of internal controls over financial reporting and disclosure, no matter how well designed, has inherent limitations. The effectiveness of internal controls is also subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may change.

There were no changes in the Company's internal controls over financial reporting during the six months ended June 30, 2024 that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

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 statements about mineral reserve and resource estimates and the timing of updates thereof, planned expenditures on the Company's projects, obtaining renewed exploration permits, 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, development, or production activities, the results of exploration and drilling activities, 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, 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

Mr. Rob Henderson, P. Eng., Vice-President of Technical Services and Mr. Dale Tweed, P. Eng., Vice-President of Engineering, are the Company's qualified persons 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.

On October 11, 2023, the Company released the results of an updated independent feasibility study on the Phase II expansion of its Bomboré mine. The Company has prepared and filed a new technical report in accordance with NI 43-101 to support the publicized study results including the new mineral resource and reserve estimates. This new technical report was filed on November 24, 2023 with an effective date of March 28, 2023, and replaces the previously filed technical report with an effective date of June 26, 2019. The new 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 mine, as well as information regarding data verification, and other matters relevant to the scientific and technical disclosure contained in this MD&A.