OREZONE GOLD CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2023

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 9, 2023, the date of this MD&A. The following discussion of performance, financial condition, and future prospects should be read in conjunction with the condensed interim financial statements for the three and six months ended June 30, 2023 ("Interim Financial Statements"), which have been prepared in accordance with International Financial Reporting Standards ("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, and "H1" means first six months of the year.

Corporate Information

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". The Company's common shares also trade on the OTCQX market 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 Company achieved commercial production at its multi-million ounce Bomboré mine on December 1, 2022 and is now strategically focussed on its proposed Phase II Expansion to markedly improve annual and life of mine gold production. An updated feasibility study is slated for completion in Q3-2023 with a construction decision to follow.

2023 Second Quarter Highlights

(All mine site figures are on a 100% basis)		Q2-2023	Q1-2023	H1-2023
Operating Performance				
Gold production	oz	35,482	41,301	76,783
Gold sales	oz	33,608	43,139	76,747
Average realized gold price	$/oz	1,970	1,892	1,926
Cash costs per gold ounce sold[1]	$/oz	924	799	854
All-in sustaining costs[1] ("AISC") per gold ounce sold	$/oz	1,109	926	1,006
Financial Performance				
Revenue	$000s	66,396	81,712	148,108
Earnings from mine operations	$000s	27,490	39,670	67,160
Net income attributable to shareholders of Orezone	$000s	11,380	22,560	33,940
Net income per common share attributable to shareholders of Orezone:				
Basic	$	0.03	0.07	0.10
Diluted	$	0.03	0.06	0.09
Adjusted EBITDA[1]	$000s	31,526	42,645	74,171
Adjusted earnings attributable to shareholders of Orezone[1]	$000s	11,236	24,574	35,810
Adjusted earnings per share attributable to shareholders of Orezone[1]	$	0.03	0.07	0.10
Cash and Cash Flow Data				
Operating cash flow before changes in working capital	$000s	25,228	41,137	66,365
Operating cash flow	$000s	20,155	38,926	59,081
Free cash flow[1]	$000s	8,016	31,498	39,514
Cash, end of period	$000s	32,309	45,172	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.

The Company poured first gold on September 10, 2022 and declared commercial production on December 1, 2022 at its Bomboré mine. As a result, comparative figures for the corresponding quarter and year-to-date period in the prior year have not been presented as they are not meaningful as the Bomboré mine was under construction during this period. Operating and financial performance in the current quarter have been compared against Q1-2023 to highlight quarter-over-quarter movements in performance.

Corporate and Financial Highlights

- Zero lost-time injuries with 1,037,000 personnel-hours worked in Q2-2023 (H1-2023: 1,965,000 hours) by Bomboré employees and direct contractors reflecting the Company's continuing focus on injury and accident prevention.
- Cash of $32.3M at June 30, 2023, a decrease of $12.8M from March 31, 2023 but an increase of $23.2M from December 31, 2022.
- The Company repaid XOF 11.5 billion ($19.1M) under the Coris Bank International ("Coris Bank") senior loan facility in Q2-2023, resulting in principal repayments of XOF 17.5 billion ($28.8M) in the H1-2023 and the

extinguishment of the Coris Bank short-term loan. Debt principal stood at $101.6M at June 30, 2023 consisting of XOF 40.0 billion ($66.6M) on the senior loan facility and $35.0M on the convertible debentures.

- Matthew Quinlan was elected to the Board of Directors at the Company's June 15, 2023 annual general meeting as an independent nominee of Resource Capital Fund VII L.P., replacing Stephen Axcell who did not stand for re-election. Mr. Quinlan is an experienced executive with a strong background in capital markets and the mining sector.

2023 Outlook

The Company expects to utilize the forecasted 2023 operating cash flows from its Bomboré mine to reduce its senior loans with Coris Bank and to fund growth initiatives that will improve the future cost structure and mine life of the Bomboré operation.

2023 Guidance for Bomboré

Operating Guidance (100% basis)	Unit	FY2023
Gold production	Au oz	140,000 – 155,000
All-In Sustaining Costs[1] (revised)	$/oz Au sold	$1,100 - $1,180
Sustaining capital	$M	$15 - $16
Growth capital	$M	$33 - $38
Exploration and evaluation	$M	$4.4

1. AISC is a non-IFRS measure. See "Non-IFRS Measures" section below for additional information.
2. Foreign exchange rates used to forecast cost metrics include XOF/USD of 625 and CAD/USD of 1.30.

The Company is forecasting 2023 gold production at the bottom end of its guidance range of 140,000 – 155,000 oz. Greater-than-anticipated artisanal depletion has been encountered in certain high-grade zones mined to the end of H1-2023 which has resulted in lower-than-modelled ore grades being delivered to the process plant. Significant artisanal workings were encountered in H1-2023 but evidence of artisanal activity has diminished as the Company mines towards lower pit benches. As a result, the Company expects historical artisanal activity to have less influence on the modelled mined grades in H2-2023. In addition, the mining contractor is currently approximately 10% behind plan in terms of material movement which has delayed access to areas of higher-grade ore. A second mining contractor, currently on-site assisting with the expansion of the tailings storage facility ("TSF"), has been hired on a temporary basis to improve mining volumes and catch-up to plan by the end of 2023.

As planned, the Company has processed its last remaining stockpiles of higher-grade ore accumulated during construction in June 2023, and therefore, gold production in H2-2023 is expected to decline from production levels realized in H1-2023, offsetting the benefits of greater mining volumes and expected lower artisanal depletion.

AISC per ounce sold for 2023 is now revised upwards to $1,100 - $1,180, up from the previous guidance range of $1,010 - $1,110. The cost increase is driven mainly by the lower forecasted gold production and head grades. Other contributing factors include persistently high local diesel prices which affect both mining costs and on-site power generation, a stronger XOF currency, and additional government royalties from a higher-than-budgeted realized gold price.

Sustaining capital is expected to be in the range of $15M - $16M with $9M dedicated towards the TSF lifts (stages 2 and 3). Other areas of sustaining capital include mine and mine infrastructure, processing, security, camp, information technology, and safety. Capital covering camp and infrastructure improvements are considered one-time projects not contemplated during the main construction such as the site-wide sewage treatment system, potable water treatment plant, and camp recreational facilities.

Growth capital consists of two main projects:

(i) Power connection to Burkina Faso's national grid ($15M - $18M)

The Company plans to bring low-cost grid power supplied by SONABEL, Burkina Faso's state-owned electricity company, to Bomboré to replace the high-cost, on-site diesel power generation. The Company has budgeted for the installation of a 19-km 132 kV transmission line, mine substation, and switching station needed to connect Bomboré to Burkina Faso's national grid. Energization of the powerline is scheduled for Q4-2023.

(ii) Resettlement Action Plan ("RAP") – Phases II and III ($18M - $20M for 2023)

RAP Phases II and III will see the construction of over 2,200 private and public structures in four new resettlement villages to help relocate communities occupying areas in the southern half of the Bomboré mining permit. During 2023, RAP costs are estimated to be $18M - $20M. The RAP is scheduled for completion in 2024 but will be significantly advanced during 2023.

Exploration and evaluation spending includes $2.5M for the preparation of an updated Phase II Expansion feasibility study ("2023 FS") and $1.9M for the continuation of a reverse circulation ("RC") drill program to target mineralization outside of known resources and for advanced grade control. This drill program covers over 21,000 metres of RC drilling.

Bomboré Gold Mine, Burkina Faso (100% Basis)

Operating Highlights

		Q2-2023	Q1-2023	H1-2023
Safety				
Lost-time injuries frequency rate (LTIFR)	per 1M hours	0.00	0.00	0.00
Personnel-hours worked	000s hours	1,037	928	1,965
Mining Physicals				
Ore tonnes mined	tonnes	1,927,753	2,205,056	4,132,809
Waste tonnes mined	tonnes	3,152,264	2,382,135	5,534,399
Total tonnes mined	tonnes	5,080,017	4,587,191	9,667,208
Strip ratio	waste:ore	1.64	1.08	1.34
Processing Physicals				
Ore tonnes milled	tonnes	1,400,160	1,445,693	2,845,853
Head grade milled	Au g/t	0.87	0.96	0.92
Recovery rate	%	91.1	92.2	91.7
Gold produced	oz	35,482	41,301	76,783
Unit Cash Cost				
Mining cost per tonne	$/tonne	2.86	2.91	2.89
Mining cost per ore tonne processed	$/tonne	6.46	6.51	6.49
Processing cost	$/tonne	10.72	9.21	9.95
Site general and admin ("G&A") cost	$/tonne	3.73	3.23	3.47
Cash cost per ore tonne processed	$/tonne	20.91	18.95	19.91
Cash Costs and AISC Details				
Mining cost (net of stockpile movements)	$000s	9,050	9,417	18,467
Processing cost	$000s	15,006	13,322	28,328
Site G&A cost	$000s	5,217	4,667	9,883
Refining and transport cost	$000s	164	148	312
Government royalty cost	$000s	3,930	4,912	8,842
Gold inventory movements	$000s	(2,299)	2,019	(280)
Cash costs[1] on a sales basis	**$000s**	**31,068**	**34,485**	**65,552**
Sustaining capital	$000s	4,308	3,530	7,838
Sustaining leases	$000s	-	187	187
Corporate G&A cost	$000s	1,883	1,731	3,614
All-In Sustaining Costs[1] on a sales basis	**$000s**	**37,259**	**39,933**	**77,192**
Gold sold	oz	33,608	43,139	76,747
Cash costs per gold ounce sold[1]	**$/oz**	**924**	**799**	**854**
All-In Sustaining Costs per gold ounce sold[1]	**$/oz**	**1,109**	**926**	**1,006**

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

Bomboré Production Results

Gold production in Q2-2023 was 35,482 oz, a decrease of 14% from the 41,301 oz produced in Q1-2023. The drop in gold production is attributable to decreases in head grades of 9%, plant throughput of 3%, and plant recoveries of 2% as compared to the prior quarter.

Head grades were lower in Q2 due to mine sequencing, greater prevalence of historical artisanal activity in areas mined, and the mill feed prioritization of better grade ore stockpiles in Q1.

Plant throughput declined marginally from Q1 which exceeded nameplate by approximately 13%. Lower plant availability in Q2 was the result of routine maintenance for the installation of newly designed mill liners in April 2023 and the replacement of worn shafts in the front-end mineral sizer in late May 2023. All major planned maintenance is now complete for 2023 with plant throughput expected to trend upwards again towards record levels.

As mining deepens in certain pits, the quantity of transition ore is starting to increase. The presence of transition ore results in slightly lower metallurgical recovery and the generation of additional ball mill scats that must be recirculated through the circuit to achieve the required grind size fraction. Consequently, plant recoveries were slightly lower in Q2 as compared to Q1.

To improve the treatment efficiency of scats and to crush hard oversize transition material, the Company has acquired a used mobile crushing system (a jaw crusher and a cone crusher) in good condition to pre-treat transition ore ahead of the ROM dump pocket and to crush scats prior to recirculation. The system is currently in transit from overseas and is scheduled to be placed into operations by the end of October 2023. This system will also provide additional process plant operational flexibility once the future Phase II Hard Rock plant expansion is in operation.

Bomboré Operating Costs

AISC per gold ounce sold in Q2-2023 was $1,109, an increase of 20% from the AISC per gold ounce sold of $926 in Q1-2023. The increase in AISC was mainly driven by a combination of lower head grades, plant throughput, and recovery as explained above, higher unit operating costs, and timing of sustaining capital. Cash cost per ore tonne processed increased by 10% from $18.95 per tonne in Q1 to $20.91 per tonne in Q2 due primarily to lower plant throughput and higher processing costs for maintenance from the mill re-line and sizer shaft change-outs, and greater consumption of lime, grinding media, and power to treat a larger percentage of transition ore and scats. Site G&A also increased modestly from the planned spending increase on site security improvements including additional reinforcements of highly-trained guards and a greater frequency of patrols on and around the mining permit.

Bomboré Growth Capital Projects

Grid Power Connection

The project to connect Bomboré to Burkina Faso’s national grid continues to advance and remains on schedule for completion before the end of the 2023 year. ECG Engineering Pty Ltd. (“ECG”) has been engaged to manage the design, construction, and commissioning of the new high voltage transmission line and dedicated substations, and is working closely with SONABEL and major vendors to ensure timely deliverables and adherence to schedule.

All long lead equipment orders are in fabrication with certain deliveries already received at site. The main installation contractors have mobilized and fieldwork has commenced for the switching station, the main on-site substation, and the transmission line towers. SONABEL has approved the required drawings and designs for the powerline and substations, while land compensation under the direction of SONABEL and ground clearing for the transmission line corridor are essentially complete. Pouring of concrete foundations for the 56 transmission towers are on-going with the first shipment of transmission towers and stringing gear expected to arrive in August 2023. The Company is reviewing opportunities to accelerate or to mitigate risks to schedule. The Company has also initiated discussions to formalize a power purchase agreement with SONABEL following the memorandum of understanding signed between the parties earlier in the year.

As of June 30, 2023, the Company has incurred costs of $5.2M for the grid power connection.

RAP Phases II and III

RAP Phases II and III involve the construction of four new resettlement villages (MV3, MV2, BV2, and BV1). The Company has sequenced MV3 as the first village to construct in order to gain access to mining areas that are currently contemplated in the 2024 mine plan. MV3 is the largest of the resettlement villages and requires the erection of over 1,200 private homes and public structures.

RAP construction is currently behind schedule as the construction start for the MV3 village was delayed for two months as communities conducted sacred ceremonies for the new resettlement grounds. The Company has engaged several local contractors to complete homes on distinct lots within the MV3 site. To improve the pace of construction, the Company has commenced the award of work to additional contractors along with the recruitment of a small owner's team to assist with procurement of building material and site construction activities.

RAP compensation for displaced households began in late Q2-2023 and has continued into Q3-2023.

As of June 30, 2023, the Company has incurred costs of $2.5M for RAP Phases II and III.

Genser Dispute

The Company is currently in a commercial dispute with Genser Energy Burkina S.A. ("Genser") over Genser's failure to honour its obligations under the power purchase agreement ("PPA") signed between the parties. Recent discussions between senior management have not resulted in an amicable settlement, and the Company now intends to initiate a claim against Genser through binding arbitration to pursue a monetary award for past and future financial losses.

The Company signed a 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 and was unable to deliver a working power plant. Furthermore, Genser took no proactive steps to establish the infrastructure and permitting required to import LNG into Burkina Faso to supply Bomboré operations. As a result, the Company gave written notice to Genser in early 2023 that it was terminating the PPA due to Genser's numerous defaults.

2023 Feasibility Study Update for the Phase II Expansion

The 2019 feasibility study ("2019 FS") contemplated the construction of a 2.2M tonnes per annum ("tpa") hard rock facility which would commence production in the third year of oxide operations. Based on the mineral reserves outlined in the 2019 FS, the overall plant capacity was to remain at a nominal 5.2Mtpa, comprising of 3.0Mtpa of oxides and 2.2Mtpa of hard rock, resulting in an average gold production profile of 134K oz per year for the first ten years of commercial operations.

Subsequent to the 2019 FS, over 150,000 m of drilling has been completed leading to the discovery of the near surface P17NE deposit and extensions of other known higher grade hard rock zones within the main Bomboré deposit. Results of drilling undertaken in 2022 are expected to successfully convert Inferred resources of higher grade hard rock material into the Measured and Indicated categories.

The Company expects the new hard rock expansion will be sized as a 4.4Mtpa standalone circuit to operate independently and in parallel to the existing 5.7Mtpa oxide circuit, a notable increase to the 5.2Mtpa combined circuit in the 2019 FS. The Company has chosen to expand the circuit size to 10.1Mtpa as it believes recent drilling successes have demonstrated that the Bomboré mine is capable of supporting a larger annual operation. The Bomboré deposit remains open to further extensions and potential new discoveries from future drilling.

For the 2023 FS, the Company has engaged the same consultants (Lycopodium and Knight Piésold) that completed the development and construction of the current Phase I operations to ensure continuity and consistency.

Metallurgical test work is complete and confirms more rapid leach kinetics than those contemplated in the 2019 FS, leading to a significant reduction in required leach time from the 42 hours shown in the 2019 FS to the estimated 24 hours to be used in plant design for the 2023 FS. Flowsheet development is also complete and will follow the same design (e.g. carbon-in-leach and elution circuits) of the current operations where feasible to standardize equipment and processes. Firm quotes have been received for the SAG mill, which is on the critical path, and budgetary quotes for all other major equipment are in hand and under evaluation and will form the basis for the expansion capital estimate. Modelling of the new mineral resource estimate has concluded with modelling of the new mineral reserve estimate well-advanced. The Company remains on track to release the study results by the end of Q3-2023.

The Company has held early discussions with its senior lender, Coris Bank, about their participation in this future Phase II Expansion. Coris Bank has indicated they are supportive of this expansion and the Company intends to launch more formal discussions with Coris Bank as it draws closer to completing the 2023 FS when information about the expansion economics and capital requirements are better known.

Workforce Composition

As of June 30, 2023, there were 1,262 contractor personnel and 637 permanent and temporary Company employees directly involved with or supporting mining, processing, exploration, and capital project activities at Bomboré. Burkinabé citizens comprise 98% of this direct workforce with female representation at 8%.

Bomboré Debt and Stream Financings

Senior Secured Debt Facility with Coris Bank

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 has a principal balance of XOF 40.0 billion and bears interest at 9.0% per annum with monthly loan amortization starting in October 2023 and ending in September 2026. Early principal repayments are permitted subject to a prepayment fee of between 2% to 3%.

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 with the final loan balance of XOF 5.5 billion settled on maturity.

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.

Both loan facilities are free of any hedging, cost overrun reserves, cash sweeps, royalties, streams, production payments, and metal offtakes.

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.

Bomboré Exploration

The Bomboré mine spans over 13kms and its mineralized zones are yet to be fully defined. Several isolated mineralized zones are believed to be continuous but have not been drilled sufficiently to confirm such continuity. Several zones identified as high priority drill targets include the P17 sulphide zone and the hanging wall oxide zones at Maga and P8P9, respectively.

For the P17 sulphide zone, recent drilling has defined high-grade sulphide resources at P17S with grades more than double that of the overall average grade for the mine. Exploration drilling in 2022 defined a second shallow thick mineralized zone termed P17NE and ongoing drilling indicates that these deposits are still open and trending towards surface at P17, situated 1.2 kms to the north. Historical drilling at P17 has returned excellent intercepts and a large untested gap exists between these two areas. Future drilling is planned to infill this large, underexplored area.

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

In addition, high-grade sulphide inferred mineralized zones are present directly below or along strike of several sulphide pits in the current mineral reserves, and drilling of these zones as part of the Phase III exploration program in 2022 has intercepted wide and continuous intercepts confirming continuity at depth, and along strike and plunge at four main target areas (Maga, Siga South, Siga West, and P8P9).

The Company completed a 2022 Phase III exploration program where a total of 64,433 m of definition and exploration drilling were conducted to upgrade Inferred mineral resources into Measured and Indicated on key deposits within the Bomboré mining concession and to add new Inferred resources. Phase III drilling was a required step in the Phase II Expansion feasibility study update that the Company is currently completing in 2023. With the drilling success from the Phase III program, the Company is confident that a larger hard rock expansion will be supported by the finalized study.

Bomboré also has 10,076 hectares of exploration claims surrounding its mining permit with numerous prospective targets that have been identified including the KT and P13 prospects located to the northeast and to the southwest of the mining permit, respectively.

Social Responsibility and Sustainability

The Company 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 project and will continue with these investments and others during the project's life. The Company has contributed funding and in-kind resources toward community health and safety, educational programs, vocational training, food security, and regional development in addition to opportunities for local employment and support for small businesses. Examples include local hiring for RAP construction, heavy equipment skills training for future job applicants, process plant operations skills training, and computer skills training and upgrading. The Company also supports and promotes new community businesses and subsidence 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 construction and Phase I oxide operations. The Phase II Expansion as envisioned under the 2019 FS has been approved with the formal decree issued on March 23, 2021.

The Bomboré mine consists of the expanded mining permit (28.9 km^2) and four exploration permits: Bomboré II (12.7 km^2), Bomboré III (33.6 km^2), Bomboré IV (8.3 km^2) and Bomboré V (46.2 km^2).

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, including taxation and foreign exchange regulations. The mining convention is not a substitute for the law but specifies the provisions of the law. It is valid for the initial duration of the mining permit and is thereafter renewable for one or more periods of five years at the request of the Company.

Review of Financial Results

The Company transitioned from the exploration and evaluation ("E&E") phase to the development phase on January 21, 2021. In the development phase, costs that are directly attributable to project development are capitalized to mineral properties, plant, and equipment as mine under development. The Company achieved commercial production on December 1, 2022, after completing commissioning and a reasonable period of plant operational testing. Upon commercial production, the capitalization of certain mine development and construction costs cease. Subsequent costs are either recognized in inventory or expensed in the consolidated interim statements of income and comprehensive income depending on the nature of the expenditure.

Financial Results for the Six Months Ended June 30, 2023

($000s, except for per share amounts)	H1-2023	H1-2022
Revenue	**$148,108**	$ -
Cost of Sales		
Operating expenses	**56,710**	-
Depreciation and depletion	**15,396**	-
Royalties	**8,842**	-
Earnings from mine operations	**67,160**	-
Other Expenses		
Exploration and evaluation costs	**3,007**	2,792
General and administrative costs	**3,614**	2,353
Share-based compensation	**1,502**	1,352
Depreciation	**54**	59
Operating income (loss)	**58,983**	(6,556)
Other (loss) income	**(10,798)**	4,097
Income tax expense	**(9,570)**	-
Net income (loss) for the period	**38,615**	(2,459)
Net income (loss) attributable to shareholders of Orezone	**33,940**	(2,642)
Basic net income (loss) per share attributable to shareholders of Orezone	**$0.10**	($0.01)
Diluted net income (loss) per share attributable to shareholders of Orezone	**$0.09**	($0.01)

Revenue and cost of sales

Revenue of $148.1M were recognized from the sale of 76,747 gold ounces in H1-2023. The cost of sales associated with these revenues included $56.7M of operating expenses, $8.8M of government royalties, and $15.4M of depreciation and depletion. Production costs remain elevated in H1-2023 due to the high cost of on-site power generation and from higher input prices for diesel and key consumables when compared to prices in more recent years.

The Bomboré mine was under construction in H1-2022 and therefore, there were no gold production, revenue, or cost of sales recognized in the comparative period.

Exploration and evaluation costs

E&E costs increased by $0.2M from $2.8M in H1-2022 to $3.0M in H1-2023 primarily as a result of:

- The Company incurred exploration costs of $1.6M in H1-2023 from 11,877 m of exploratory RC drilling and from the sampling and assaying of drill samples collected from the 2022 drill program as compared to the 17,437 m of diamond drilling in H1-2022 at a cost of $2.3M; and

- The Company incurred $1.4M of study costs in H1-2023 in connection with work on the 2023 FS as compared to $0.5M of study costs in H1-2022 for consultant costs on a new mineral resource and mineral reserve estimate.

General and administrative costs

G&A costs increased by $1.2M from $2.4M in H1-2022 to $3.6M in H1-2023 mainly from annual salary increases awarded to staff, staff bonus accruals (no such accrual in H1-2022), increased insurance costs from higher coverage limits and rates, and greater business and marketing travel.

Depreciation

Depreciation expense in H1-2023 was consistent with H1-2022.

Share-based compensation

Share-based compensation expense in H1-2023 was consistent with H1-2022.

Other (loss) income

Other (loss) income increased by $14.9M from $4.1M of income in H1-2022 to a $10.8M loss in H1-2023 as a result of:

- An increase of $8.5M of finance expense from $nil in H1-2022 to $8.5M in H1-2023 as borrowing costs ceased to be eligible for capitalization following the declaration of commercial production on December 1, 2022.
- A $1.4M foreign exchange loss in H1-2023 versus a $3.2M foreign exchange gain in H1-2022 due to a depreciating USD in H1-2023 which led to foreign exchange losses recognized on the Company's XOF-denominated senior loans and non-USD denominated payables from mine activities.
- A $0.6M fair value loss on remeasurement of the warrant liability in H1-2023 versus a $1.2M fair value gain in H1-2022 driven by a decline in the Company's share price over a greater number of outstanding warrants in H1-2022 as compared to January 2023. The warrants had an expiry date of January 29, 2023 and all warrants have now been exercised or expired.
- A $0.5M fair value loss on remeasurement of the Silver Stream liability in H1-2023 (H1-2022: $0.3M loss) attributable to minor revisions in forecasted future silver prices.

Income tax expense

Income tax expense of $9.6M in H1-2023 is attributable to earnings generated by the Bomboré mine partially offset from the utilization of available tax losses accumulated from prior years. The Company had not previously recognized a deferred tax asset for these accumulated tax losses. No income tax expense was recognized in H1-2022 as Bomboré was still under construction.

Financial Results for the Three Months Ended June 30, 2023

($000s, except for per share amounts)	Q2-2023	Q2-2022
Revenue	**$66,396**	$ -
Cost of Sales		
Operating expenses	**27,138**	**-**
Depreciation and depletion	**7,838**	**-**
Royalties	**3,930**	**-**
Earnings from mine operations	**27,490**	**-**
Other Expenses		
Exploration and evaluation costs	**1,507**	1,900
General and administrative costs	**1,883**	1,320
Share-based compensation	**417**	387
Depreciation	**27**	28
Operating income (loss)	**23,656**	(3,635)
Other (loss) income	**(3,937)**	6,198
Income tax expense	**(6,710)**	-
Net income for the period	**13,009**	2,563
Net income (loss) attributable to shareholders of Orezone	**11,380**	2,410
Basic net income (loss) per share attributable to shareholders of Orezone	**$0.03**	$0.01
Diluted net income (loss) per share attributable to shareholders of Orezone	**$0.03**	$0.01

Revenue and cost of sales

Revenue of $66.4M were recognized from the sale of 33,608 gold ounces in Q2-2023. The cost of sales associated with these revenues included $27.1M of operating expenses, $3.9M of government royalties, and $7.8M of depreciation and depletion. Production costs remain elevated in Q2-2023 due to the high cost of on-site power generation and from higher input prices for diesel and key consumables when compared to prices in more recent years. The Bomboré mine was under construction in Q2-2022 and therefore, there were no gold production, revenue, or cost of sales recognized in the comparative quarter.

Exploration and evaluation costs

E&E costs decreased by $0.4M from $1.9M in Q2-2022 to $1.5M in Q2-2023 primarily as a result of:

- The Company incurred exploration costs of $0.5M in Q2-2023 from 3,953 m of exploratory RC drilling as compared to the 13,353 m of diamond drilling in Q2-2022 at a cost of $1.7M; and

- The Company incurred $1.0M of study costs in Q2-2023 in connection with work on the 2023 FS as compared to $0.2M of study costs in Q2-2022 for consultant costs on a new mineral resource and mineral reserve estimate.

General and administrative costs

G&A costs increased by $0.6M from $1.3M in Q2-2022 to $1.9M in Q2-2023 mainly from annual salary increases awarded to staff, staff bonus accruals (no such accrual in Q2-2022), increased insurance costs from higher coverage limits and rates, and greater business and marketing travel.

Depreciation

Depreciation expense in Q2-2023 was consistent with Q2-2022.

Share-based compensation

Share-based compensation expense in Q2-2023 was consistent with Q2-2022.

Other (loss) income

Other loss increased by $10.1M from income of $6.2M in Q2-2022 to a loss of $3.9M in Q2-2023 as a result of:

- An increase of $4.1M of finance expense from $nil in Q2-2022 to $4.1M in Q2-2023 as borrowing costs ceased to be eligible for capitalization following the declaration of commercial production on December 1, 2022.
- A $0.2M foreign exchange gain in Q2-2023 versus a $2.6M foreign exchange gain in Q2-2022 due to a more stable USD in Q2-2023 which led to a lower foreign exchange gain recognized on the Company's XOF-denominated senior loans and non-USD denominated payables from mine activities.
- No fair value movement in warrant liability in Q2-2023 as warrants expired in Q1-2023 versus a $4.1M fair value gain in Q2-2022 driven by an appreciation in the Company's share price.
- A $0.2M fair value loss on remeasurement of the Silver Stream liability in Q2-2023 (Q2-2022: $0.3M loss) attributable to minor revisions in forecasted future silver prices.

Income tax expense

Income tax expense of $6.7M in Q2-2023 is attributable to earnings generated by the Bomboré mine. Accumulated tax losses were fully utilized in Q1-2023. No income tax expense was recognized in Q2-2022 as Bomboré was under construction.

Summary of Quarterly Results

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

	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Net income (loss) for the period	13.01	25.61	4.23	0.11	2.56	(5.02)	(4.50)	(7.99)
Net income (loss) attributable to shareholders of Orezone	11.38	22.56	3.76	(0.19)	2.41	(5.05)	(4.44)	(7.99)
Net income (loss) per common share attributable to shareholders of Orezone, basic	0.03	0.07	0.01	(0.00)	0.01	(0.02)	(0.02)	(0.02)
Net income (loss) per common share attributable to shareholders of Orezone, diluted	0.03	0.06	0.01	(0.00)	0.01	(0.02)	(0.02)	(0.02)

Cash Flows

The following table represents the consolidated cash flows for the six months ended June 30, 2023 and 2022. Discussion of the significant items impacting the cash flows is provided below:

($000s)	H1-2023	H1-2022
Cash inflows (outflows) from (used in) operating activities	**$59,081**	($5,563)
Cash outflows used in investing activities	**(19,567)**	(66,089)
Cash (outflows) inflows (used in) from financing activities	**(16,660)**	59,090
Effect of foreign currency translation on cash	**297**	38
Increase (decrease) in cash	**23,151**	(12,524)
Cash, beginning of period	**9,158**	36,083
Cash, end of period	**32,309**	23,559

Operating cash flows

The Company generated $59.1M from operating activities in H1-2023 as compared to the use of $5.6M in H1-2022. In H1-2023, the Bomboré mine generated positive operating cash flows from the sale of 76,747 gold ounces. In H1-2022, Bomboré was in the development phase and operating cash flows consisted of exploration activities and corporate administration costs as expenditures directly related to project construction were capitalized and classified as investing activities.

Investing cash flows

Cash outflows from investing activities decreased by $46.5M from $66.1M in H1-2022 to $19.6M in H1-2023 as the Bomboré mine was under construction and commissioning in 2022 before reaching commercial production on December 1, 2022. The investing activities in H1-2023 consisted of capital expenditures at the Bomboré mine including ongoing activities for the expansion of the TSF, grid power connection, RAP, and camp and plant improvements. For H1-2022, Bomboré project work consisted of pre-production mining, site construction of the Bomboré processing plant, surface infrastructure, and power plant.

Financing cash flows

During H1-2023, cash outflows of $16.7M from financing activities 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 ("March 2023 Offering"), $5.5M from warrant exercises, and $0.5M from option exercises. In H1-2022, cash inflows from financing activities of $59.1M mainly consisted of $58.0M in drawdowns on the senior debt facility, $3.8M from warrant exercises, and $0.2M from option exercises, partially offset by $0.7M in transaction costs on the senior debt facility and $2.1M in cash interest payments on the Company's project loans.

Financial Position

The following table represents the condensed financial position for the periods ended June 30, 2023 and December 31, 2022. Discussion of the significant items impacting the financial position is provided below:

($000s)	June 30, 2023	December 31, 2022
ASSETS		
Current assets		
Cash	**$32,309**	$9,158
Inventories	**7,495**	12,729
Other current assets	**19,792**	9,334
Total current assets	**59,596**	31,221
Non-current assets		
Other financial assets	**205**	306
Long-term inventories	**53,606**	37,411
Mineral properties, plant and equipment	**182,246**	183,343
Total assets	**$295,653**	$252,281
LIABILITIES AND EQUITY		
Current liabilities		
Trade and other payables	**$37,832**	$38,003
Income tax payable	**9,570**	-
Warrant liability	**-**	2,785
Current portion of loans and borrowings	**14,935**	32,990
Total current liabilities	**62,337**	73,778
Non-current liabilities		
Loans and borrowings	**80,871**	88,851
Lease liabilities	**738**	827
Silver stream liability	**6,644**	6,257
Environmental rehabilitation provision	**13,097**	12,241
Total liabilities	**163,687**	181,954
Total equity	**131,966**	70,327
Total liabilities and equity	**$295,653**	$252,281

Cash

Cash increased by $23.1M from $9.2M at December 31, 2022 to $32.3M at June 30, 2023 primarily from net cash generated from the Bomboré mine, warrant exercises, and the March 2023 Offering partially offset by the Company's scheduled debt repayments. Refer to the consolidated statements of cash flows for further detail.

Current Inventories

Inventories decreased by $5.2M from $12.7M at December 31, 2022 to $7.5M at June 30, 2023 primarily from the reclaim of higher-grade ore stockpiles to supplement mill feed during H1-2023. The Company has processed its last remaining stockpiles of higher-grade ore accumulated during construction by the end of H1-2023. Current inventories at June 30, 2023 comprised of $0.3M in stockpiled ore, $3.2M in gold-in-circuit and finished gold bullion, and $4.0M of operational supplies and consumables.

Other current assets

Other current assets increased by $10.5M from $9.3M at December 31, 2022 to $19.8M at June 30, 2023 primarily from the increase in value added tax receivables for goods and services purchased in Burkina Faso, as well as the timing of prepayments for annual insurance.

Long-term inventories

Long-term inventories have increased by $16.2M from $37.4M at December 31, 2022 to $53.6M at June 30, 2023 as a result of continued stockpiling of surplus medium-to-low grade ore mined as processing of this material is not expected within the next twelve months.

Mineral properties, plant and equipment

The decrease of $1.1M from $183.3M at December 31, 2022 to $182.2M at June 30, 2023 is from $16.6M of depreciation and depletion recognized on mine assets, partially offset by $15.5M in capital expenditures incurred at the Bomboré mine.

Trade and other payables

The decrease of $0.2M from $38.0M at December 31, 2022 to $37.8M at June 30, 2023 is primarily the result of ongoing movements in balances to trade creditors for services, materials, and consumables, and to the government for royalties. Trade payables at the end of H1-2023 include $8.1M 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 PPA.

Income tax payable

The increase of $9.6M from $nil at December 31, 2022 to $9.6M at June 30, 2023 is from the current tax provision recognized in H1-2023. No tax instalments are required for the current year with final payment of 2023 corporate taxes due by the April 2024 tax filing deadline. Accumulated tax loss carry forwards available at the end of 2022 were fully utilized against Q1-2023 taxable earnings from the Bomboré mine.

Warrant liability

The liability decreased from $2.8M at December 31, 2022 to $nil at June 30, 2023 as there are no warrants currently outstanding. All remaining warrants at December 31, 2022 were either exercised (8,171,288 warrants) or expired (405,410 warrants) in January 2023.

Loans and borrowings

The $26.0M decrease from $121.8M at December 31, 2022 to $95.8M at June 30, 2023 is primarily related to principal repayments totalling XOF 17.5 billion ($28.8 million) on the Coris Bank Short-term loan, partially offset by $1.4M of interest accretion, and $1.4M in foreign exchange revaluation. Scheduled principal payments under the Coris Bank senior debt facility due in the next twelve months have been classified as a current liability.

Silver stream liability

The $0.3M increase from $6.3M at December 31, 2022 to $6.6M at June 30, 2023 is the result of the remeasurement of the liability primarily from minor revisions to forecasted future silver prices.

Environmental rehabilitation provision

The $0.9M increase from $12.2M at December 31, 2022 to $13.1M at June 30, 2023 is due to obligations incurred on additional disturbances created in 2023 as well as the accretion of the environmental rehabilitation provision.

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 declaring commercial production at its Bomboré mine on December 1, 2022.

As of June 30, 2023, the Company had cash and available liquidity of $32.3M and generated revenue of $148.1M from the sale of 76,747 gold ounces in H1-2023. While the Company believes its gold production will continue to provide adequate operating cash flow to fund its capital and exploration expenditures, service scheduled debt repayments, and meet working capital requirements, there can be no assurance of continued operational success. 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, and (3) proceeds from exercises of options. 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 significant doubt upon 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 9, 2023, the Company had 363,085,471 common shares, 20,464,860 stock options, 2,850,684 RSUs, and 1,345,292 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, 2023 shown in contractual undiscounted cashflows:

($000s)	Within 1 year	Between 1 and 5 years	Thereafter	Total
Trade and other payables	$37,832	-	-	**$37,832**
Capital commitments	8,297	-	-	**8,297**
Operating commitments	16,698	1,000	-	**17,698**
Lease commitments	90	903	-	**993**
Senior debt facility	22,346	59,193	-	**81,539**
Convertible note facility	2,983	41,822	-	**44,805**
Total	**$88,246**	**$102,918**	**-**	**$191,164**

The senior debt facility 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)	**Q2-2023**	**Q1-2023**	**H1-2023**
Costs of sales - operating expenses	27,138	29,572	56,710
Royalties	3,930	4,912	8,842
Cash costs on a sales basis	**31,068**	**34,484**	**65,552**
Sustaining capital	4,308	3,530	7,838
Sustaining exploration	-	-	-
Sustaining leases	-	187	187
Corporate general and administration	1,883	1,731	3,614
All-In Sustaining Costs on a sales basis	**37,259**	**39,933**	**77,192**
Gold ounces sold	33,608	43,139	76,747
Cash costs per gold ounce sold	**924**	**799**	**854**
All-In Sustaining Costs per gold ounce sold	**1,109**	**926**	**1,006**

Sustaining and Growth Capital

($000s)	**Q2-2023**	**Q1-2023**	**H1-2023**
Additions to mineral properties, plant and equipment	10,005	5,491	15,496
Growth capital	5,697	1,961	7,658
Sustaining capital	4,308	3,530	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 2023, all capital expenditures are considered sustaining except for the grid power connection and the RAP.

Sustaining Exploration Expense

($000s)	**Q2-2023**	**Q1-2023**	**H1-2023**
Exploration and evaluation costs	1,507	1,500	3,007
Non-sustaining exploration and evaluation costs	1,507	1,500	3,007
Sustaining exploration expense	-	-	-

For 2023, exploration and evaluation costs are dedicated towards study costs on an updated 2023 FS to be released in Q3-2023 and for exploratory RC drilling to target additional mineralization outside of known resources.

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)	**Q2-2023**	**Q1-2023**	**H1-2023**
Net income	13,009	25,606	38,615
Unrealized foreign exchange (gain) loss on senior loans	(160)	1,545	1,385
Fair value loss on warrant liability	-	623	623
Adjusted earnings	**12,849**	**27,774**	**40,623**
Attributable to non-controlling interest	1,613	3,200	4,813
Attributable to shareholders of Orezone	11,236	24,574	35,810
Weighted average number of shares outstanding ('000s)	359,739	346,582	353,130
Adjusted earnings per share attributable to shareholders of Orezone	0.03	0.07	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)	Q2-2023	Q1-2023	H1-2023
Earnings before income taxes	19,719	28,466	48,185
Depreciation and depletion in costs of sales	7,838	7,558	15,396
Depreciation and depletion in other expenses	27	27	54
Finance expense	4,102	4,426	8,528
EBITDA	**31,686**	**40,477**	**72,163**
Unrealized foreign exchange loss (gain) on senior loans	(160)	1,545	1,385
Fair value loss on warrant liability	-	623	623
Adjusted EBITDA	**31,526**	**42,645**	**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)	Q2-2023	Q1-2023	H1-2023
Cash flow from operating activities	20,155	38,926	59,081
Cash flow used in investing activities	(12,139)	(7,428)	(19,567)
Free cash flow	**8,016**	**31,498**	**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, 2022 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 and the warrant liability 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, 2023 the Company had 3,200,000 common shares of Sarama with a fair value of $0.2M (December 31, 2022: $0.3M).

As of June 30, 2023, the Company had no warrants outstanding (December 31, 2022: 8,576,698) with no associated fair value liability (December 31, 2022: $2.8M).

As of June 30, 2023, the fair value of the Company's Silver Stream liability was $6.6M (December 31, 2022: $6.3M).

As of June 30, 2023, the carrying amount of the Company's loans and borrowings held at amortized cost was $95.8M (December 31, 2022: $121.8M), of which $14.9M 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. Actuals outcomes could differ from these estimates and assumptions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which estimates are revised and in any future period affected.

See "Critical Accounting Estimates and Judgments" in the Company's 2022 annual MD&A as well as Note 4 in the Company's 2022 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, 2023. There have been no significant changes compared to December 31, 2022.

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 our internal controls over financial reporting during the three and six months ended June 30, 2023 that have materially affected, or are reasonably likely to materially affect, our 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, the timing of commencement of operations, and estimates of the amount of time the Company may carry on operations with existing cash resources and available funding, and is based on current expectations that involve a number of business risks and uncertainties.

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

These forward-looking statements, however, are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements including, but not limited to, unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of parties to contracts to perform as agreed; social or labour unrest; changes in commodity prices; unexpected failure or inadequacy of infrastructure, the failure of exploration programs, including drilling programs, to deliver anticipated results and the failure of ongoing and contemplated studies to deliver anticipated results or results that would justify and support continued studies, development or operations. Other factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves, the grade and recovery of material which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, inflation, changes in exchange rates, delays in the development of projects, unexpected increases in budgeted costs and expenditures, and other factors.

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

Shareholders (both current and potential) are cautioned not to place undue reliance on forward-looking statements. By its nature, forward-looking statements involve numerous assumptions, inherent risks, and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections, and various future events will not occur.

The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

Cautionary Note to U.S. Investors Concerning Resource Estimates

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

Qualified Persons

Dr. Pascal Marquis, Geo., Senior Vice President of Exploration, the Company's qualified person under NI 43-101, supervises all work associated with exploration and development programs in West Africa. Mr. Rob Henderson, P. Eng., Vice-President of Technical Services, is also a qualified person under NI 43-101. One or more of the Company's qualified persons have reviewed, approved, and verified the technical information in this MD&A.

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

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