



OREZONE GOLD CORPORATION

Condensed Consolidated Interim Financial Statements

For the three and nine month periods ended September 30, 2024
(Unaudited, expressed in thousands of United States dollars)

Orezone Gold Corporation
Condensed Consolidated Interim Financial Statements
(Unaudited, expressed in thousands of United States dollars)

Notice to reader pursuant to National Instrument 51-102

Auditor's involvement:

The external auditors of the Company have not audited or performed a review of these condensed consolidated interim financial statements.

Orezone Gold Corporation
Condensed Consolidated Interim Statements of Financial Position
(Unaudited, expressed in thousands of United States dollars)

As at	September 30, 2024	December 31, 2023
ASSETS		
Current assets		
Cash	\$66,900	\$19,483
Inventories (Note 3)	12,367	13,664
Other current assets (Note 4)	28,123	19,774
Total current assets	107,390	52,921
Non-current assets		
Other non-current assets (Note 4)	13,194	10,940
Deferred income tax asset	3,610	4,810
Long-term inventories (Note 3)	82,519	58,218
Mineral properties, plant and equipment (Note 5)	208,896	193,190
Total assets	\$415,609	\$320,079
LIABILITIES AND EQUITY		
Current liabilities		
Trade and other payables (Note 6)	\$49,248	\$44,948
Income tax payable	17,269	18,279
Current portion of loans and borrowings (Note 7)	40,722	20,192
Total current liabilities	107,239	83,419
Non-current liabilities		
Loans and borrowings (Note 7)	58,879	72,357
Lease liabilities	491	648
Silver stream liability	7,732	6,697
Environmental rehabilitation provision (Note 8)	12,674	10,596
Total liabilities	187,015	173,717
Equity		
Share capital (Note 9)	358,041	306,928
Reserves	32,527	31,236
Accumulated deficit	(163,674)	(189,294)
Equity attributable to shareholders	226,894	148,870
Non-controlling interest	1,700	(2,508)
Total equity	228,594	146,362
Total liabilities and equity	\$415,609	\$320,079

Commitments (Note 12(b))
Subsequent Events (Note 13)

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

These condensed consolidated interim financial statements were approved by the Board of Directors of Orezone Gold Corporation on November 5, 2024:

/s/ Patrick Downey

Patrick Downey
Director

/s/ Rob Doyle

Rob Doyle
Director

Orezone Gold Corporation

Condensed Consolidated Interim Statements of Income and Comprehensive Income

For the three and nine month periods ended September 30, 2024 and 2023

(Unaudited, expressed in thousands of United States dollars)

	Three month period ended September 30,		Nine month period ended September 30,	
	2024	2023	2024	2023
Revenue	\$68,652	\$55,803	\$191,680	\$203,911
Cost of sales				
Operating expenses	(33,557)	(30,107)	(93,568)	(86,817)
Depreciation and depletion (Note 5)	(7,255)	(8,311)	(19,377)	(23,707)
Royalties	(5,500)	(3,503)	(15,227)	(12,345)
Ore stockpile write-down reversal (Note 3)	-	-	8,881	-
Cost of sales	(46,312)	(41,921)	(119,291)	(122,869)
Earnings from mine operations	22,340	13,882	72,389	81,042
Other expenses				
General and administrative costs	(2,255)	(1,837)	(6,643)	(5,451)
Share-based compensation (Note 9(d))	(485)	(336)	(2,310)	(1,838)
Exploration and evaluation costs	(311)	(1,152)	(995)	(4,159)
Depreciation (Note 5)	(25)	(27)	(77)	(81)
Operating income	19,264	10,530	62,364	69,513
Other (loss) income				
Finance expense	(3,628)	(3,697)	(11,251)	(12,225)
Foreign exchange (loss) gain	(1,750)	2,118	415	722
Other loss	(1,454)	(153)	(1,442)	(883)
Fair value loss on stream liability	(571)	(150)	(1,225)	(667)
Finance income	342	264	602	637
Other loss	(7,061)	(1,618)	(12,901)	(12,416)
Net income before tax	12,203	8,912	49,463	57,097
Income tax expense				
Current income tax expense (Note 10)	(5,840)	(2,730)	(18,370)	(12,300)
Deferred income tax expense (Note 10)	(400)	-	(1,200)	-
Income tax expense	(6,240)	(2,730)	(19,570)	(12,300)
Net income for the period	\$5,963	\$6,182	\$29,893	\$44,797
Net income attributable to:				
Shareholders	4,984	5,194	25,620	39,134
Non-controlling interest	979	988	4,273	5,663
Net income for the period	\$5,963	\$6,182	\$29,893	\$44,797
Comprehensive income attributable to:				
Shareholders	5,228	5,021	25,685	39,070
Non-controlling interest	735	1,161	4,208	5,727
Comprehensive income for the period	\$5,963	\$6,182	\$29,893	\$44,797
Net earnings per common share attributable to the shareholders of the Company, basic	\$0.01	\$0.01	\$0.07	\$0.11
Net earnings per common share attributable to the shareholders of the Company, diluted	\$0.01	\$0.01	\$0.06	\$0.11
Weighted-average number of common shares outstanding (in 000's), basic	424,664	362,674	387,377	356,219
Weighted-average number of common shares outstanding (in 000's), diluted	432,435	372,808	395,360	367,715

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

Orezone Gold Corporation
Condensed Consolidated Interim Statements of Changes in Equity

For the nine month periods ended September 30, 2024 and 2023

(Unaudited, expressed in thousands of United States dollars)

	Share capital		Reserves				Accumulated deficit	Equity attributable to shareholders	Non-controlling interest	Total Equity
	Shares #	Amount \$	Share-based payments \$	Foreign currency translation \$	Contributed surplus \$	Convertible note equity component \$				
Balance, January 1, 2024	365,055,996	306,928	20,920	682	5,466	4,168	(189,294)	148,870	(2,508)	146,362
Shares issued (Note 9(a))	92,743,855	47,431	-	-	-	-	-	47,431	-	47,431
Share issue costs (Note 9(a))	-	(95)	-	-	-	-	-	(95)	-	(95)
Shares issued for interest (Note 7(c))	2,906,733	1,672	-	-	-	-	-	1,672	-	1,672
Stock options exercised (Note 9(b))	2,601,666	1,472	(451)	-	-	-	-	1,021	-	1,021
RSUs redeemed (Note 9(c))	817,358	633	(633)	-	-	-	-	-	-	-
Share-based compensation (Note 9(d))	-	-	2,310	-	-	-	-	2,310	-	2,310
Foreign currency translation	-	-	-	65	-	-	-	65	(65)	-
Net income for the period	-	-	-	-	-	-	25,620	25,620	4,273	29,893
Balance, September 30, 2024	464,125,608	358,041	22,146	747	5,466	4,168	(163,674)	226,894	1,700	228,594

	Share capital		Reserves				Accumulated deficit	Equity attributable to shareholders	Non-controlling interest	Total Equity
	Shares #	Amount \$	Share-based payments \$	Foreign currency translation \$	Contributed surplus \$	Convertible note equity component \$				
Balance, January 1, 2023	336,328,240	280,901	20,535	489	5,466	4,168	(232,440)	79,119	(8,792)	70,327
Shares issued	13,000,000	12,057	-	-	-	-	-	12,057	-	12,057
Share issue costs	-	(452)	-	-	-	-	-	(452)	-	(452)
Shares issued for interest	1,795,439	1,668	-	-	-	-	-	1,668	-	1,668
Warrants exercised	8,171,288	8,278	-	-	-	-	-	8,278	-	8,278
Stock options exercised	3,847,290	3,113	(999)	-	-	-	-	2,114	-	2,114
RSUs redeemed	114,225	91	(91)	-	-	-	-	-	-	-
DSUs redeemed	193,463	165	(165)	-	-	-	-	-	-	-
Share-based compensation	-	-	1,838	-	-	-	-	1,838	-	1,838
Foreign currency translation	-	-	-	(64)	-	-	-	(64)	64	-
Net income for the period	-	-	-	-	-	-	39,134	39,134	5,663	44,797
Balance, September 30, 2023	363,449,945	305,821	21,118	425	5,466	4,168	(193,306)	143,692	(3,065)	140,627

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

Orezone Gold Corporation
Condensed Consolidated Interim Statements of Cash Flows

For the nine month periods ended September 30, 2024 and 2023

(Unaudited, expressed in thousands of United States dollars)

	Nine month period ended September 30,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period	\$29,893	\$44,797
Adjustments for the following items:		
Depreciation and depletion	19,454	23,788
Ore stockpile write-down reversal	(8,881)	-
Share-based compensation	2,310	1,838
Unrealized foreign exchange gain	(415)	(999)
Finance income	(602)	(637)
Finance expense	11,251	12,225
Other loss	(12)	883
Fair value loss on silver stream liability	1,225	667
Income tax expense	19,570	12,300
Changes in non-cash operating working capital (Note 11)	(24,199)	(28,803)
Income taxes paid	(19,917)	-
Total cash inflows from operating activities	29,677	66,059
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment (Notes 5 and 11)	(31,072)	(31,156)
Interest received	577	587
Total cash outflows used in investing activities	(30,495)	(30,569)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from shares issued (Note 9(a))	47,431	12,057
Share issue costs (Note 9(a))	(95)	(452)
Proceeds from debt issuance (Note 7(b))	19,776	-
Debt issue costs (Note 7(b))	(240)	-
Senior debt principal repayments (Note 7(a))	(14,915)	(28,847)
Interest and fees paid	(6,129)	(7,301)
Proceeds from exercise of stock options (Note 9(b))	1,021	2,114
Lease principal payments	(149)	(142)
Proceeds from exercise of warrants	-	5,460
Total cash inflows (outflows) from (used in) financing activities	46,700	(17,111)
Effect of foreign currency translation on cash	1,535	174
Increase in cash	47,417	18,553
Cash, beginning of period	19,483	9,158
Cash, end of period	\$66,900	\$27,711

Supplemental cash flow information is provided in Note 11.

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

Orezone Gold Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine month periods ended September 30, 2024 and 2023

(Unaudited, expressed in thousands of United States dollars except per share amounts, unless otherwise noted)

1. 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 proceeding with its 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. The Company announced on July 10, 2024 that its Board of Directors had approved a positive construction decision on the Phase II expansion after securing financing commitments totalling over \$105 million in new debt and equity.

The address of the Company’s principal office is 505 Burrard Street, Suite 450, Vancouver, British Columbia, Canada, V7X 1M3.

References to “\$” or “US\$” are to United States dollars, references to “C\$” are to Canadian dollars, references to “EUR” are to Euro and references to “XOF” are to West African Communauté Financière Africaine francs.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These unaudited condensed consolidated interim financial statements (the Interim Financial Statements) have been prepared in accordance with International Accounting Standard (IAS) 34, *Interim Financial Reporting*, using accounting policies consistent with International Financial Reporting Standards, as issued by the International Accounting Standards Board (“IFRS”). These Interim Financial Statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Company’s annual consolidated financial statements for the year ended December 31, 2023 (the “2023 Annual Financial Statements”), which have been prepared in accordance with IFRS.

These financial statements were authorized for issue by the Board of Directors on November 5, 2024.

(b) Basis of measurement

The preparation of condensed consolidated interim financial statements in accordance with IFRS requires management to make estimates and judgments that may have a significant impact to these Interim Financial Statements. Estimates are continuously evaluated and are based on management’s experience and expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes may differ from these estimates. The Company’s critical accounting estimates and judgments were presented in Note 4 of the 2023 Annual Financial Statements and have been consistently applied in the preparation of these Interim Financial Statements for the three and nine month periods ended September 30, 2024 and 2023.

(c) Changes in accounting standards

Issued and adopted - Amendments to IAS 1 – Presentation of Financial Statements

In January 2020 and October 2022, the IASB issued an amendment to IAS 1, Presentation of Financial Statements, to clarify the requirements under the standard for classifying a liability as non-current in nature. The amendments include:

- Specifying that an entity’s right to defer settlement must exist at the end of the reporting period;
- Clarifying that classification is unaffected by management’s intentions or expectations about whether the entity will exercise its right to defer settlement;
- Specifying that covenants whose compliance is assessed after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, disclosure of information about these covenants in the notes to the financial statements is required; and

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Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine month periods ended September 30, 2024 and 2023

(Unaudited, expressed in thousands of United States dollars)

- Clarifying if the settlement of a liability refers to the transfer of cash, equity instruments, other assets or services.

These amendments did not have a material effect on the Company's financial statements.

Issued but not yet effective – Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments

In May 2024, the IASB issued *Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)*. The amendments update classification and measurement requirements in IFRS 9 *Financial Instruments* and related disclosure requirements in IFRS 7 *Financial Instruments: Disclosures*. Included in the amendments is clarification on the recognition and derecognition date of certain financial assets and liabilities and amended requirements relating to the settling of financial liabilities using an electronic payment system. The amendments are effective for annual reporting periods beginning on or after January 1, 2026 with early adoption permitted. The Company is currently assessing the future impact of the amendments to its financial statements.

Issued but not yet effective – IFRS 18 – Presentation and Disclosure of Financial Statements

In April 2024, the IASB issued IFRS 18, *Presentation and Disclosure of Financial Statements (IFRS 18)*, which replaces IAS 1, *Presentation of Financial Statements*. The standard introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing, and financing, and by specifying certain defined totals and subtotals. IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management-defined performance measures. Further, IFRS 18 also provides additional guidance on principals of aggregation and disaggregation which apply to the primary financial statements and notes. IFRS 18 is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements, with retrospective application required and early adoption is permitted. The Company is currently assessing the impact that IFRS 18 will have on its financial statements when adopted.

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Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine month periods ended September 30, 2024 and 2023

(Unaudited, expressed in thousands of United States dollars)

3. INVENTORIES

As at	September 30, 2024	December 31, 2023
Stockpiled ore	\$83,196	\$58,798
Gold-in-circuit	1,873	2,888
Finished goods	1,639	2,164
Materials and supplies	8,178	8,032
Total inventories	\$94,886	\$71,882
Less long-term stockpiled ore	(82,519)	(58,218)
Current inventories	\$12,367	\$13,664

The cost of inventories recognized as expense in the three and nine month periods ended September 30, 2024 were \$33,557 and \$93,568, respectively (September 30, 2023 - \$30,107 and \$86,817), and were included in operating expenses.

At September 30, 2024, non-cash costs of \$2,594 (December 31, 2023 - \$1,876) relating to depreciation and depletion were included in inventory.

Stockpiled ore is valued at the lower of weighted average cost and net realizable value ("NRV"). NRV of long-term stockpiled ore is calculated on a discounted cash flow basis over the estimated processing timeframe for such ore. The significant assumptions used in NRV analysis were: long-term gold price (\$2,031 per ounce), discount rate (7%), mine life (9.75 years), and costs to complete. Of those assumptions, the long-term gold price and the discount rate have the most significant impact to the NRV. Changes in these assumptions could have a significant impact on the NRV of the long-term ore stockpile. A 5% change in the long-term gold price would result in a \$7.3 million change in the NRV; a 1% rate change in the discount rate would result in a \$7.4 million change in the NRV.

In the three and nine month periods ended September 30, 2024, the Company reversed \$nil and \$8,881 (September 30, 2023 - \$nil and \$nil) representing the entire NRV write-down previously recorded to the long-term stockpiled ore as a result of an increase in the long-term gold price from \$1,724 per ounce at December 31, 2023 to \$2,031 per ounce at September 30, 2024.

4. OTHER ASSETS

As at	September 30, 2024	December 31, 2023
Taxes receivable	\$34,341	\$20,444
Prepaid expenses	3,800	6,647
Deposits	331	925
Other receivables	2,845	2,698
Total other assets	\$41,317	\$30,714
Less: non-current taxes receivable	(13,147)	(10,904)
Less: non-current other receivables	(47)	(36)
Total other non-current assets	(13,194)	(10,940)
Other current assets	\$28,123	\$19,774

Taxes receivable are predominantly related to Value Added Tax ("VAT") paid to vendors for goods and services purchased in Burkina Faso.

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(Unaudited, expressed in thousands of United States dollars)

5. MINERAL PROPERTIES, PLANT AND EQUIPMENT

Cost and accumulated depreciation	Land and Mineral Properties	Plant and Infrastructure	Buildings and Leasehold Improvements	Vehicles and equipment	Construction in progress	Mine under development	Total
Cost							
January 1, 2023	\$18,473	\$149,839	\$7,943	\$11,927	\$7,419	-	\$195,601
Additions	-	912	90	1,805	40,643	-	43,450
Disposals	-	-	(267)	-	-	-	(267)
Transfers	-	4,963	1,679	722	(7,364)	-	-
Change in estimate of environmental rehabilitation provision	(2,130)	-	-	-	-	-	(2,130)
December 31, 2023	\$16,343	\$155,714	\$9,445	\$14,454	\$40,698	-	\$236,654
Additions	1,517	1,779	49	4,095	22,054	6,171	35,665
Disposals	-	-	-	(26)	-	-	(26)
Transfers	15,338	26,615	630	195	(46,653)	3,875	-
Change in estimate of environmental rehabilitation provision	212	-	-	-	-	-	212
September 30, 2024	\$33,410	\$184,108	\$10,124	\$18,718	\$16,099	\$10,046	\$272,505
Accumulated Depreciation							
January 1, 2023	\$268	\$2,386	\$4,833	\$4,771	-	-	\$12,258
Depreciation	3,401	25,893	574	1,605	-	-	31,473
Disposals	-	-	(267)	-	-	-	(267)
December 31, 2023	\$3,669	\$28,279	\$5,140	\$6,376	-	-	\$43,464
Depreciation	2,308	15,800	463	1,600	-	-	20,171
Disposals	-	-	-	(26)	-	-	(26)
September 30, 2024	\$5,977	\$44,079	\$5,603	\$7,950	-	-	\$63,609
Carrying amounts							
December 31, 2023	\$12,674	\$127,435	\$4,305	\$8,078	\$40,698	-	\$193,190
September 30, 2024	\$27,433	\$140,029	\$4,521	\$10,768	\$16,099	\$10,046	\$208,896

Bomboré, Burkina Faso

The Company's only material mineral property right is the Bomboré mine. The Company has determined that no indicators of impairment exist as of September 30, 2024.

Mine under development relates to the construction of the Phase II Hard Rock process plant and infrastructure at the Bomboré mine.

Construction in progress relates to the Company's Resettlement Action Plan, tailings storage facility raise, and other ongoing capital projects.

During the three and nine month periods ended September 30, 2024, \$173 and \$717, respectively (September 30, 2023 - \$130 and \$1,274) of depreciation and depletion were included in stockpile inventory.

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Notes to the Condensed Consolidated Interim Financial Statements

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(Unaudited, expressed in thousands of United States dollars)

6. TRADE AND OTHER PAYABLES

As at	September 30, 2024	December 31, 2023
Trade payables	\$26,286	\$21,794
Accrued liabilities	21,531	21,536
Lease liability, short-term portion	203	203
Payroll and indirect taxes payable	1,228	1,415
Total trade and other payables	\$49,248	\$44,948

7. LOANS AND BORROWINGS

As at	September 30, 2024	December 31, 2023
(a) Senior debt facility		
Senior debt principal (Note 7(a))	\$45,916	\$60,831
Transaction costs	(5,752)	(5,752)
Senior debt facility, net of transaction costs	40,164	55,079
Accumulated accretion	4,921	4,300
Foreign exchange	1,801	1,554
Senior debt facility, amortized cost	\$46,886	\$60,933
(b) Bridge loan		
Bridge loan principal (Note 7(b))	\$19,776	-
Transaction costs	(240)	-
Bridge loan, net of transaction costs	19,536	-
Accumulated accretion	124	-
Foreign exchange	641	-
Bridge loan, amortized cost	\$20,301	-
(c) Convertible note facility		
Convertible note principal (Note 7(c))	\$35,000	\$35,000
Transaction costs	(1,166)	(1,166)
Convertible note equity component	(4,168)	(4,168)
Convertible note facility, net of transaction costs	29,666	29,666
Accumulated accretion	2,748	1,951
Convertible note facility, amortized cost	\$32,414	\$31,616
Total loans and borrowings	\$99,601	\$92,549
Less: current portion, Senior debt facility and bridge loan	(40,722)	(20,192)
Total non-current portion, loans and borrowings	\$58,879	\$72,357

(a) Senior debt facility

The Senior Debt Facility is a project-level debt with Coris Bank International SA ("Coris") and was originally divided into a medium-term loan and a short-term loan. The medium-term loan of XOF 40.0 billion bears interest at 9.0% per annum and is repayable in monthly principal instalments that started in October 2023 and matures in September 2026. The

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Notes to the Condensed Consolidated Interim Financial Statements

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(Unaudited, expressed in thousands of United States dollars)

short-term loan of XOF 17.5 billion bore interest at 8.0% per annum and had a term of 12-months, maturing on June 28, 2023. The Senior Debt Facility is secured by a pledge of assets of the Bomboré mine and a parental guarantee.

The Company made principal repayments totalling XOF 17.5 billion (\$28.8 million) on the short-term loan in 2023, with the loan fully extinguished on maturity.

The Company made principal repayments totalling XOF 9.0 billion (\$14.9 million) on the medium-term loan during the nine month period ended September 30, 2024 (September 30, 2023 - \$nil).

(b) Bridge loan

The Company closed and drew on a bridge loan for gross proceeds of XOF 12.0 billion (\$19.8 million) with Coris on May 10, 2024. The bridge loan has a term of 12-months, bears monthly interest of 10% per annum, and holds the same security currently in place for the Coris medium term loan. The bridge loan requires principal repayments on a semi-annual basis but can be repaid early at any time without penalty.

(c) Convertible note facility

The Convertible Note Facility bears interest at 8.5% per annum, has a term of 5 years, and matures on October 15, 2026. Interest is payable quarterly and up to 75% in common shares at the Company's option and is convertible at the option of the holder at any time at the conversion price of \$1.08 per share ("Conversion Price"). The note is non-callable with principal due on 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.

During the three and nine month periods ended September 30, 2024, the Company issued 1,109,382 and 2,906,733 shares, respectively (September 30, 2023 – 588,067 and 1,795,439) as payment for \$555 and \$1,672 of interest, respectively, (September 30, 2023 - \$556 and \$1,668) on the Convertible Note Facility.

8. ENVIRONMENTAL REHABILITATION PROVISION

As at	September 30, 2024	December 31, 2023
Opening balance	\$10,596	\$12,241
Obligations incurred	1,517	1,274
Change in estimate	212	(3,404)
Accretion	349	485
Closing balance	\$12,674	\$10,596

The undiscounted cash flows related to the environmental rehabilitation obligation as of September 30, 2024, totalled \$22.8 million (December 31, 2023 - \$19.0 million).

9. SHARE CAPITAL

(a) Capital stock

Authorized capital stock consists of an unlimited number of common shares, without par value.

On August 8, 2024, the Company completed a non-brokered private placement of 92,743,855 common shares of the Company at a share price of C\$0.70 for gross proceeds of C\$64,921 (\$47,431). The net proceeds received from the share issuance was C\$64,790 (\$47,336) after legal and listing fees.

On March 8, 2023, the Company completed a non-brokered private placement of 13,000,000 common shares of the Company at a share price of C\$1.27 for gross proceeds of C\$16,510 (\$12,057). The net proceeds received from the share issuance was C\$15,891 (\$11,605) after commissions, legal and other fees.

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Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine month periods ended September 30, 2024 and 2023

(Unaudited, expressed in thousands of United States dollars)

(b) Stock options

The following table summarizes changes in stock options for the nine month period ended September 30, 2024 and the year ended December 31, 2023.

	Stock options	
	Outstanding	Weighted average exercise price
	#	C\$
January 1, 2023	22,076,556	0.73
Granted	2,342,309	1.21
Exercised	(3,847,290)	0.73
Expired / Forfeited	(306,715)	1.20
December 31, 2023	20,264,860	0.78
Granted	3,924,857	0.80
Exercised	(2,601,666)	0.53
Expired / Forfeited	(865,000)	0.53
September 30, 2024	20,723,051	0.83

The following table summarizes information about the Company's stock options outstanding at September 30, 2024:

Range of exercise prices	Options outstanding			Options exercisable	
	Outstanding as at September 30, 2024	Weighted average remaining contractual life	Weighted average exercise price	Outstanding as at September 30, 2024	Weighted average exercise price
C\$	#	Years	C\$	#	C\$
0.30 – 0.62	5,540,334	0.66	0.51	5,540,334	0.51
0.63 – 0.94	9,734,857	3.47	0.79	6,918,296	0.79
0.95 – 1.26	5,013,803	2.44	1.18	4,335,589	1.17
1.27 – 1.60	434,057	2.54	1.51	434,057	1.51
Totals	20,723,051	2.45	0.83	17,228,276	0.81

The Black-Scholes option valuation model input factors for stock options granted during the nine month periods ended were as follows:

	September 30, 2024	September 30, 2023
Expected life (years)	3.0	3.0
Expected volatility (%)	52.59	65.04
Expected dividend yield (%)	-	-
Risk-free interest rate (%)	3.94	4.04
Weighted average exercise price (C\$)	0.80	1.26
Weighted average fair value (C\$)	0.31	0.58

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(c) Restricted Share Units (“RSUs”) and Deferred Share Units (“DSUs”)

	RSUs		DSUs	
	Outstanding	Vested	Outstanding	Vested
	#	#	#	#
January 1, 2023	2,155,792	1,203,396	1,025,418	1,025,418
Granted	839,073	-	513,337	-
Vested	-	865,145	-	513,337
Redeemed	(770,450)	(770,450)	(323,116)	(323,116)
Forfeited	(79,430)	-	-	-
December 31, 2023	2,144,985	1,298,091	1,215,639	1,215,639
Granted	2,422,857	-	1,053,125	-
Vested	-	430,951	-	1,053,125
Redeemed	(817,358)	(817,358)	-	-
Forfeited	-	-	-	-
September 30, 2024	3,750,484	911,684	2,268,764	2,268,764

RSUs

Each RSU is redeemable into one common share of the Company.

During the nine month period ended September 30, 2024, the Company granted 2,422,857 RSUs (September 30, 2023 – 839,073) at an average fair value of C\$0.80 each (September 30, 2023 – C\$1.26) to employees of the Company. The RSUs will vest in two equal installments on the first and second anniversaries of the grant date.

During the nine month period ended September 30, 2024, 817,358 (September 30, 2023 – 114,225) RSUs were redeemed for an equal number of common shares of the Company, and no (September 30, 2023 – 79,430) unvested RSUs were forfeited.

DSUs

Each DSU is redeemable into one common share of the Company.

During the nine month period ended September 30, 2024, the Company granted 1,053,125 DSUs (September 30, 2023 – 513,337) to directors of the Company. The DSUs are fully vested on the grant date at a weighted average fair value of C\$0.79 each (September 30, 2023 – C\$1.25).

During the nine month period ended September 30, 2024, no DSUs (September 30, 2023 – 193,463) were redeemed.

(d) Share-based compensation

The following table summarizes share-based compensation expense by unit type for the three and nine month periods ended September 30:

	Three month period ended September 30,		Nine month period ended September 30,	
	2024	2023	2024	2023
Stock options	\$150	\$141	\$775	\$736
Restricted share units	335	195	916	623
Deferred share units	-	-	619	479
Total share-based compensation	\$485	\$336	\$2,310	\$1,838

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10. INCOME TAXES

The Company estimates the effective tax rates expected to be applied for the full year and uses these rates to determine the income tax provision in interim periods. The impact of changes in judgments and estimates concerning the probable realization of losses and other tax attributes are recognized in the interim period in which they occur. The effective corporate income tax rate in Burkina Faso is 27.5% (2023 – 27.5%). In January 2024, the Burkina Faso government introduced a temporary special levy of 2% on after-tax profits for the 2023 and subsequent tax years, effectively increasing its corporate income tax rate by another 1.45%.

The income tax expense for the three and nine month periods ended September 30, 2024 was \$6,240 and \$19,570, respectively (September 30, 2023 – \$2,730 and \$12,300).

11. SUPPLEMENTAL CASH FLOW INFORMATION

(a) Changes in non-cash operating activities

Supplemental details of the changes in non-cash working capital for the nine month periods ended September 30:

	2024	2023
Inventories	(\$13,506)	(\$17,645)
Other current assets	(8,472)	(11,850)
Other non-current assets	(2,583)	-
Trade and other payables	362	692
	(\$24,199)	(\$28,803)

(b) Changes in non-cash investing activities

Supplemental details of the changes in non-cash investing activities for the nine month periods ended September 30:

	2024	2023
Acquisition of mineral properties, plant and equipment	\$4,779	(\$5,883)
	\$4,779	(\$5,883)

(c) Changes in non-cash financing activities

Supplemental details of the changes in non-cash financing activities for the nine month periods ended September 30:

	2024	2023
Shares issued for interest (Note 7)	\$1,672	\$1,668
Accretion on loans and borrowings (Note 7)	1,478	1,754
Fair value loss on silver stream liability	1,225	667
Non-cash and accrued interest	571	812
Other finance costs	525	-
Fair value of warrant exercises	-	(3,408)
	\$5,471	\$1,493

12. FINANCIAL INSTRUMENTS AND RISKS

The Company's existing operations involve the exploration, development, and mine operation of its Bomboré mine in Burkina Faso which exposes the Company to a variety of financial instrument related risks. These risks include foreign currency risk, liquidity risk, credit risk and other risks. The Company's board of directors provides oversight for the Company's risk management processes.

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(a) Foreign currency risk

The Company is exposed to currency risk due to business transactions in foreign countries. The Company mainly transacts in Canadian dollars, United States dollars, Euros, and XOF. Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Exchange rate fluctuations may affect the costs that the Company incurs in its operations. There has been no change in the Company's objectives and policies for managing this risk during the nine month period ended September 30, 2024.

The US\$ equivalent of the Company's financial instruments by originating denomination currency was as follows:

As at September 30, 2024	US\$	C\$	EUR & XOF ¹	Other	Total
Financial assets					
Cash	\$11,751	\$2,646	\$52,474	\$29	\$66,900
Other current assets	3,437	47	1,392	274	5,150
Other non-current assets	-	47	-	-	47
	\$15,188	\$2,740	\$53,866	\$303	\$72,097
Financial liabilities					
Trade and other payables	\$15,299	\$3,295	\$27,020	\$320	\$45,934
Loans and borrowings	32,414	-	67,187	-	99,601
Lease liabilities	255	236	-	-	491
Silver stream liability	7,732	-	-	-	7,732
Net financial instruments	(\$40,512)	(\$791)	(\$40,341)	(\$17)	(\$81,661)

As at December 31, 2023	US\$	C\$	EUR & XOF ¹	Other	Total
Financial assets					
Cash	\$110	\$8,588	\$10,779	\$6	\$19,483
Other current assets	3,759	81	1,694	964	6,498
Other non-current assets	-	36	-	-	36
	\$3,869	\$8,705	\$12,473	\$970	\$26,017
Financial liabilities					
Trade and other payables	\$14,397	\$2,643	\$24,042	\$388	\$41,470
Loans and borrowings	31,616	-	60,933	-	92,549
Lease liabilities	354	294	-	-	648
Silver stream liability	6,697	-	-	-	6,697
Net financial instruments	(\$49,195)	\$5,768	(\$72,502)	\$582	(\$115,347)

A 10% weakening against the US\$ of the currencies to which the Company had exposure would have had the following loss (gain) effects (a 10% strengthening against the US\$ would have had the opposite effect):

As at	September 30, 2024	December 31, 2023
C\$	\$79	(\$577)
EUR & XOF	\$4,034	\$7,250
Others	\$2	(\$58)

¹ The financial instruments held in EUR and XOF have been presented together as the XOF is pegged to the EUR.

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(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting its financial obligations as they fall due. The Company manages its liquidity by preparing cash flow forecasts on a regular basis to assess whether the Company will likely have sufficient cash resources to meet its future operational, capital, and working capital requirements.

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

	Within 1 year	Between 1 and 5 years	Thereafter	Total
Trade and other payables	\$49,248	-	-	\$49,248
Income tax payable	17,269	-	-	17,269
Capital commitments	11,085	-	-	11,085
Operating commitments	745	-	-	745
Lease commitments	93	525	-	618
Senior Debt Facility	24,933	29,115	-	54,048
Bridge Loan	21,876	-	-	21,876
Convertible Note Facility	2,975	38,097	-	41,072
Total	\$128,224	\$67,737	-	\$195,961

The Company's capital commitments primarily relate to non-cancellable purchase orders or contracts entered into by the Company with respect to the construction of the Phase II Hard Rock process plant and infrastructure at the Bomboré mine.

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, exclude 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 the stream holder for no further payments.

(c) Credit risk

The Company's cash and trade and other receivables are exposed to credit risk, which is the risk that the counterparties to the Company's financial instruments will fail to discharge their obligations to the Company. The amount of credit risk to which the Company is exposed is considered insignificant as the Company's cash is held with highly rated financial institutions in interest-bearing accounts and the concentration of cash held in any one institution is regularly monitored.

(d) Fair value measurements

The following table sets forth the Company's financial instruments measured at fair value by level within the fair value hierarchy:

	Level 1	Level 3	September 30, 2024	Level 1	Level 3	December 31, 2023
Cash	\$66,900	-	\$66,900	\$19,483	-	\$19,483
Other financial assets	47	-	47	36	-	36
Silver stream liability	-	(\$7,732)	(\$7,732)	-	(\$6,697)	(\$6,697)

The Company did not transfer any assets or liabilities between levels on the fair value hierarchy and has not offset any of its financial assets against its financial liabilities.

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13. SUBSEQUENT EVENTS

On October 7, 2024, the Company issued 717,327 and 286,931 shares to Resource Capital Fund VII L.P. and Beedie Investments Ltd., respectively, as payment for interest on the Convertible Note Facility.

During October 2024, 516,000 stock options were exercised at an exercise price of C\$0.53 for total proceeds of C\$273 (\$199).