



OREZONE GOLD CORPORATION

Condensed Consolidated Interim Financial Statements

For the three and nine month periods ended September 30, 2022

(Unaudited, Expressed in United States dollars)

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

Notice to reader pursuant to National Instrument 51-102

Responsibility for Financial Statements:

The accompanying unaudited condensed consolidated interim financial statements of Orezone Gold Corporation as at and for the three and nine month periods ended September 30, 2022 have been prepared by the Company's management. Recognizing that the Company is responsible for both the integrity and objectivity of the condensed interim financial statements, management is satisfied that these condensed consolidated interim financial statements have been fairly presented.

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 United States dollars)

As at	September 30, 2022	December 31, 2021
ASSETS		
Current assets		
Cash	\$7,372,738	\$36,082,980
Inventories (Note 3)	7,773,606	356,961
Other current assets	5,209,448	2,670,267
Total current assets	20,355,792	39,110,208
Non-current assets		
Other financial assets	337,672	403,144
Deferred financing costs (Note 4)	-	3,704,553
Mineral properties, plant and equipment (Note 5)	217,440,816	97,280,591
Total assets	\$238,134,280	\$140,498,496
LIABILITIES AND EQUITY		
Current liabilities		
Trade and other payables	\$33,333,884	\$19,359,315
Current portion of warrant liability (Note 6)	4,503,267	-
Current portion of loans and borrowings (Note 7)	25,421,638	-
Total current liabilities	63,258,789	19,359,315
Non-current liabilities		
Warrant liability (Note 6)	-	8,633,726
Loans and borrowings (Note 7)	86,127,871	45,826,744
Lease liabilities	945,157	441,431
Silver stream liability (Note 8)	7,755,969	7,688,638
Environmental rehabilitation provision (Note 9)	16,675,262	4,672,139
Total liabilities	174,763,048	86,621,993
Equity		
Share capital	278,469,668	268,190,768
Reserves	29,863,186	29,162,636
Accumulated deficit	(236,202,023)	(233,369,481)
Equity attributable to shareholders	72,130,831	63,983,923
Non-controlling interest	(8,759,599)	(10,107,420)
Total equity	63,371,232	53,876,503
Total liabilities and equity	\$238,134,280	\$140,498,496

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 10, 2022:

/s/ Patrick Downey _____

Patrick Downey
Director

/s/ Rob Doyle _____

Rob Doyle
Director

Orezone Gold Corporation

Condensed Consolidated Interim Statements of Profit and Loss and Comprehensive Profit and Loss

For the three and nine month periods ended September 30, 2022 and 2021

(Unaudited, expressed in United States dollars, except for number of share amounts)

	Three months ended September 30,		Nine months ended September 30	
	2022	2021	2022	2021
Expenses				
Exploration and evaluation costs	\$2,075,185	\$110,739	\$4,866,812	\$1,334,987
General and administrative costs	2,158,409	1,094,847	4,511,041	3,306,339
Share-based compensation (Note 10(d))	229,528	435,857	1,581,677	1,666,057
Depreciation (Note 5)	26,687	28,760	86,126	129,533
Operating expenses	4,489,809	1,670,203	11,045,656	6,436,916
Other income (loss)				
Foreign exchange gain (loss)	4,883,296	(156,872)	8,039,180	(1,535,712)
Finance income	29,738	30,909	56,896	142,699
Finance expense	(28,078)	(2,845)	(63,499)	(9,905)
Fair value loss on other financial assets	(36,089)	(202,112)	(33,579)	(390,850)
Fair value (loss) gain on warrant liability (Note 6)	(480,815)	(5,986,402)	767,716	(5,986,402)
Fair value gain (loss) on stream liability (Note 8)	234,235	-	(67,331)	-
Other income (loss)	4,602,287	(6,317,322)	8,699,383	(7,780,170)
Net profit (loss) for the period	112,478	(7,987,525)	(2,346,273)	(14,217,086)
Net profit (loss) attributable to:				
Shareholders	(190,400)	(7,992,318)	(2,832,542)	(14,131,288)
Non-controlling interest	302,878	4,793	486,269	(85,798)
Net profit (loss) for the period	\$112,478	(\$7,987,525)	(\$2,346,273)	(\$14,217,086)
Other comprehensive income				
Foreign currency translation gain	-	-	-	1,854,589
Total other comprehensive income	-	-	-	1,854,589
Comprehensive income (loss) for the period	112,478	(7,987,525)	(2,346,273)	(12,362,497)
Comprehensive income (loss) attributable to:				
Shareholders	(549,445)	(8,132,608)	(3,694,094)	(12,596,071)
Non-controlling interest	661,923	145,083	1,347,821	233,574
Comprehensive income (loss) for the period	\$112,478	(\$7,987,525)	(\$2,346,273)	(\$12,362,497)
Net loss per common share attributable to the shareholders of the Company, basic and diluted	(\$0.00)	(\$0.02)	(\$0.01)	(\$0.04)
Weighted-average number of common shares outstanding, basic and diluted	332,881,327	323,533,806	328,321,169	315,990,784

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, 2022 and 2021

(Unaudited, expressed in United States dollars, except for number of share amounts)

	Share capital		Reserves					Accumulated deficit	Equity attributable to shareholders	Non-controlling interest	Total Equity
	Shares	Amount	Share-based payments	Foreign currency translation	Warrants	Contributed surplus	Convertible note equity component				
	#	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Balance, January 1, 2022	323,899,306	268,190,768	18,681,054	847,680	-	5,465,950	4,167,952	(233,369,481)	63,983,923	(10,107,420)	53,876,503
Shares issued (Note 7(b))	1,451,271	1,558,818	-	-	-	-	-	-	1,558,818	-	1,558,818
Warrants exercised (Note 6)	7,197,300	7,845,637	-	-	-	-	-	-	7,845,637	-	7,845,637
Stock options exercised (Note 10(b))	615,332	456,914	(136,854)	-	-	-	-	-	320,060	-	320,060
RSUs redeemed (Note 10(c))	559,000	417,531	(417,531)	-	-	-	-	-	-	-	-
Share-based compensation (Note 10(d))	-	-	2,116,487	-	-	-	-	-	2,116,487	-	2,116,487
Foreign currency translation	-	-	-	(861,552)	-	-	-	-	(861,552)	861,552	-
Net (loss) income for the period	-	-	-	-	-	-	-	(2,832,542)	(2,832,542)	486,269	(2,346,273)
Balance, September 30, 2022	333,722,209	278,469,668	20,243,156	(13,872)	-	5,465,950	4,167,952	(236,202,023)	72,130,831	(8,759,599)	63,371,232

	Share capital		Reserves					Accumulated deficit	Equity attributable to shareholders	Non-controlling interest	Total Equity
	Shares	Amount	Share-based payments	Foreign currency translation	Warrants	Contributed surplus	Convertible note equity component				
	#	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Balance, January 1, 2021	252,653,306	212,546,551	16,550,415	(544,050)	893,136	5,048,088	-	(214,795,456)	19,698,684	(10,005,311)	9,693,373
Shares issued	70,242,500	57,490,921	-	-	-	-	-	-	57,490,921	-	57,490,921
Share issuance costs	-	(2,595,976)	-	-	-	-	-	-	(2,595,976)	-	(2,595,976)
Warrants exercised	463,000	322,966	-	-	(24,127)	-	-	-	298,839	-	298,839
Warrants transferred	-	-	-	-	(869,009)	-	-	-	(869,009)	-	(869,009)
Stock options exercised	175,000	79,716	(20,702)	-	-	-	-	-	59,014	-	59,014
Share-based compensation	-	-	1,666,057	-	-	-	-	-	1,666,057	-	1,666,057
Foreign currency translation	-	-	-	1,535,217	-	-	-	-	1,535,217	319,372	1,854,589
Bomboré mining permit expansion	-	-	-	-	-	417,862	-	-	417,862	(417,862)	-
Net loss for the period	-	-	-	-	-	-	-	(14,131,288)	(14,131,288)	(85,798)	(14,217,086)
Balance, September 30, 2021	323,533,806	267,844,178	18,195,770	991,167	-	5,465,950	-	(228,926,744)	63,570,321	(10,189,599)	53,380,722

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, 2022 and 2021
(Unaudited, expressed in United States dollars)

	Nine months ended September 30,	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	(\$2,346,273)	(\$14,217,086)
Adjustments to reconcile net loss to cash used in operating activities:		
Share-based compensation	1,581,677	1,666,057
Depreciation	86,126	129,533
Finance income	(56,896)	(142,699)
Finance expense	63,499	9,905
Unrealized foreign exchange (gain) loss	(8,039,180)	1,535,712
Fair value loss on other financial assets	33,579	390,850
Fair value (gain) loss on warrant liability	(767,716)	5,986,402
Fair value loss on silver stream liability	67,331	-
Changes in non-cash operating working capital (Note 11)	(7,275,416)	(64,321)
Total cash outflows used in operating activities	(16,653,269)	(4,705,647)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment (Notes 5 and 11)	(91,748,600)	(43,135,293)
Interest received	63,924	147,744
Total cash outflows from investing activities	(91,684,676)	(42,987,549)
CASH FLOWS FROM FINANCING ACTIVITIES		
Senior debt proceeds (Note 7)	77,400,000	-
Debt issue costs (Note 4)	(747,981)	(321,194)
Proceeds from exercise of warrants (Note 6)	4,482,894	298,839
Proceeds from exercise of stock options (Note 10)	320,060	59,014
Lease principal payments	(106,060)	(55,960)
Interest paid	(2,148,192)	(9,905)
Proceeds from public offering	-	57,490,921
Offering issue costs	-	(2,595,976)
Total cash inflows from financing activities	79,200,721	54,865,739
Effect of foreign currency translation on cash	426,982	732,371
(Decrease) increase in cash	(28,710,242)	7,904,914
Cash, beginning of period	36,082,980	8,866,617
Cash, end of period	\$7,372,738	\$16,771,531

Supplemental cash flow information is provided in Note 11.

Orezone Gold Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine month periods ended September 30, 2022 and 2021

(Unaudited, expressed in United States dollars)

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 (common shares) and ORE.WT (warrants) and on the OTCQX under the symbol ORZCF (common shares). The Company is engaged in the exploration, development, and mine operation of gold properties in Burkina Faso, West Africa, focusing on its 90%-owned flagship Bomboré gold mine (“Bomboré”). The Company’s strategic plan is to bring its multi-million ounce Bomboré mine into commercial production. Construction of the Bomboré mine is substantially complete with first gold poured on September 10, 2022 and commissioning is in its final stages.

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 “CFA” 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 (“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, 2021 (the “2021 Annual Financial Statements”), which have been prepared in accordance with IFRS.

These Interim Financial Statements were authorized for issue by the Board of Directors on November 10, 2022.

(b) Basis of measurement

The preparation of financial statements in conformity of IFRS also 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 2021 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, 2022 and 2021.

These Interim Financial Statements are presented in United States dollars, unless otherwise indicated.

(c) Commercial production

The determination of when a mine enters the commercial production stage is a significant judgment. The development phase ends and the production phase begins when the mine is in the condition necessary for it to be capable of operating in the manner intended by management. Various relevant criteria are considered to assess when the mine is substantially complete and ready for its intended use. Management examines the following factors when making that judgment:

- All major capital expenditures to bring the mine to the condition necessary for it to be capable of operating in the manner intended by management have been completed;
- The completion of a reasonable period of testing of the mine plant and equipment;
- The mill has reached a pre-determined percentage of design capacity and mineral recoveries are near the expected production levels; and
- The ability to sustain ongoing production of ore.

Upon achieving commercial production, costs are transferred from assets under construction into the appropriate asset classification such as inventory, mineral properties, property, plant and equipment.

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Notes to the Condensed Consolidated Interim Financial Statements

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(Unaudited, expressed in United States dollars)

Following the adoption of the amendment to IAS 16, *Property, Plant and Equipment* ("IAS 16"), as disclosed in Note 2(d), pre-commercial production sales of gold and silver, and related costs while bringing the mine into a condition necessary for it to be capable of operating in the manner intended by management, are recognized in profit or loss. The Company measures the cost of those items by applying the measurement requirements of IAS 2, *Inventories*.

Development expenditures incurred during the production phase to provide access to ore reserves in future periods; expand existing capacity; or generally provide future economic benefits will continue to be capitalized under the Company's accounting policies for development costs, and mineral properties, plant and equipment.

(d) Inventories

Inventories include stockpiled ore, gold-in-circuit ("GIC"), finished goods, and materials and supplies inventory. The value of all production inventories include direct production costs and attributable overhead and depreciation incurred to bring materials to their current point in the processing cycle. General and administrative costs for the corporate office are excluded from any inventories. All inventories are valued at the lower of weighted average cost and net realizable value. Net realizable value is determined with reference to market prices, less estimated future production costs (including royalties) to convert inventories to saleable form.

Stockpiled ore represents unprocessed ore that has been mined and is available for future processing. Stockpiled ore value is based on the weighted-average mining costs incurred, including depreciation and depletion, in bringing the ore to the stockpile. Costs are added to the stockpiled ore based on mining costs per tonne and are removed at the average cost per tonne of ore in the stockpile. Stockpiled ore is classified as non-current if the timing of the planned usage is beyond twelve months. At September 30, 2022 stockpiled ore remains in mine under development and will be transferred to inventory upon commercial production.

GIC inventory represents ore being treated in the processing plant to extract the contained gold and to convert it to saleable form. The amount of gold in the GIC inventory is determined by assay values and by measures of the various gold bearing materials in the recovery process. The GIC inventory is valued at the average cost of the beginning inventory and the cost of material fed into the processing plant plus in-circuit conversion costs including applicable mine-site overheads, and depreciation. Costs are removed and transferred to finished goods inventory based on the average cost per ounce in GIC.

Finished goods inventory includes doré gold bars and refined gold. Costs include the direct costs of mining and processing operations as well as direct mine-site overheads, transport, refining, and depreciation and depletion.

Materials and supplies inventories consist primarily of equipment parts and other consumables required in the mining and ore processing activities. A periodic review is undertaken of material and supplies inventory to determine the extent of any provision for obsolescence. Major spare parts and standby equipment are included in plant and equipment when they are expected to be used during more than one period and if they can only be used in connection with an item of plant and equipment.

(e) Change in accounting standard

These Interim Financial Statements have been prepared using accounting policies consistent with those used in the 2021 Annual Financial Statements, except as follows:

Amendments to IAS 16, Property, Plant and Equipment

The IASB issued an amendment to IAS 16, *Property, Plant and Equipment* to prohibit deducting from property, plant and equipment amounts received from selling items produced while preparing an asset for its intended use. Instead, sales proceeds and related costs must be recognized in profit or loss. The amendment requires companies to distinguish between costs associated with producing and selling items before the item of property, plant and equipment is available for use and costs associated with making the item of property, plant and equipment available for its intended use. The

Orezone Gold Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine month periods ended September 30, 2022 and 2021

(Unaudited, expressed in United States dollars)

Company adopted the amendment effective January 1, 2022 and will recognize any sales proceeds and production and selling costs upon commencement of gold production at Bomboré in the Consolidated Statements of Profit and Loss.

3. INVENTORIES

As at	September 30, 2022	December 31, 2021
Gold-in-circuit	\$1,014,567	-
Finished goods	3,858,294	-
Materials and supplies	2,900,745	356,961
Total inventories	\$7,773,606	\$356,961

As at September 30, 2022, \$nil (December 31, 2021 - \$nil) of non-cash costs such as depreciation and depletion were included in inventory, as the Bomboré mine has not yet entered commercial production.

There were no write downs to reduce the carrying value of inventories to net realizable value during the period ended September 30, 2022.

4. DEFERRED FINANCING COSTS

	Senior debt facility - medium-term	Senior debt facility - short-term	Convertible note facility	Total
Balance at January 1, 2021	-	-	-	-
Additions	4,549,451	454,945	1,166,432	6,170,828
Transaction costs allocated to debt	(1,299,843)	-	(1,022,742)	(2,322,585)
Transaction costs allocated to equity	-	-	(143,690)	(143,690)
December 31, 2021	\$3,249,608	\$454,945	-	\$3,704,553
Additions	312,704	435,277	-	747,981
Transaction costs allocated to debt (Note7)	(3,562,312)	(890,222)	-	(4,452,534)
Balance at September 30, 2022	-	-	-	-

For the nine months ended September 30, 2022, the Company made drawdowns totalling CFA 47.5 billion (\$77.4 million) under the Senior Debt Facility. Deferred transactions costs of \$4,452,534 were allocated to these drawdowns.

5. MINERAL PROPERTIES, PLANT AND EQUIPMENT

Cost and accumulated depreciation	Land and mineral property rights	Buildings and leasehold improvements	Vehicles and equipment	Construction in progress	Mine under development	Total
Cost						
January 1, 2021	\$909,105	\$5,071,613	\$4,034,928	-	-	\$10,015,646
Additions	-	502,652	1,743,552	1,784,520	92,043,180	96,073,904
Disposals	-	-	(6,348)	-	-	(6,348)
Transfer	-	945,366	520,237	(1,465,603)	-	-
Foreign currency translation	11,324	(145,923)	(128,976)	(16,170)	(207,576)	(487,321)
December 31, 2021	\$920,429	\$6,373,708	\$6,163,393	\$302,747	\$91,835,604	\$105,595,881
Additions	-	2,456	1,517,465	663,315	118,872,394	121,055,630
Disposals	-	-	(6,597)	-	-	(6,597)
Transfers	-	-	125,030	(125,030)	-	-
September 30, 2022	\$920,429	\$6,376,164	\$7,799,291	\$841,032	\$210,707,998	\$226,644,914

Orezone Gold Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine month periods ended September 30, 2022 and 2021

(Unaudited, expressed in United States dollars)

Accumulated depreciation						
January 1, 2021	-	\$4,047,546	\$3,416,715	-	-	\$7,464,261
Depreciation	-	515,821	560,392	-	-	1,076,213
Disposals	-	6,348	(6,348)	-	-	-
Foreign currency translation	-	(123,397)	(101,787)	-	-	(225,184)
December 31, 2021	-	\$4,446,318	\$3,868,972	-	-	\$8,315,290
Depreciation	-	281,764	613,641	-	-	895,405
Disposals	-	-	(6,597)	-	-	(6,597)
September 30, 2022	-	\$4,728,082	\$4,476,016	-	-	\$9,204,098
Carrying amounts						
December 31, 2021	\$920,429	\$1,927,390	\$2,294,421	\$302,747	\$91,835,604	\$97,280,591
September 30, 2022	\$920,429	\$1,648,082	\$3,323,275	\$841,032	\$210,707,998	\$217,440,816

Bomboré, Burkina Faso

The Company's only material mineral property right is the Bomboré mine.

For the three and nine month periods ended September 30, 2022, \$3,717,763 and \$8,860,268, respectively, of borrowing costs and \$302,911 and \$809,279, respectively, of depreciation directly attributable to the mine are included in mine under development. Depreciation of \$26,687 and \$86,126 respectively, not directly attributable to the mine are included in the Interim Statements of Profit and Loss.

6. WARRANT LIABILITY

	Warrants	Warrant Liability	Warrant FVTPL
	#	\$	\$
January 1, 2022	17,685,450	\$8,633,726	-
Exercised	(7,197,300)	(3,362,743)	-
Fair value gain on re-measurement	-	(767,716)	767,716
September 30, 2022	10,488,150	\$4,503,267	\$767,716

A total of 7,197,300 warrants were exercised in the nine month period ended September 30, 2022 for proceeds of \$4,482,894. The fair value of the warrants on the dates they were exercised of \$3,362,743 was transferred to share capital.

As at September 30, 2022, the weighted average remaining contractual life of the warrants is 0.33 years (December 31, 2021 – 1.08 years).

Orezone Gold Corporation

Notes to the Condensed Consolidated Interim Financial Statements

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(Unaudited, expressed in United States dollars)

7. LOANS AND BORROWINGS

As at	September 30, 2022	December 31, 2021
Senior Debt Facility		
Senior debt principal (Note 7(a))	\$94,600,000	\$17,200,000
Transaction costs (Note 4)	(5,752,376)	(1,299,842)
Senior Debt Facility, net of transaction costs	88,847,624	15,900,158
Accumulated accretion	528,366	4,200
Foreign exchange	(8,267,983)	100,000
Senior Debt Facility, amortized cost	\$81,108,007	\$16,004,358
Convertible Note Facility		
Convertible note principal (Note 7(b))	\$35,000,000	\$35,000,000
Transaction costs (Note 4)	(1,166,432)	(1,166,432)
Convertible note equity component	(4,167,952)	(4,167,952)
Convertible Note Facility, net of transaction costs	29,665,616	29,665,616
Accumulated accretion	775,886	156,770
Convertible Note Facility, amortized cost	\$30,441,502	\$29,822,386
Total loans and borrowings	\$111,549,509	\$45,826,744
Less: current portion, Senior Debt Facility	(25,421,638)	-
Total non-current portion, loans and borrowings	\$86,127,871	\$45,826,744

The Company capitalized to mine under development the following finance costs for the three and nine month periods ended September 30:

	Three months ended		Nine months ended	
	September 30, 2022	2021	September 30, 2022	2021
Interest expense	\$2,477,314	-	\$5,661,461	-
Accretion	552,766	-	1,160,592	-
Other finance costs	687,683	-	2,038,215	-
Total finance costs	\$3,717,763	-	\$8,860,268	-

(a) Senior Debt Facility

The Senior Debt Facility is a project-level debt with Coris Bank International SA ("Coris") and is divided into a medium-term loan and a short-term loan. The medium-term loan of CFA 40.0 billion bears interest at 9.0% per annum and is repayable in monthly principal instalments starting in October 2023 and matures in September 2026. The short-term loan of CFA 17.5 billion bears interest at 8.5% per annum, has a term of 12 months from first drawdown, and will mature on June 28, 2023. The Senior Debt Facility is secured by a pledge of assets of the Bomboré mine and a parental guarantee.

On February 25, 2022, the Company made its second drawdown of CFA 10.0 billion (\$17.3 million) from the Senior Debt Facility medium-term loan.

On April 21, 2022, the Company made its third drawdown of CFA 15.0 billion (\$24.8 million) from the Senior Debt Facility medium-term loan.

On June 28, 2022, the Company made its first drawdown of CFA 5.0 billion (\$8.0 million) from the Senior Debt Facility short-term loan.

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Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine month periods ended September 30, 2022 and 2021

(Unaudited, expressed in United States dollars)

On June 30, 2022, the Company closed on its loan amendment with Coris to increase the principal on the medium-term loan from CFA 35.0 billion to CFA 40.0 billion. Concurrent with the closing of this amendment, the Company drew on this principal increase of CFA 5.0 billion (\$8.0 million).

On August 24, 2022, the Company made its second drawdown of CFA 12.5 billion (\$19.3 million) from the Senior Debt Facility short-term loan. As of September 30, 2022, the Senior Debt Facility is now fully drawn.

(b) 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.

On January 7, 2022, the Company issued 475,387 shares as payment for \$452,363 of interest accrued to December 31, 2021, on April 5, 2022, the Company issued 453,377 shares as payment for \$550,171 of interest accrued to March 31, 2022, and on July 7, 2022, the Company issued 522,507 shares as payment for \$556,284 of interest accrued to June 30, 2022.

8. SILVER STREAM

As at	September 30, 2022	December 31, 2021
Opening balance	\$7,688,638	-
Carrying amount at initial recognition	-	\$7,150,000
Fair value loss on re-measurement	67,331	538,638
Closing balance	\$7,755,969	\$7,688,638

In 2021, the Company sold 50% of future silver production from Bomboré over the life of mine for no additional proceeds in exchange for an upfront payment ("Silver Stream"). Under the Silver Stream, the Bomboré mine will make annual delivery of 37,500 ounces of silver to the stream holder commencing from the date of commercial production. If annual silver deliveries are below this minimum, the Company will make an initial catch-up payment only on the later of: (a) the fifth anniversary from the date of the initial silver delivery under the Silver Stream, and (b) repayment of the Senior Debt Facility, 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.

The Silver Stream is treated as a financial liability measured at fair value through profit or loss.

9. ENVIRONMENTAL REHABILITATION PROVISION

As at	September 30, 2022	December 31, 2021
Opening balance	\$4,672,139	-
Obligations incurred	12,214,713	4,672,139
Change in estimate	(443,829)	-
Accretion	232,239	-
Closing balance	\$16,675,262	\$4,672,139

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The increase in the environmental rehabilitation provision obligations for the nine month period ended September 30, 2022 is predominantly related to the ongoing disturbances being incurred at the Bomboré mine site. The undiscounted cash flows related to the environmental rehabilitation obligation as of September 30, 2022 totalled \$24.6 million (December 31, 2021 - \$6.1 million).

10. SHARE CAPITAL

(a) Capital stock

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

(b) Stock options

The following table summarizes the number of stock options that the Company has outstanding at September 30, 2022 including details of options granted, exercised, expired and forfeited during the period:

Grant date	Expiry date	Exercise price	Opening balance	Activity during the period			Closing balance	Vested and exercisable
				Granted	Exercised	Expired/ Forfeited		
		C\$	#	#	#	#	#	
02/08/2016	02/08/2026	0.30	890,000	-	-	-	890,000	890,000
06/23/2017	06/23/2027	0.78	4,200,000	-	-	-	4,200,000	4,200,000
07/17/2017	07/17/2027	0.78	300,000	-	-	-	300,000	300,000
01/11/2018	01/11/2028	0.81	1,193,500	-	-	-	1,193,500	1,193,500
07/23/2018	07/23/2023	0.80	2,430,000	-	-	-	2,430,000	2,430,000
07/23/2018	08/31/2022	0.80	83,334	-	83,334	-	-	-
07/23/2018	10/31/2022	0.80	166,666	-	41,666	-	125,000	125,000
02/21/2019	02/21/2024	0.53	2,896,666	-	-	-	2,896,666	2,896,666
02/21/2019	09/30/2023	0.53	350,000	-	-	-	350,000	350,000
04/17/2019	04/17/2024	0.53	550,000	-	-	-	550,000	550,000
04/23/2019	04/23/2024	0.53	200,000	-	-	-	200,000	200,000
11/21/2019	02/15/2022	0.62	400,000	-	400,000	-	-	-
11/21/2019	03/31/2023	0.62	400,000	-	-	-	400,000	400,000
05/05/2020	05/05/2025	0.54	4,324,334	-	-	-	4,324,334	4,324,334
05/05/2020	10/31/2024	0.54	516,000	-	-	-	516,000	516,000
05/05/2020	02/15/2022	0.54	66,666	-	66,666	-	-	-
02/12/2021	02/12/2026	1.05	200,000	-	-	-	200,000	133,333
03/30/2021	03/30/2026	1.05	1,201,000	-	-	-	1,201,000	800,661
03/30/2021	12/31/2024	1.05	71,000	-	-	23,667	47,333	47,333
03/30/2021	02/15/2022	1.05	23,666	-	23,666	-	-	-
03/30/2021	03/31/2023	1.05	100,000	-	-	-	100,000	66,666
07/12/2021	07/12/2026	1.42	200,000	-	-	-	200,000	133,333
11/01/2021	11/01/2026	1.20	600,000	-	-	-	600,000	-
12/22/2021	12/22/2026	1.25	629,666	-	-	-	629,666	209,888
12/22/2021	12/31/2024	1.25	30,105	-	-	20,070	10,035	10,035
02/03/2022	02/03/2027	1.18	-	603,965	-	-	603,965	201,322
03/09/2022	03/09/2027	1.50	-	150,000	-	-	150,000	50,000
04/11/2022	04/11/2027	1.60	-	200,000	-	-	200,000	66,666
06/24/2022	06/24/2027	1.32	-	84,057	-	-	84,057	28,019
Totals			22,022,603	1,038,022	615,332	43,737	22,401,556	20,122,756
Weighted average exercise price			C\$0.71	C\$1.32	C\$0.66	C\$1.14	C\$0.74	C\$0.69

The Black-Scholes option valuation model input factors for stock options granted during the nine months ended September 30, 2022 were as follows:

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Grant date	Expiry date	Grant date market price	Exercise price	Weighted average value per stock option					Grant date fair value
				Risk-free interest rate	Expected life	Expected volatility	Dividend yield		
		C\$	C\$	%	(in years)	%	%	C\$	
02/03/2022	02/03/2027	1.15	1.18	0.95	3.0	0.67	-	0.53	
03/09/2022	03/09/2027	1.50	1.50	1.49	3.0	0.67	-	0.72	
04/11/2022	04/11/2027	1.60	1.60	2.21	3.0	0.67	-	0.73	
06/24/2022	06/24/2027	1.32	1.32	2.48	3.0	0.67	-	0.60	

The outstanding options as at September 30, 2022 have a weighted average remaining contractual life of 2.95 years (December 31, 2021 – 3.57 years).

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

	RSUs		DSUs	
	Outstanding	Vested	Outstanding	Vested
	#	#	#	#
December 31, 2021	2,851,164	437,000	398,000	398,000
Granted	65,000	-	627,418	627,418
Vested	-	489,000	-	-
Redeemed	(559,000)	(559,000)	-	-
Forfeited	(136,372)	-	-	-
September 30, 2022	2,220,792	367,000	1,025,418	1,025,418

RSUs

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

On February 3, 2022, the Company granted 35,000 RSUs with a grant date fair value of C\$1.18 each to an employee of the Company. The RSUs will vest in one installment on August 26, 2023.

On April 11, 2022, the Company granted 30,000 RSUs with a grant date fair value of C\$1.60 to an employee of the Company. The RSUs will vest in equal installments on the first and second anniversaries of the grant date.

On April 30, 2022, 136,372 unvested RSUs were forfeited by a former employee of the Company.

DSUs

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

On February 3, 2022, the Company granted 550,765 DSUs to directors of the Company. The DSUs are fully vested on the grant date at the fair value of C\$1.18 each

On June 24, 2022, the Company granted 76,653 DSUs to a director of the Company. The DSUs are fully vested on the grant date at the fair value of C\$1.32 each.

(d) Share-based compensation

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

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	Three months ended		Nine months ended	
	September 30,		September 30,	
	2022	2021	2022	2021
Stock options	\$155,640	\$152,220	\$707,228	\$659,160
Restricted share units	227,233	283,637	816,746	718,819
Deferred share units	-	-	592,513	288,078
Total share-based compensation	382,873	435,857	2,116,487	1,666,057
Less amount capitalized to mine under development	(153,345)	-	(534,810)	-
Share-based compensation, net of capitalized portion	\$229,528	\$435,857	\$1,581,677	\$1,666,057

11. SUPPLEMENTAL CASH FLOW INFORMATION

(a) Changes in non-cash operating activities

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

	2022	2021
Inventories	(\$7,418,520)	(\$1,608)
Other current assets	422,650	(57,101)
Trade and other payables	(279,546)	(5,612)
	(\$7,275,416)	(\$64,321)

(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:

	2022	2021
Acquisition of mineral properties, plant and equipment	\$20,440,165	\$3,822,869
	\$20,440,165	\$3,822,869

(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:

	2022	2021
Fair value of warrant exercises (Note 6)	(\$3,362,743)	-
Accretion on loans and borrowings (Note 7)	1,160,592	-
Other finance costs (Note 7)	2,038,215	-
Shares issued for interest (Note 7)	1,558,818	-
Non-cash and accrued interest (Note 7)	2,017,950	-
Fair value loss on silver stream liability (Note 8)	67,331	-
	\$3,480,163	-

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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.

(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 CFA. 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, 2022.

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

As at September 30, 2022	US\$	C\$	EUR & CFA¹	Other	Total
Financial assets					
Cash	\$223,022	\$929,850	\$5,950,047	\$269,819	\$7,372,738
Other current assets	3,446,532	56,327	649,805	106,995	4,259,659
Other financial assets	-	337,672	-	-	337,672
	\$3,669,554	\$1,323,849	\$6,599,852	\$376,814	\$11,970,069
Financial liabilities					
Trade and other payables	\$12,547,580	\$2,607,993	\$17,565,461	\$225,738	\$32,946,772
Warrant liability	-	4,503,267	-	-	4,503,267
Loans and borrowings	30,441,502	-	81,108,007	-	111,549,509
Lease liabilities	634,043	311,114	-	-	945,157
Silver stream liability	7,755,969	-	-	-	7,755,969
Net financial instruments	(\$47,709,540)	(\$6,098,525)	(\$92,073,616)	\$151,076	(\$145,730,605)
As at December 31, 2021					
	US\$	C\$	EUR & CFA¹	Other	Total
Financial assets					
Cash	\$19,719,336	\$4,775,870	\$11,138,247	\$449,527	\$36,082,980
Other current assets	7,485	121,830	171,444	-	300,759
Other financial assets	-	403,144	-	-	403,144
	\$19,726,821	\$5,300,844	\$11,309,691	\$449,527	\$36,786,883
Financial liabilities					
Trade and other payables	\$5,710,891	\$1,932,301	\$9,565,518	\$1,907,282	\$19,115,992
Warrant liability	-	8,633,726	-	-	8,633,726
Loans and borrowings	29,822,386	-	16,004,358	-	45,826,744
Lease liabilities	-	441,431	-	-	441,431
Silver stream liability	7,688,638	-	-	-	7,688,638
Net financial instruments	(\$23,495,094)	(\$5,706,614)	(\$14,260,185)	(\$1,457,755)	(\$44,919,648)

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

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

As at	Sep. 30, 2022	Dec. 31, 2021
C\$	\$609,853	\$570,661
EUR & CFA	\$9,207,362	\$1,426,019
Others	(\$15,108)	\$145,776

(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 and working capital requirements.

The following table summarizes the contractual maturities of the Company's operating, capital and financing commitments at September 30, 2022, shown in contractual undiscounted cashflows:

	Less than 2 Months	Between 2 Months and 1 year	Between 1 and 5 years	Thereafter	Total
Trade and other payables	\$14,102,334	\$19,231,550	-	-	\$33,333,884
Capital commitments	250,000	3,358,436	1,750,000	-	5,358,436
Operating commitments	2,142	340,369	-	-	342,511
Lease commitments	62,382	266,419	1,112,906	32,123	1,473,830
Senior Debt Facility	620,833	33,132,002	69,837,303	-	103,590,138
Convertible Note Facility	-	2,975,000	44,055,411	-	47,030,411
Total	\$15,037,691	\$59,303,776	\$116,755,620	\$32,123	\$191,129,210

The Company's capital commitments relate to non-cancellable purchase orders or contracts entered into by the Company with respect to mine construction, mining and operational activities at its Bomboré mine.

The Senior Debt Facility and the Convertible Note Facility presented include both contractual principal and interest payments, where applicable, 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, 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:

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	Level 1	Level 2	Level 3	September 30, 2022	Level 1	Level 2	Level 3	December 31, 2021
Cash	\$7,372,738	-	-	\$7,372,738	\$36,082,980	-	-	\$36,082,980
Other financial assets	337,672	-	-	337,672	403,144	-	-	403,144
Warrant liability	(4,503,267)	-	-	(4,503,267)	(8,633,726)	-	-	(8,633,726)
Loans and borrowings	-	(111,549,509)	-	(111,549,509)	-	(45,826,744)	-	(45,826,744)
Silver stream liability	-	-	(\$7,755,969)	(\$7,755,969)	-	-	(\$7,688,638)	(\$7,688,638)

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.

13. SUBSEQUENT EVENTS

On October 6, 2022, the Company issued 554,579 shares as payment for \$562,397 of interest accrued to September 30, 2022 on the Convertible Note Facility. Under the terms of the facility, the Company may elect to pay up to 75% of the interest due in common shares.

On October 4, 2022, 90,900 warrants were exercised at a price of C\$0.80 for proceeds of C\$72,720 (\$53,023).

On October 13, 2022, 63,000 warrants were exercised at a price of C\$0.80 for proceeds of C\$50,400 (\$36,749).

On October 31, 2022, 125,000 stock options were exercised at a price of C\$0.80 for proceeds of C\$100,000 (\$73,732).

On November 1, 2022, 14,500 warrants were exercised at a price of C\$0.80 for proceeds of C\$11,600 (\$8,553).

On November 2, 2022, 7,002 warrants were exercised at a price of C\$0.80 for proceeds of C\$5,602 (\$4,130).

On November 4, 2022, 38,250 warrants were exercised at a price of C\$0.80 for proceeds of C\$30,600 (\$22,561).