



OREZONE GOLD CORPORATION

Condensed Consolidated Interim Financial Statements

For the three month period ended March 31, 2023

(Unaudited, Expressed in thousands of United States dollars)

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

Notice to reader pursuant to National Instrument 51-102

Auditor's involvement:

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

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

As at	March 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash	\$45,172	\$9,158
Inventories (Note 3)	7,473	12,729
Other current assets (Note 4)	14,049	9,334
Total current assets	66,694	31,221
Non-current assets		
Other financial assets	260	306
Long-term inventories (Note 3)	44,904	37,411
Mineral properties, plant and equipment (Note 5)	180,383	183,343
Total assets	\$292,241	\$252,281
LIABILITIES AND EQUITY		
Current liabilities		
Trade and other payables (Note 6)	\$37,719	\$38,003
Income tax payable	2,860	-
Current portion of warrant liability (Note 7)	-	2,785
Current portion of loans and borrowings (Note 8)	28,902	32,990
Total current liabilities	69,481	73,778
Non-current liabilities		
Loans and borrowings (Note 8)	85,406	88,851
Lease liabilities	773	827
Silver stream liability (Note 9)	6,506	6,257
Environmental rehabilitation provision (Note 10)	12,354	12,241
Total liabilities	174,520	181,954
Equity		
Share capital	301,742	280,901
Reserves	31,714	30,658
Accumulated deficit	(209,880)	(232,440)
Equity attributable to shareholders	123,576	79,119
Non-controlling interest	(5,855)	(8,792)
Total equity	117,721	70,327
Total liabilities and equity	\$292,241	\$252,281

Commitments (Note 13(b))
Subsequent Events (Note 14)

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 May 9, 2023:

/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 month periods ended March 31, 2023 and 2022

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

	Three months ended March 31,	
	2023	2022
Revenue	\$81,712	-
Cost of sales		
Operating expenses	29,572	-
Depreciation and depletion (Note 5)	7,558	-
Royalties	4,912	-
Earnings from mine operations	39,670	-
Other expenses		
Exploration and evaluation costs	1,500	892
General and administrative costs	1,731	1,033
Share-based compensation (Note 11(d))	1,085	965
Depreciation (Note 5)	27	31
Operating income (loss)	35,327	(2,921)
Other income (loss)		
Foreign exchange (loss) gain	(1,547)	571
Finance income	104	15
Finance expense	(4,426)	(18)
Fair value (loss) gain on other financial assets	(47)	202
Fair value loss on warrant liability (Note 7)	(623)	(2,820)
Fair value loss on stream liability (Note 9)	(322)	(51)
Other income (loss)	(6,861)	(2,101)
Net income (loss) before tax	28,466	(5,022)
Income tax expense	(2,860)	-
Net income (loss) for the period	\$25,606	(\$5,022)
Net income (loss) attributable to:		
Shareholders	22,560	(5,052)
Non-controlling interest	3,046	30
Net income (loss) for the period	\$25,606	(\$5,022)
Other comprehensive income (loss)		
Foreign currency translation gain	-	-
Total other comprehensive income	-	-
Comprehensive income (loss) for the period	\$25,606	(\$5,022)
Comprehensive income (loss) attributable to:		
Shareholders	22,669	(5,196)
Non-controlling interest	2,937	174
Comprehensive income (loss) for the period	\$25,606	(\$5,022)
Net earnings (loss) per common share attributable to the shareholders of the Company, basic	\$0.07	(\$0.02)
Net earnings (loss) per common share attributable to the shareholders of the Company, diluted	\$0.06	(\$0.02)
Weighted-average number of common shares outstanding (in 000's), basic	346,582	324,867
Weighted-average number of common shares outstanding (in 000's), diluted	360,577	324,867

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 three month periods ended March 31, 2023 and 2022

(Unaudited, expressed in thousands of 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 \$	Contributed surplus \$	Convertible note equity component \$				
Balance, January 1, 2023	336,328,240	280,901	20,535	489	5,466	4,168	(232,440)	79,119	(8,792)	70,327
Shares issued (Note 11(a))	13,000,000	12,057	-	-	-	-	-	12,057	-	12,057
Share issue costs (Note 11(a))	-	(452)	-	-	-	-	-	(452)	-	(452)
Shares issued for interest (Note 8(b))	624,124	562	-	-	-	-	-	562	-	562
Warrants exercised (Note 7)	8,171,288	8,278	-	-	-	-	-	8,278	-	8,278
Stock options exercised (Note 11(b))	500,000	336	(78)	-	-	-	-	258	-	258
RSUs redeemed (Note 11(c))	71,500	60	(60)	-	-	-	-	-	-	-
Share-based compensation (Note 11(d))	-	-	1,085	-	-	-	-	1,085	-	1,085
Foreign currency translation	-	-	-	109	-	-	-	109	(109)	-
Net income for the period	-	-	-	-	-	-	22,560	22,560	3,046	25,606
Balance, March 31, 2023	358,695,152	301,742	21,482	598	5,466	4,168	(209,880)	123,576	(5,855)	117,721

	Share capital		Reserves				Accumulated deficit	Equity attributable to shareholders	Non-controlling interest	Total Equity
	Shares #	Amount \$	Share-based payments \$	Foreign currency translation \$	Contributed surplus \$	Convertible note equity component \$				
Balance, January 1, 2022	323,899,306	268,191	18,680	848	5,466	4,168	(233,369)	63,984	(10,108)	53,876
Shares issued for interest	475,387	452	-	-	-	-	-	452	-	452
Warrants exercised	500	1	-	-	-	-	-	1	-	1
Stock options exercised	490,332	339	(96)	-	-	-	-	243	-	243
RSUs redeemed	274,000	203	(203)	-	-	-	-	-	-	-
Share-based compensation	-	-	1,146	-	-	-	-	1,146	-	1,146
Foreign currency translation	-	-	-	(144)	-	-	-	(144)	144	-
Net (loss) income for the period	-	-	-	-	-	-	(5,052)	(5,052)	30	(5,022)
Balance, March 31, 2022	325,139,525	269,186	19,527	704	5,466	4,168	(238,421)	60,630	(9,934)	50,696

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 three month periods ended March 31, 2023 and 2022
(Unaudited, expressed in thousands of United States dollars)

	Three months ended	
	March 31,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss) for the period	\$25,606	(\$5,022)
Adjustments for the following items:		
Share-based compensation	1,085	965
Depreciation and depletion	7,585	31
Finance income	(104)	(15)
Finance expense	4,426	18
Unrealized foreign exchange loss (gain)	1,547	(571)
Fair value loss (gain) on other financial assets	47	(202)
Fair value loss on warrant liability	623	2,820
Fair value loss on silver stream liability	322	51
Changes in non-cash operating working capital (Note 12)	(2,211)	219
Total cash inflows (outflows) from (used in) operating activities	38,926	(1,706)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment (Notes 5 and 12)	(7,532)	(37,497)
Interest received	104	22
Total cash outflows from investing activities	(7,428)	(37,475)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from shares issued (Note 11)	12,057	-
Share issue costs (Note 11)	(452)	-
Proceeds from exercise of warrants (Note 7)	5,460	-
Proceeds from exercise of stock options (Note 11(b))	258	243
Senior debt principal repayments (Note 8(a))	(9,780)	-
Interest and fees paid	(3,032)	(299)
Lease principal payments	(157)	(32)
Senior debt proceeds	-	17,300
Total cash inflows from financing activities	4,354	17,212
Effect of foreign currency translation on cash	162	(231)
Increase (decrease) in cash	36,014	(22,200)
Cash, beginning of period	9,158	36,083
Cash, end of period	\$45,172	\$13,883

Supplemental cash flow information is provided in Note 12.

Orezone Gold Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the three month periods ended March 31, 2023 and 2022

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

1. CORPORATE INFORMATION

Orezone Gold Corporation (the “Company”) was incorporated on December 1, 2008 under the Canada Business Corporations Act and is listed on the Toronto Stock Exchange (TSX) under the symbol ORE and on the OTCQX under the symbol ORZCF. The Company is a West African gold producer engaged in mining, developing, and exploring its 90%-owned flagship Bomboré gold mine (“Bomboré”) in Burkina Faso. The 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.

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, 2022 (the “2022 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 May 9, 2023.

(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 2022 Annual Financial Statements and have been consistently applied in the preparation of these Interim Financial Statements for the three month periods ended March 31, 2023 and 2022.

(c) Changes in accounting standards

Issued but not yet effective - Amendments to IAS 1 – Presentation of Financial Statements

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

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

The Company will perform an assessment of the amendments on its financial statements prior to the effective date of January 1, 2024. Based on the currently available information, the Company does not anticipate any material impact from these amendments on its financial statements.

Orezone Gold Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the three month periods ended March 31, 2023 and 2022

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

3. INVENTORIES

As at	March 31, 2023	December 31, 2022
Stockpiled ore	\$47,973	\$43,406
Gold-in-circuit	745	2,553
Finished goods	97	310
Materials and supplies	3,562	3,871
Total inventories	\$52,377	\$50,140
Less long-term stockpiled ore	(44,904)	(37,411)
Current inventories	\$7,473	\$12,729

At March 31, 2023, stockpiled ore with a carrying value of \$44,904 (December 31, 2022 - \$37,411) was classified as long-term.

The cost of inventories recognized as expense in the three months ended March 31, 2023 was \$29,572 (March 31, 2022 - \$nil) and was included in operating expenses.

At March 31, 2023, non-cash costs, relating to depreciation and depletion, of \$907 (December 31, 2022 - \$257) were included in inventory.

4. OTHER CURRENT ASSETS

As at	March 31, 2023	December 31, 2022
Prepaid expenses	\$4,838	\$3,239
Deposits	755	739
Taxes receivables	5,853	2,282
Other receivables	2,603	3,074
Total other current assets	\$14,049	\$9,334

Taxes receivables are primarily related to Value Added Tax ("VAT") paid to vendors for goods and services purchased in Burkina Faso. These balances are expected to be collected in the next twelve months.

5. MINERAL PROPERTIES, PLANT AND EQUIPMENT

Cost and accumulated depreciation	Land and Mineral Properties	Plant and Infrastructure	Buildings and Leasehold Improvements	Vehicles and equipment	Construction in progress	Mine under development	Total
Cost							
January 1, 2022	\$921	-	\$6,373	\$6,163	\$303	\$91,836	\$105,596
Additions	49	64	5	1,688	1,599	129,036	132,441
Disposals	-	-	-	(6)	-	(18)	(24)
Transfer to Stockpile Inventory	-	-	-	-	-	(42,412)	(42,412)
Transfer	17,503	149,775	1,565	4,082	5,517	(178,442)	-
December 31, 2022	\$18,473	\$149,839	\$7,943	\$11,927	\$7,419	-	\$195,601
Additions	-	130	-	69	5,292	-	5,491
Disposals	-	-	(267)	-	-	-	(267)
Transfer	-	-	-	-	-	-	-
March 31, 2023	\$18,473	\$149,969	\$7,676	\$11,996	\$12,711	-	\$200,825

Orezone Gold Corporation

Notes to the Condensed Consolidated Interim Financial Statements

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(Unaudited, expressed in thousands of United States dollars
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Accumulated depreciation	Land and Mineral Properties	Plant and Infrastructure	Buildings and Leasehold Improvements	Vehicles and equipment	Construction in progress	Mine under development	Total
January 1, 2022	-	-	\$4,446	\$3,869	-	-	\$8,315
Depreciation	268	2,386	387	908	-	-	3,949
Disposals	-	-	-	(6)	-	-	(6)
December 31, 2022	\$268	\$2,386	\$4,833	\$4,771	-	-	\$12,258
Depreciation	887	7,067	130	367	-	-	8,451
Disposals	-	-	(267)	-	-	-	(267)
March 31, 2023	\$1,155	\$9,453	\$4,696	\$5,138	-	-	\$20,442
Carrying amounts							
December 31, 2022	\$18,205	\$147,453	\$3,110	\$7,156	\$7,419	-	\$183,343
March 31, 2023	\$17,318	\$140,516	\$2,980	\$6,858	\$12,711	-	\$180,383

Bomboré, Burkina Faso

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

6. TRADE AND OTHER PAYABLES

As at	March 31, 2023	December 31, 2022
Trade payables	\$14,301	\$17,481
Accrued liabilities	21,821	19,646
Lease liability, short-term portion	203	203
Payroll and indirect taxes payable	1,394	673
Total trade and other payables	\$37,719	\$38,003

7. WARRANT LIABILITY

	Warrants	Warrant Liability	Warrant FVTPL
January 1, 2023	#	\$	\$
	8,576,698	\$2,785	-
Exercised	(8,171,288)	(2,652)	(756)
Expired	(405,410)	(133)	133
March 31, 2023	-	-	(\$623)

A total of 8,171,288 warrants were exercised in January 2023 for proceeds of \$4,870. The warrants at the time of exercise had a fair value of \$3,408 which was transferred to share capital. 405,410 warrants expired on January 29, 2023 unexercised.

Orezone Gold Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the three month periods ended March 31, 2023 and 2022

(Unaudited, expressed in thousands of United States dollars
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8. LOANS AND BORROWINGS

As at	March 31, 2023	December 31, 2022
Senior Debt Facility		
Senior debt principal (Note 8(a))	\$84,820	\$94,600
Transaction costs	(5,752)	(5,752)
Senior Debt Facility, net of transaction costs	79,068	88,848
Accumulated accretion	3,504	2,889
Foreign exchange	848	(560)
Senior Debt Facility, amortized cost	\$83,420	\$91,177
Convertible Note Facility		
Convertible note principal (Note 8(b))	\$35,000	\$35,000
Transaction costs	(1,166)	(1,166)
Convertible note equity component	(4,168)	(4,168)
Convertible Note Facility, net of transaction costs	29,666	29,666
Accumulated accretion	1,222	998
Convertible Note Facility, amortized cost	\$30,888	\$30,664
Total loans and borrowings	\$114,308	\$121,840
Less: current portion, Senior Debt Facility	(28,902)	(32,990)
Total non-current portion, loans and borrowings	\$85,406	\$88,851

(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 8.0% 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.

The Company made principal repayments totalling CFA 6 billion (\$9.8 million) on the short-term loan during the three-month period ended March 31, 2023.

(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

Orezone Gold Corporation
Notes to the Condensed Consolidated Interim Financial Statements

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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 9, 2023, the Company issued 624,124 shares as payment for \$562 of interest accrued to December 31, 2022 on the Convertible Note Facility.

9. SILVER STREAM

As at	March 31, 2023	December 31, 2022
Opening balance	\$6,257	\$7,689
Revenue recognized on silver ounces delivered	(73)	(20)
Fair value loss (gain) on re-measurement	322	(1,412)
Closing balance	\$6,506	\$6,257

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.

10. ENVIRONMENTAL REHABILITATION PROVISION

As at	March 31, 2023	December 31, 2022
Opening balance	\$12,241	\$4,672
Obligations incurred	-	11,771
Change in estimate	-	(4,590)
Accretion	113	388
Closing balance	\$12,354	\$12,241

The undiscounted cash flows related to the environmental rehabilitation obligation as of March 31, 2023 totalled \$22.1 million (December 31, 2022 - \$22.1 million).

11. SHARE CAPITAL

(a) Capital stock

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

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

(b) Stock options

The following table summarizes changes in stock options for the three month period ended March 31, 2023 and the year ended December 31, 2022.

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Notes to the Condensed Consolidated Interim Financial Statements

For the three month periods ended March 31, 2023 and 2022

(Unaudited, expressed in thousands of United States dollars
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	Stock options	
	Outstanding	Weighted average exercise price
	#	C\$
January 1, 2022	22,022,603	0.71
Granted	1,038,022	1.32
Exercised	(740,332)	0.69
Expired / Forfeited	(243,737)	1.37
December 31, 2022	22,076,556	0.73
Granted	1,960,324	1.26
Exercised	(500,000)	0.71
Expired / Forfeited	(156,715)	1.20
March 31, 2023	23,380,165	0.77

The following table summarizes information about the Company's stock options outstanding at March 31, 2023:

Range of exercise prices	Options outstanding			Options exercisable		
	Outstanding as at March 31, 2023	Weighted average remaining contractual life	Weighted average exercise price	Outstanding as at March 31, 2023	Weighted average exercise price	
	C\$	#	Years	C\$	#	#
0.30 – 0.60	9,727,000	1.65	0.51	9,727,000	0.51	0.51
0.61 – 0.90	8,123,500	3.14	0.79	8,123,500	0.79	0.79
0.91 – 1.20	2,502,298	3.28	1.11	2,150,977	1.10	1.10
1.21 – 1.60	3,027,367	4.46	1.29	1,277,944	1.29	1.29
Totals	23,380,165	2.71	0.77	21,279,421	0.73	

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

	March 31, 2023	March 31, 2022
Expected life (years)	3.0	3.0
Expected volatility (%)	65.45	67.16
Expected dividend yield (%)	-	-
Risk-free interest rate (%)	4.03	1.06
Weighted average exercise price (C\$)	1.26	1.24
Weighted average fair value (C\$)	0.58	0.57

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Notes to the Condensed Consolidated Interim Financial Statements

For the three month periods ended March 31, 2023 and 2022

(Unaudited, expressed in thousands of United States dollars
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(c) Restricted Share Units (“RSUs”) and Deferred Share Units (“DSUs”)

	RSUs		DSUs	
	Outstanding	Vested	Outstanding	Vested
	#	#	#	#
January 1, 2022	2,851,164	437,000	398,000	398,000
Granted	65,000	-	627,418	-
Vested	-	1,340,396	-	627,418
Redeemed	(574,000)	(574,000)	-	-
Forfeited	(186,372)	-	-	-
December 31, 2022	2,155,792	1,203,396	1,025,418	1,025,418
Granted	839,073	-	446,670	-
Vested	-	332,500	-	446,670
Redeemed	(71,500)	(71,500)	-	-
Forfeited	(44,430)	-	-	-
March 31, 2023	2,878,935	1,464,396	1,472,088	1,472,088

RSUs

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

On January 19, 2023, the Company granted 839,073 RSUs with a grant date fair value of C\$1.26 each to employees of the Company. The RSUs will vest in two equal installments on the first and second anniversaries of the grant date.

During the three months ended March 31, 2023, 71,500 RSUs were redeemed for an equal number of common shares of the Company, and 44,430 unvested RSUs were forfeited.

DSUs

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

On January 19, 2023 the Company granted 446,670 DSUs to directors of the Company. The DSUs are fully vested on the grant date at the fair value of C\$1.26 each.

(d) Share-based compensation

The following table summarizes share-based expense by unit type for the three month periods ended March 31:

	Three months ended	
	2023	March 31, 2022
Stock options	\$440	\$316
Restricted share units	226	316
Deferred share units	419	514
Total share-based compensation	1,085	1,146
Less amount capitalized to mine under development	-	(181)
Share-based compensation, net of capitalized portion	\$1,085	\$965

Orezone Gold Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the three month periods ended March 31, 2023 and 2022

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

12. SUPPLEMENTAL CASH FLOW INFORMATION

(a) Changes in non-cash operating activities

Supplemental details of the changes in non-cash operating activities for the three month periods ended March 31:

	2023	2022
Inventories	(\$1,372)	\$3
Other current assets	(5,068)	62
Trade and other payables	4,229	154
	(\$2,211)	\$219

(b) Changes in non-cash investing activities

Supplemental details of the changes in non-cash investing activities for the three month periods ended March 31:

	2023	2022
Acquisition of mineral properties, plant and equipment	(\$2,308)	\$5,539
	(\$2,308)	\$5,539

(c) Changes in non-cash financing activities

Supplemental details of the changes in non-cash financing activities for the three month periods ended March 31:

	2023	2022
Fair value of warrant exercises (Note 7)	(\$3,408)	-
Accretion on loans and borrowings (Note 8)	733	279
Other finance costs (Note 8)	(347)	616
Shares issued for interest (Note 8)	562	452
Non-cash and accrued interest (Note 8)	270	533
Fair value loss on silver stream liability (Note 9)	322	51
	(\$1,868)	\$1,931

13. 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 three month period ended March 31, 2023.

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

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Notes to the Condensed Consolidated Interim Financial Statements

For the three month periods ended March 31, 2023 and 2022

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

As at March 31, 2023	US\$	C\$	EUR & CFA ¹	Other	Total
Financial assets					
Cash	\$211	\$12,828	\$32,086	\$47	\$45,172
Other current assets	3,213	91	1,033	253	4,590
Other financial assets	-	260	-	-	260
	\$3,424	\$13,179	\$33,119	\$300	\$50,022
Financial liabilities					
Trade and other payables	\$12,094	\$1,242	\$20,560	\$535	\$34,431
Loans and borrowings	30,888	-	83,420	-	114,308
Lease liabilities	446	327	-	-	773
Silver stream liability	6,506	-	-	-	6,506
Net financial instruments	(\$46,510)	\$11,610	(\$70,861)	(\$235)	(\$105,996)

As at December 31, 2022	US\$	C\$	EUR & CFA ¹	Other	Total
Financial assets					
Cash	\$87	\$164	\$8,898	\$9	\$9,158
Other current assets	2,811	662	940	18	4,431
Other financial assets	-	306	-	-	306
	\$2,898	\$1,132	\$9,838	\$27	\$13,895
Financial liabilities					
Trade and other payables	\$15,907	\$2,692	\$18,198	\$535	\$37,332
Warrant liability	-	2,785	-	-	2,785
Loans and borrowings	30,664	-	91,176	-	121,840
Lease liabilities	504	323	-	-	827
Silver stream liability	6,257	-	-	-	6,257
Net financial instruments	(\$50,434)	(\$4,668)	(\$99,536)	(\$508)	(\$155,146)

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	March 31, 2023	Dec. 31, 2022
C\$	(\$1,161)	\$467
EUR & CFA	\$7,086	\$9,954
Others	\$24	\$51

(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 March 31, 2023, shown in contractual undiscounted cashflows:

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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(Unaudited, expressed in thousands of United States dollars
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	Within 1 year	Between 1 and 5 years	Thereafter	Total
Trade and other payables	\$37,719	-	-	\$37,719
Capital commitments	4,279	-	-	4,279
Operating commitments	7,007	1,250	-	8,257
Lease commitments	87	968	-	1,055
Senior Debt Facility	37,160	65,799	-	102,959
Convertible Note Facility	2,975	43,306	-	46,281
Total	\$89,227	\$111,323	-	\$200,550

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, 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:

	Level 1	Level 3	March 31, 2023	Level 1	Level 3	December 31, 2022
Cash	\$45,172	-	\$45,172	\$9,158	-	\$9,158
Other financial assets	260	-	260	306	-	306
Warrant liability	-	-	-	(2,785)	-	(2,785)
Silver stream liability	-	(\$6,506)	(\$6,506)	-	(\$6,257)	(\$6,257)

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.

14. SUBSEQUENT EVENTS

On April 6, 2023, the Company issued 416,606 and 166,642 shares to Resource Capital Fund VII L.P. and Beedie Investments Ltd respectively as payment for interest on the Convertible Note Facility.

In April and May 2023, a total of 567,290 stock options were exercised for total proceeds of C\$363 (\$269).

In April 2023, a total of 28,251 RSUs were redeemed for an equal number of common shares of the Company.