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OREZONE GOLD CORPORATION

Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in thousands of United States dollars)

Independent Auditor's Report

To the Shareholders and the Board of Directors of
Orezone Gold Corporation

Opinion

We have audited the consolidated financial statements of Orezone Gold Corporation (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Inventories – Refer to Notes 3(e), 4, and 5 to the financial statements

Key Audit Matter Description

Long-term stockpiled ore inventories ("stockpiled inventory") represents unprocessed ore that has been mined and is available for future processing where planned usage is beyond twelve months. Stockpiled inventory is initially recorded at cost, based on the weighted-average mining costs incurred, including depreciation and depletion, in bringing the ore to the stockpile. At each reporting date, stockpiled inventory is valued at the lower of weighted-average cost and net realizable value. Net realizable value is calculated on a discounted cash flow basis over the estimated processing timeframe for such ore. This requires management to make judgments and estimations for, among other inputs, contained metal content, recoverable metal content, price assumptions, timing of processing, costs to complete and discount rate.

While there are several estimates and assumptions that are required to determine the net realizable value of the stockpiled inventory, the estimates and assumptions with the highest degree of subjectivity are the forecasted long-term gold prices, costs to complete, the timing of processing and the discount rate (“significant assumptions”). Auditing the methodology and the significant assumptions used to determine net realizable value of stockpiled inventory required a high degree of auditor judgment and an increased extent of audit effort including the involvement of fair value specialists.

How the Key Audit Matter Was Addressed in the Audit

Our audit procedures related to the methodology and the significant assumptions used to determine net realizable value of stockpiled inventory included the following, among others:

- Assessed the appropriateness of the methodology used to determine net realizable value of stockpiled inventory by analyzing relevant accounting standards, including various aspects of IFRS, conceptual framework and guidance, and consideration of common industry practice;
- Evaluated the reasonableness of management’s forecasted costs to complete assumption by comparing the forecasts to historical costs to complete adjusted for budgets and future operating plans;
- Evaluate the timing of processing assumption by assessing the timing of utilization against the current mine plan and the volume processed in the current year;
- With the assistance of fair value specialists:
 - Evaluated the future long-term gold prices by comparing management forecasts to third party forecasts;
 - Evaluated the reasonableness of the discount rate by testing the source information underlying the determination of the discount rate, developing a range of independent estimates, and comparing those to the discount rate selected by management.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor’s report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor’s report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- For personal use only
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is David Macdonald.

/s/ Deloitte LLP

Chartered Professional Accountants
Vancouver, British Columbia
March 19, 2025

Orezone Gold Corporation
Consolidated Statements of Financial Position
(Expressed in thousands of United States dollars)

| As at | December 31, 2024 | December 31, 2023 |
|---|----------------------|----------------------|
| ASSETS | | |
| Current assets | | |
| Cash | \$74,021 | \$19,483 |
| Inventories (Note 5) | 12,793 | 13,664 |
| Taxes receivable (Note 6) | 18,635 | 9,519 |
| Other current assets (Note 7) | 10,874 | 10,255 |
| Total current assets | 116,323 | 52,921 |
| Non-current assets | | |
| Non-current taxes receivable (Note 6) | 17,731 | 10,904 |
| Other non-current assets (Note 7) | 1,031 | 36 |
| Deferred income tax asset (Note 18(c)) | 12,260 | 4,810 |
| Long-term inventories (Note 5) | 87,701 | 58,218 |
| Mineral properties, plant and equipment (Note 8) | 213,531 | 193,190 |
| Total assets | \$448,577 | \$320,079 |
| LIABILITIES AND EQUITY | | |
| Current liabilities | | |
| Trade and other payables (Note 9) | \$45,822 | \$44,948 |
| Income tax payable (Note 18(b)) | 19,175 | 18,279 |
| Current portion of loans and borrowings (Note 10) | 18,999 | 20,192 |
| Total current liabilities | 83,996 | 83,419 |
| Non-current liabilities | | |
| Loans and borrowings (Note 10) | 80,438 | 72,357 |
| Lease liabilities (Note 11) | 421 | 648 |
| Silver stream liability (Note 12) | 9,578 | 6,697 |
| Environmental rehabilitation provision (Note 13) | 10,142 | 10,596 |
| Total liabilities | 184,575 | 173,717 |
| Equity | | |
| Share capital (Note 14) | 359,297 | 306,928 |
| Reserves | 32,066 | 31,236 |
| Accumulated deficit | (133,583) | (189,294) |
| Equity attributable to shareholders | 257,780 | 148,870 |
| Non-controlling interest | 6,222 | (2,508) |
| Total equity | 264,002 | 146,362 |
| Total liabilities and equity | \$448,577 | \$320,079 |

Commitments (Note 20(b))
Subsequent Events (Note 23)

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

These annual consolidated financial statements were approved by the Board of Directors of Orezone Gold Corporation on March 19, 2025:

/s/ Patrick Downey _____

Patrick Downey
Director

/s/ Rob Doyle _____

Rob Doyle
Director

Orezone Gold Corporation
Consolidated Statements of Income and Comprehensive Income

For the years ended December 31, 2024 and 2023

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

| | 2024 | 2023 |
|--|------------------|-----------|
| Revenue (Note 15) | \$283,517 | \$271,491 |
| Cost of sales | | |
| Operating expenses (Note 16) | (123,570) | (118,253) |
| Depreciation and depletion (Note 8) | (28,379) | (29,699) |
| Royalties | (22,739) | (17,508) |
| Ore stockpile (write-down) reversal (Note 5) | 8,881 | (8,881) |
| Cost of sales | (165,807) | (174,341) |
| Earnings from mine operations | 117,710 | 97,150 |
| Other expenses | | |
| General and administrative costs | (9,154) | (7,325) |
| Share-based compensation (Note 14(d)) | (2,763) | (2,186) |
| Exploration and evaluation costs | (1,616) | (5,615) |
| Depreciation (Note 8) | (101) | (106) |
| Operating income | 104,076 | 81,918 |
| Other (loss) income | | |
| Finance expense (Note 17) | (14,938) | (15,760) |
| Fair value loss on stream liability (Note 12) | (3,124) | (668) |
| Other loss | (4,561) | (895) |
| Foreign exchange gain (loss) | 2,400 | (2,551) |
| Finance income | 1,036 | 809 |
| Other loss | (19,187) | (19,065) |
| Net income before tax | 84,889 | 62,853 |
| Income tax expense (Note 18) | | |
| Current income tax expense | (28,255) | (18,040) |
| Deferred income tax recovery | 7,450 | 4,810 |
| Income tax expense | (20,805) | (13,230) |
| Net income and comprehensive income for the year | \$64,084 | \$49,623 |
| Net income attributable to: | | |
| Shareholders | 55,711 | 43,146 |
| Non-controlling interest | 8,373 | 6,477 |
| Net income for the year | \$64,084 | \$49,623 |
| Comprehensive income attributable to: | | |
| Shareholders | 55,354 | 43,339 |
| Non-controlling interest | 8,730 | 6,284 |
| Comprehensive income for the year | \$64,084 | \$49,623 |
| Net earnings per common share attributable to the shareholders of the Company, basic | \$0.14 | \$0.12 |
| Net earnings per common share attributable to the shareholders of the Company, diluted | \$0.13 | \$0.12 |
| Weighted-average number of common shares outstanding (in 000's), basic | 407,054 | 358,222 |
| Weighted-average number of common shares outstanding (in 000's), diluted | 414,258 | 368,309 |

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

Orezone Gold Corporation

Consolidated Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(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, 2024 | 365,055,996 | 306,928 | 20,920 | 682 | 5,466 | 4,168 | (189,294) | 148,870 | (2,508) | 146,362 |
| Shares issued (Note 14(a)) | 92,743,855 | 47,431 | - | - | - | - | - | 47,431 | - | 47,431 |
| Share issue costs (Note 14(a)) | - | (93) | - | - | - | - | - | (93) | - | (93) |
| Shares issued for interest (Note 10(d)) | 3,910,991 | 2,233 | - | - | - | - | - | 2,233 | - | 2,233 |
| Stock options exercised (Note 14(b)) | 3,117,666 | 1,755 | (533) | - | - | - | - | 1,222 | - | 1,222 |
| RSUs redeemed (Note 14(c)) | 1,278,629 | 1,043 | (1,043) | - | - | - | - | - | - | - |
| Share-based compensation (Note 14(d)) | - | - | 2,763 | - | - | - | - | 2,763 | - | 2,763 |
| Foreign currency translation | - | - | - | (357) | - | - | - | (357) | 357 | - |
| Net income for the year | - | - | - | - | - | - | 55,711 | 55,711 | 8,373 | 64,084 |
| Balance, December 31, 2024 | 466,107,137 | 359,297 | 22,107 | 325 | 5,466 | 4,168 | (133,583) | 257,780 | 6,222 | 264,002 |

| | 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 14(a)) | 13,000,000 | 12,057 | - | - | - | - | - | 12,057 | - | 12,057 |
| Share issue costs (Note 14(a)) | - | (452) | - | - | - | - | - | (452) | - | (452) |
| Shares issued for interest (Note 10(d)) | 2,615,612 | 2,231 | - | - | - | - | - | 2,231 | - | 2,231 |
| Warrants exercised | 8,171,288 | 8,278 | - | - | - | - | - | 8,278 | - | 8,278 |
| Stock options exercised (Note 14(b)) | 3,847,290 | 3,113 | (1,001) | - | - | - | - | 2,112 | - | 2,112 |
| RSUs redeemed (Note 14(c)) | 770,450 | 534 | (534) | - | - | - | - | - | - | - |
| DSUs redeemed (Note 14(c)) | 323,116 | 266 | (266) | - | - | - | - | - | - | - |
| Share-based compensation (Note 14(d)) | - | - | 2,186 | - | - | - | - | 2,186 | - | 2,186 |
| Foreign currency translation | - | - | - | 193 | - | - | - | 193 | (193) | - |
| Net income for the year | - | - | - | - | - | - | 43,146 | 43,146 | 6,477 | 49,623 |
| Balance, December 31, 2023 | 365,055,996 | 306,928 | 20,920 | 682 | 5,466 | 4,168 | (189,294) | 148,870 | (2,508) | 146,362 |

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

Orezone Gold Corporation
Consolidated Statements of Cash Flows
For the years ended December 31, 2024 and 2023
(Expressed in thousands of United States dollars)

| | 2024 | 2023 |
|---|-----------------|-----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the year | \$64,084 | \$49,623 |
| Adjustments for the following items: | | |
| Depreciation and depletion (Note 8) | 28,480 | 29,805 |
| Ore stockpile write-down (reversal) | (8,881) | 8,881 |
| Share-based compensation | 2,763 | 2,186 |
| Unrealized foreign exchange (gain) loss | (2,400) | 2,790 |
| Finance income | (1,036) | (809) |
| Finance expense | 14,938 | 15,760 |
| Other loss | 2,769 | 895 |
| Fair value loss on silver stream liability | 3,124 | 668 |
| Income tax expense | 20,805 | 13,230 |
| Changes in non-cash working capital and non-current ore stockpiles (Note 19(a)) | (40,747) | (43,079) |
| Income taxes paid | (26,202) | - |
| Total cash from operating activities | 57,697 | 79,950 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Acquisition of property, plant and equipment (Notes 8 and 19(b)) | (47,005) | (44,546) |
| Interest received | 1,033 | 768 |
| Total cash used in investing activities | (45,972) | (43,778) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from shares issued (Note 14(a)) | 47,431 | 12,057 |
| Share issue costs (Note 14(a)) | (93) | (452) |
| Proceeds from debt issuance (Note 10(b) and (c)) | 47,724 | - |
| Debt issue costs (Notes 7 and 10) | (2,302) | - |
| Proceeds from exercise of warrants | - | 5,460 |
| Proceeds from exercise of stock options (Note 14(b)) | 1,222 | 2,112 |
| Senior debt principal repayments (Note 10(a) and (c)) | (39,348) | (33,769) |
| Interest and fees paid (Note 17) | (9,359) | (10,599) |
| Lease principal payments (Note 11) | (201) | (188) |
| Total cash from (used in) financing activities | 45,074 | (25,379) |
| Effect of foreign currency translation on cash | (2,261) | (468) |
| Increase in cash | 54,538 | 10,325 |
| Cash, beginning of year | 19,483 | 9,158 |
| Cash, end of year | \$74,021 | \$19,483 |

Supplemental cash flow information is provided in Note 19.

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

Orezone Gold Corporation

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(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 Bomboré gold mine ("Bomboré") in Burkina Faso. The Bomboré mine achieved commercial production on its Phase I oxide operations on December 1, 2022, and is now constructing the Phase II hard rock process plant and infrastructure ("Phase II") that is expected to materially increase annual and life-of-mine gold production from the processing of hard rock mineral reserves.

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

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

2. BASIS OF PRESENTATION

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS"). The accounting policies applied in the preparation of these consolidated financial statements have been consistently applied in each of the years presented. Material accounting policies used in the presentation of these consolidated financial statements are presented in Note 3.

These financial statements were authorized for issue by the Board of Directors on March 19, 2025.

(b) Basis of measurement

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value as disclosed elsewhere in the notes to the financial statements.

The preparation of consolidated financial statements in accordance with IFRS requires management to make estimates and judgments that may have a significant impact to the 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 judgments and estimates are presented in Note 4.

These financial statements have been prepared on the accounting basis that the Company is a going concern which assumes the Company will continue to operate in the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company has one operating segment, being the acquisition, exploration, development and operation of precious metal properties.

These financial statements are presented in United States dollars, unless otherwise indicated.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of consolidation

The consolidated financial statements are prepared by consolidating the financial statements of Orezone Gold Corporation and its subsidiaries. Subsidiaries are consolidated from the date on which the Company obtains control and continue to be consolidated until control ceases. Control is established when the Company has the power to govern the financial and operating policy decisions of the entity so as to obtain benefits from the entity's activities, and generally exists where more than 50% of the voting power of the entity is held by the Company. The financial statements of the subsidiaries are prepared for the same reporting year as the Company using consistent accounting policies. All intercompany transactions and balances are eliminated on consolidation.

Orezone Gold Corporation

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

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

Where the ownership of a subsidiary is less than 100%, and a non-controlling interest exists, any losses of that subsidiary are attributed to the non-controlling interest even if it results in a deficit. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The subsidiaries of the Company and their principal activities as at December 31, 2024 and 2023 were as follows:

| Name of subsidiary | Place of incorporation | Ownership interest | Principal activity |
|---------------------------|-------------------------------|---------------------------|---------------------------|
| Orezone Inc. | British Virgin Islands | 100% | Holding company |
| Orezone Inc. SARL | Burkina Faso | 100% | Exploration |
| Orezone Bomboré SA | Burkina Faso | 90% ¹ | Bomboré Gold Mine |

¹ *In accordance with the mining laws of Burkina Faso, the Government of Burkina Faso has a 10% carried equity interest in the company holding the Bomboré mining permit.*

(b) Foreign, functional, and presentation currencies

The functional currency of each of the Company's entities is determined using the currency of the primary economic environment in which that entity operates. The presentation and the functional currency of the Company and each of its subsidiaries is the US dollar.

In preparing the consolidated financial statements and the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rate of exchange prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at rates prevailing at the reporting dates and are recognized in profit and loss in the period in which they arise. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(c) Financial instruments

Financial assets

On initial recognition, a financial asset is classified as: amortized cost, fair value through profit and loss ("FVTPL"), or fair value through other comprehensive income ("FVTOCI"). The classification of financial assets is made in accordance with their contractual cash flow characteristics and the business models under which they are held.

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in profit and loss. Gains or losses on equity financial assets classified as FVTOCI remain within accumulated other comprehensive income.

Financial assets at amortized cost

Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current or non-current based on their maturity dates.

Financial assets at FVTPL

Financial assets at FVTPL are initially recognized at fair value and transaction costs are expensed in profit and loss. Realized and unrealized gains and losses arising from changes in fair value of the financial asset held at FVTPL are included in profit and loss in the period in which they arise. Derivatives are also recognized as FVTPL unless they are designated as hedges.

Orezone Gold Corporation

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

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

Financial assets at FVTOCI

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments that would otherwise be measured at fair value through profit and loss to present subsequent changes in fair value in other comprehensive income. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination. Investment in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit and loss following the derecognition of the investment.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

All financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provision of the instrument. Financial liabilities are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to their initial recognition, financial liabilities that are not contingent consideration of an acquirer in a business combination, held for trading or designated as at FVTPL, are measured at amortized cost using the effective interest method.

Financial liabilities are derecognized when, and only when, the Company's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit and loss. When the Company exchanges with the existing lender one debt instrument into another one with substantially different terms, such an exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Company accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of fees received and discounted using the original effective interest rate, is at least ten percent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between the carrying amount of the liability before the modification and the present value of the cash flows after modification is recognized in profit and loss as a modification gain or loss within other gains and losses.

Financial liabilities at FVTPL

Financial liabilities at FVTPL are initially recognized at fair value and transaction costs are expensed in profit and loss. Realized and unrealized gains and losses arising from changes in fair value of the financial liability held at FVTPL are included in profit and loss in the period in which they arise. Derivatives are also recognized as FVTPL unless they are designated as hedges.

Derivative financial instruments

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit and loss depends on the nature of the hedge relationship.

Orezone Gold Corporation

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

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

Compound financial instruments

Compound financial instruments are split into equity and liability components in accordance with their substance based on the definitions of liability and equity. When the instrument is issued, the equity component is measured as the difference between the fair value of the compound instrument and the fair value of the liability component. The liability component of the compound financial instrument is subsequently measured at amortized cost using the effective interest method, accreting to maturity over the term of the instrument. The equity component is accounted for on the same basis as other equity instruments, that is retained in equity and not remeasured.

The Company's compound financial instrument is the convertible note facility.

Embedded derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts, and a separate instrument with the same terms as the embedded derivative would also meet the definition of a derivative.

(d) Cash and cash equivalents

Cash and cash equivalents include cash in interest-bearing accounts with high credit quality financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value. The Company does not have any cash equivalents at December 31, 2024 and 2023.

(e) Inventories

Inventories include stockpiled ore, gold-in-circuit ("GIC"), finished goods, and materials and supplies inventory. The costs of all production inventories include direct production costs and attributable overhead and depreciation incurred to bring materials to their current point in the processing cycle. Corporate general and administrative costs are excluded from any inventories. All inventories are valued at the lower of weighted average cost and net realizable value ("NRV"). NRV is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventory write-downs may be reversed in a subsequent period if the circumstances which caused the write-down no longer exist.

Stockpiled ore represents unprocessed ore that has been mined and is available for future processing. Stockpiled ore value is based on the weighted-average mining costs incurred, including depreciation and depletion, in bringing the ore to the stockpile. Costs are added to the stockpiled ore based on mining costs per tonne and are removed at the average cost per tonne. Stockpiled ore is classified as non-current if the timing of the planned usage is beyond twelve months.

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

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

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

Orezone Gold Corporation

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(f) Mineral properties, plant and equipment

Pre-exploration expenditures

Costs during the pre-exploration phase are expensed as incurred in profit and loss.

Exploration and evaluation expenditures

The costs of acquiring rights to explore, exploratory drilling and related costs incurred on sites without an existing mine and on areas outside the boundary of a known mineral deposit which contain proven and probable reserves are exploration and evaluation expenditures and are expensed as incurred prior to the date of establishing that costs incurred are economically recoverable.

Once the legal right to explore a mineral property has been acquired, costs directly related to the acquisition of the mineral property rights are capitalized and accounted for on either an individual property or area-of-interest basis. Subsequently, the mineral property rights are carried at cost, less any impairment, until such time as the assets are substantially ready for their intended use, at operating levels intended by management, or sale. Purchased mining properties are recognized as assets at their acquisition date fair value if purchased as part of a business combination.

Mine development costs

Once the technical feasibility and commercial viability of a mineral property have been established, the property is no longer in the exploration and evaluation phase and is considered to be a mine property under development. Thereafter, following an assessment of impairment, costs incurred directly related to mine development and construction are capitalized, including associated borrowing and acquisition costs, directly attributable administrative or support costs and depreciation of related property, plant and equipment, and are accounted for on either an individual property or area-of-interest basis. Subsequently, the mine properties under development are carried at the aforementioned cost, less any impairment, until such time as the assets are substantially ready for their intended use, being commercial production at operating levels intended by management, or sale. Upon entering the commercial production phase, development costs will be transferred to producing properties and will be amortized using the units of production method using proven and probable reserves.

Technical feasibility and commercial viability are established once all of the following conditions have been met:

- The Company has established a National Instrument 43-101, Standards of Disclosures for Mineral Projects, as issued by the Canadian Securities Administrators (“NI 43-101”) compliant estimate of property resources and/or reserves;
- The Company has obtained a mining permit or otherwise has the right to extract the resources and/or reserves; and
- The Company has established that it is economically viable to mine the resources and/or reserves. This includes the completion of a NI 43-101 compliant study to a pre-feasibility level at a minimum and binding approval of project financing for the development of the project.

Property, plant and equipment

Upon initial acquisition, property, plant and equipment (“PP&E”) including land are valued at cost, being the purchase price and directly attributable costs of acquisition or construction required to bring the asset to the location and condition necessary for the asset to be capable of operating in the manner intended by management. In subsequent periods, property, plant and equipment excluding land are stated at cost less accumulated depreciation and any impairment in value, while land is stated at cost less any impairment in value.

PP&E not directly related to production are depreciated using the straight-line method over the estimated useful lives of the assets. Mineral properties, including mine development costs, are depleted on a unit-of-production basis of material extracted or produced over proven and probable mineral reserves. Land and non-depletable mineral property rights are not depreciated. Where significant components of assets have differing useful lives, depreciation is calculated on each separate component.

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Estimates of remaining useful lives and residual values are reviewed annually, with any changes accounted for prospectively. An item of PP&E is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net proceeds on disposal and the carrying amount of the asset, is recognized in profit and loss.

Depreciation and depletion are provided over the following estimated useful lives:

| | |
|--------------------------------------|---|
| Buildings and leasehold improvements | 5 – 20 years on a straight-line basis |
| Vehicles and equipment | 2 – 10 years on a straight-line basis |
| Mineral properties | Units of production over mineral reserves |
| Plant and infrastructure | Units of production over mineral reserves |

Borrowing costs

Borrowing costs are capitalized when they are directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that take a substantial period of time to get ready for their intended use or sale. Borrowing costs are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Where the funds used to finance a qualifying asset form part of general borrowings, the amount capitalized is calculated using a weighted average of the rates applicable to the relevant borrowings during the period. All other borrowing costs are recognized in profit and loss in the period in which they are incurred.

(g) Leases

At the commencement date of a lease, the Company recognizes a lease liability and an asset representing the right to use the underlying asset during the lease term (the “right-of-use” asset) unless the underlying asset has a low value or the lease term is twelve months or less, which are expensed in the period incurred. At this date, the right-of-use asset is measured at cost, which includes the initial amount of the lease liability, adjusted for any lease payments made at or before the commencement date, any initial direct costs incurred and also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset. The right-of-use asset is then depreciated using the straight-line method from the lease commencement date to the earlier of the end of the lease term or the end of the useful life of the asset. The right-of-use asset may also be reduced for any impairment losses, if any.

At the lease commencement date, the lease liability is measured at the present value of the future lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if that rate cannot be readily determined, the Company’s incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate, which is the rate the Company would pay for similar assets at similar locations over a similar term. The lease liability is measured at amortized cost using the effective interest method.

The lease liability is re-measured when there is a change in future lease payments due to a change in an index or rate, a change in the Company’s estimate of an amount payable under residual value guarantee, or if there is a change in the assessment of whether the Company will exercise a purchase, termination, or extension option. When the lease liability is re-measured, a corresponding adjustment is made to the right-of-use asset or recognized in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

(h) Environmental rehabilitation provision

The Company is subject to various government laws and regulations and constructive obligations related to environmental disturbances caused by exploration and evaluation, development, or ongoing production at a mineral property interest. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the property interest in the period in which the obligation is incurred, including estimated costs of restoration, reclamation, and re-vegetation of the affected area. Discount rates using a pre-tax, risk-free rate that reflect the time value of money are used to calculate the net present value. When the environmental rehabilitation provision (“ERP”) is recognized at the present value of the estimated costs, the carrying amount of the capitalized related mining assets is correspondingly increased. Subsequently, the ERP is assessed each reporting period and the present value

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is adjusted, as required, for any legal or regulatory changes, increases or decreases to environmental disturbances, or current market discount rates and liability-specific risks. The ERP is accreted over time to reflect the unwinding of the discount, and upon entering the production phase, the asset is amortized over its remaining useful life using the units of production method based on mineral reserves.

(i) Impairments

(1) Financial assets at amortized cost

At each reporting date, the Company assesses whether there has been a significant increase in credit risk that would provide objective evidence that a financial asset at amortized cost is impaired. The Company recognizes a loss allowance for expected credit losses on its financial assets. The amount of expected credit losses is updated at each reporting period to reflect changes in credit risk since initial recognition of the respective financial instruments.

(2) Non-financial assets

At each reporting date, the Company reviews its mineral properties, plant and equipment at the cash generating unit ("CGU") level to determine whether there is any indication that these assets are impaired. If any such indication exists, the recoverable amount of the relevant CGU is estimated in order to determine the extent of impairment. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The Company's principal CGU is Bomboré.

Impairment of a CGU is assessed when facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount, being the higher of the value in use and the fair value less costs to sell. In assessing value in use, the estimated future cash flows associated with the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. For fair value less costs to sell, the Company uses discounted cash flow techniques to determine fair value when it is not possible to determine fair value either by quotes from an active market or a binding sales agreement. Discounted cash flow techniques require management to make estimates and assumptions concerning future production revenues and expenses. The determination of discounted cash flows is dependent on many factors, including future metal prices, the amount of reserves, the cost of bringing the project into production, production schedules, production costs, sustaining capital expenditures and site rehabilitation costs. If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount with the impairment recognized in profit and loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there had been a change in the estimates used to determine the recoverable amount. If an impairment is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, subject to the amount not exceeding the carrying amount that would have been determined had impairment not been recognized for the asset in prior periods. Capitalized mineral property rights are tested for impairment before the assets are transferred to the mineral property costs upon achieving technical and commercial feasibility.

(j) Provisions

Provisions are recognized when the Company has a present obligation, legal or constructive, as a result of past events for which it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the present value of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

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(k) Income taxes

Income tax expense consists of current and deferred income taxes and includes all domestic and foreign taxes based on taxable profits. Current and deferred income taxes are included in profit and loss except to the extent that they relate to a business combination or items recognized directly in equity or other comprehensive income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income (loss) for the current period and any adjustment to income taxes payable or receivable in previous periods. Current income taxes are determined based on enacted or substantively enacted tax rates and laws at the end of the current financial reporting year. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Deferred income taxes are determined using the liability method where there are differences between the carrying amounts and tax bases of assets and liabilities, and unused tax losses and credits. Deferred tax liabilities and assets are measured by applying tax rates that are expected to apply when the amounts are realized or settled respectively, based on enacted or substantively enacted tax rates and laws at the end of the current financial reporting year. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be realized and is later reduced if the Company determines it is no longer probable to be realized.

(l) Share-based compensation

(1) Stock Options

Compensation costs are measured at the grant date based on the fair value of the award and are recognized on a graded basis over the vesting period in profit and loss, with a corresponding increase to reserves. Upon exercise, common shares are issued from treasury and the amount reflected in reserves is credited to share capital, in addition to the exercise proceeds received.

The Black-Scholes option pricing model is used to determine the fair value of new grants. This model incorporates subjective assumptions, including volatility and expected life. At the end of each reporting period, the Company revises its estimate of the number of options expected to vest. The impact of the revision, if any, is recognized in profit and loss, with a corresponding adjustment to reserves.

Options issued to non-employees are measured based on the fair value of the services received at the date of receiving those services. If the fair value of the goods or services cannot be estimated reliably, the options are measured by determining the fair value of the options granted using the Black-Scholes option pricing model.

(2) Restricted Share Units

Restricted share units ("RSUs") are measured at grant date based on the fair value of the award. RSUs may be redeemed in shares or cash at the Company's option. The expense for RSUs to be redeemed in shares is recognized on a graded basis over the vesting period in profit and loss, with a corresponding increase to reserves. RSUs to be redeemed in cash are recognized as a liability and adjusted at each reporting date for changes in fair value. The Company intends to equity settle its RSUs.

(3) Deferred Share Units

Deferred share units ("DSUs") are measured at grant date based on the fair value of the award. DSUs may be redeemed in shares or cash at the Company's option. The expense for DSUs to be redeemed in shares is recognized immediately in profit and loss, with a corresponding increase to reserves, as the DSUs are fully vested on the grant date. DSUs to be redeemed in cash are recognized as a liability and adjusted at each reporting date for changes in fair value. The Company intends to equity settle its DSUs.

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(m) Revenue recognition

Revenue is generated from the sale of refined gold. The Company produces doré bars which are further processed to produce refined metal for sale. The Company's performance obligations relate primarily to the delivery of mine production in refined form to its customers.

Revenue is recognized when control is transferred to the customer. In determining whether the Company has satisfied a performance obligation, the Company considers whether (i) the Company has a present right to payment, (ii) the Company has transferred physical possession of the metal to the customer; (iii) the customer has the significant risks and rewards of ownership of the metal; and (iv) the customer has legal title to the metal.

The sales price is fixed on the date of sale based on spot price or by mutual agreement. The Company recognizes revenue from sales of gold at the time when control transfers to the customer, which typically coincides with the date that the customer remits payment. Under certain contracts with customers the transfer of control may occur when the gold is in transit from the mine to the refinery. At this point in time, the customer has legal title to and the risk and rewards of ownership of the gold; therefore, the customer is able to direct the use of and obtain substantially all of the remaining benefits from the gold.

(n) Share capital

The Company's common shares are classified as equity instruments. Incremental costs directly attributable to the issuance of common shares are shown in equity as a deduction from the proceeds of issuance.

(o) Earnings per share

Basic earnings per share is computed by dividing the net income attributable to common shareholders of the Company by the weighted-average number of outstanding common shares for the year.

Diluted earnings per share is computed by dividing the net income attributable to the common shareholders of the Company by the weighted-average number of outstanding common shares for the year including all additional common shares that would have been outstanding if potentially dilutive equity instruments were converted to common shares. The weighted average number of common shares used to calculate the dilutive effect assumes that the proceeds that could be obtained upon exercise of stock options, RSUs, DSUs, and warrants would be used to purchase common shares at the average market price during the period, and the convertible note facility was converted at the Conversion Price.

In periods where a net loss is incurred, basic and diluted loss per share is the same as the effect of outstanding stock options, warrants, RSUs, and DSUs would be anti-dilutive.

(p) Changes in accounting standards

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

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

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

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

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

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

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

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

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these consolidated financial statements in accordance with IFRS requires management to make estimates, assumptions and judgments that affect the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the consolidated financial statements are reasonable; however, actual outcomes could differ from these estimates and assumptions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which estimates are revised and in any future period affected.

The key areas where significant judgments, estimates and assumptions have been made are summarized below:

Inventory valuation

All inventory is valued at the lower of average cost or net realizable value. Management is required to make various estimates and assumptions to determine the value of stockpiled ore, gold-in-circuit and finished goods inventory. The estimates and assumptions included surveyed quantities of stockpiled ore, in-circuit volumes, contained metal content, recoverable metal content, costs to recover saleable metal and metal prices.

Net realizable value of long-term stockpiled ore is calculated on a discounted cash flow basis over the planned processing timeframe for such ore. Evaluating net realizable value requires management judgment in the selection of estimates for, among other inputs, discount rate, price assumptions, timing of processing, and costs to complete. Changes in these estimates can result in changes to the carrying amounts of inventories.

Mineral reserves and resources

Determining mineral reserves and resources is a complex process involving numerous variables and is based on a professional evaluation using accepted international standards for the assessment of mineral reserves. Estimation is a subjective process, and the accuracy of such estimates is a function of the quantity and quality of available data, the assumptions made and judgment used in engineering and geological interpretation. Mineral reserve estimation may vary as a result of changes in the price of gold, production costs, and with additional knowledge of the ore deposits and mining conditions. Changes to management's assumptions, including economic assumptions such as gold prices and market conditions, could have a material effect in the future on the Company's results and financial position. The mineral

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reserves used for depletion is based on the oxide mineral reserves as the hard rock expansion to process hard rock reserves is not yet complete.

Assessment of impairment indicators

Judgment is required in assessing whether certain factors would be considered an indicator of impairment. Consideration by management in assessing indicators of impairment includes both internal and external information. This includes, but is not limited to, commodity prices, our market capitalization, reserves and resources, mine plans, operating plans, and operating results. The judgments and estimates mentioned above are subject to various risks and uncertainties, which may ultimately have an effect on the expected recoverability of the carrying values of the mineral properties. If any such indicator exists, then an impairment test is performed, which also requires the Company to make significant judgments and estimates.

Environmental rehabilitation costs

The provisions for rehabilitation are based on the expected costs of environmental rehabilitation and inputs used to determine the present value of such provisions and the related accretion expense using the information available at the reporting date. To the extent the actual costs differ from these estimates, adjustments will be recorded and the profit and loss and future cashflows may be impacted.

Deferred tax assets and liabilities

Judgment is required in assessing whether deferred tax assets and certain deferred tax liabilities are recognized on the balance sheet and what tax rate is expected to be applied in the year when the related temporary differences reverse. The Company also evaluates the recoverability of deferred tax assets based on an assessment of the ability to use the underlying future tax deductions before they expire against future taxable profits or capital gains. Assumptions about the generation of future taxable profits and repatriation of retained earnings depend on management's estimates of future production and sales volumes, commodity prices, reserves and resources, operating costs, decommissioning and restoration costs, capital expenditures, dividends and other capital management transactions. These estimates could result in an adjustment to the deferred tax provision and a corresponding adjustment to profit and loss.

Judgment is also required on the application of income tax legislation. These judgments are subject to risk and uncertainty and could result in an adjustment to the deferred tax provision and a corresponding credit or charge to profit and loss.

Timing of recoverability of value added tax ("VAT")

Taxes receivables consist of recoverable VAT owing by the Burkina Faso fiscal authorities. The Company is following the relevant procedures to claim a reimbursement of VAT paid. The VAT balances are not in dispute and are deemed to be fully recoverable, though timing of VAT reimbursements remain uncertain and the timing of receipt is based on management's best estimate.

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5. INVENTORIES

| As at | December 31, 2024 | December 31, 2023 |
|--------------------------------|----------------------|----------------------|
| Stockpiled ore | \$88,163 | \$58,798 |
| Materials and supplies | 8,172 | 8,032 |
| Finished goods | 2,414 | 2,164 |
| Gold-in-circuit | 1,745 | 2,888 |
| Total inventories | \$100,494 | \$71,882 |
| Less: long-term stockpiled ore | (87,701) | (58,218) |
| Current inventories | \$12,793 | \$13,664 |

The cost of inventories recognized as an expense in the year ended December 31, 2024 was \$123,570 (December 31, 2023 - \$118,253), and was included in operating expenses.

At December 31, 2024, non-cash costs of \$3,196 (December 31, 2023 - \$1,876) relating to depreciation and depletion were included in inventory.

Stockpiled ore is valued at the lower of weighted average cost and NRV. NRV of long-term stockpiled ore is calculated on a discounted cash flow basis over the estimated processing timeframe for such ore. In recognizing a NRV write-down of \$8,881 for the year ended December 31, 2023, the significant assumptions used were: long-term gold price (\$1,724 per ounce), discount rate (7%), mine life (10-years), and costs to complete. Of those assumptions, the long-term gold price and the discount rate have the most significant impact to the NRV. Changes in these assumptions could have a significant impact on the NRV of the long-term ore stockpile. A 5% change in the long-term gold price would result in an \$8.9 million change in the NRV; a 1% rate change in the discount rate would result in an \$8.3 million change in the NRV.

For the year ended December 31, 2024, the Company recognized a long-term ore stockpile NRV write-down reversal of \$8,881, as a result of an increase in the long-term consensus gold price from \$1,724 per ounce at December 31, 2023 to \$2,169 per ounce at December 31, 2024.

6. TAXES RECEIVABLE

| As at | December 31, 2024 | December 31, 2023 |
|------------------------------------|----------------------|----------------------|
| Taxes receivable | \$36,366 | \$20,423 |
| Less: non-current taxes receivable | (17,731) | (10,904) |
| Current taxes receivable | \$18,635 | \$9,519 |

Taxes receivables consist of VAT due from the Burkina Faso fiscal authorities.

7. OTHER ASSETS

| As at | December 31, 2024 | December 31, 2023 |
|--------------------------------|----------------------|----------------------|
| Prepaid expenses | \$7,389 | \$6,647 |
| Deferred financing costs | 1,031 | - |
| Deposits | 310 | 925 |
| Other receivables | 3,175 | 2,719 |
| Total other assets | 11,905 | 10,291 |
| Less: non-current other assets | (1,031) | (36) |
| Other current assets | \$10,874 | \$10,255 |

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For the year ended December 31, 2024, non-current assets consists of deferred financing costs related to the Phase II senior debt facility (see Note 10(b)):

| | Phase II deferred financing costs |
|---|--------------------------------------|
| January 1, 2024 | - |
| Additions | 2,062 |
| Transaction costs allocated to principal drawn (Note 10(b)) | (1,031) |
| Balance, December 31, 2024 | \$1,031 |

For the year ended December 31, 2024, the Company made a drawdown of XOF 17.5 billion (\$27.9 million) under the Phase II senior debt facility. Deferred financing costs of \$1,031 were allocated to the drawdown.

8. 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 development | Total |
|--------------------------------------|-----------------------------------|-----------------------------|--|---------------------------|-----------------------------|---------------------|------------------|
| Cost | | | | | | | |
| January 1, 2023 | \$18,473 | \$149,839 | \$7,943 | \$11,927 | \$7,419 | - | \$195,601 |
| Additions | - | 912 | 90 | 1,805 | 40,643 | - | 43,450 |
| Disposals | - | - | (267) | - | - | - | (267) |
| Transfers | - | 4,963 | 1,679 | 722 | (7,364) | - | - |
| Change in ERP estimate | (2,130) | - | - | - | - | - | (2,130) |
| December 31, 2023 | \$16,343 | \$155,714 | \$9,445 | \$14,454 | \$40,698 | - | \$236,654 |
| Additions | - | 2,142 | 150 | 4,434 | 29,721 | 14,652 | 51,099 |
| Disposals | - | - | - | (26) | - | - | (26) |
| Transfers | 23,391 | 27,980 | 3,472 | 420 | (59,138) | 3,875 | - |
| Change in ERP estimate | (957) | - | - | - | - | - | (957) |
| December 31, 2024 | \$38,777 | \$185,836 | \$13,067 | \$19,282 | \$11,281 | \$18,527 | \$286,770 |
| Accumulated Depreciation | | | | | | | |
| January 1, 2023 | \$268 | \$2,386 | \$4,833 | \$4,771 | - | - | \$12,258 |
| Depreciation | 3,401 | 25,893 | 574 | 1,605 | - | - | 31,473 |
| Disposals | - | - | (267) | - | - | - | (267) |
| December 31, 2023 | \$3,669 | \$28,279 | \$5,140 | \$6,376 | - | - | \$43,464 |
| Depreciation | 3,716 | 23,208 | 617 | 2,260 | - | - | 29,801 |
| Disposals | - | - | - | (26) | - | - | (26) |
| December 31, 2024 | \$7,385 | \$51,487 | \$5,757 | \$8,610 | - | - | \$73,239 |
| Carrying amounts | | | | | | | |
| December 31, 2023 | \$12,674 | \$127,435 | \$4,305 | \$8,078 | \$40,698 | - | \$193,190 |
| December 31, 2024 | \$31,392 | \$134,349 | \$7,310 | \$10,672 | \$11,281 | \$18,527 | \$213,531 |

Bomboré, Burkina Faso

The Company's only material mineral property right is the Bomboré mine. The Company has performed a review for indicators of impairment. No such indicators were identified as of December 31, 2024 and 2023.

Mine development relates to the construction of Phase II at the Bomboré mine.

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

During the year ended December 31, 2024, \$1,321 (December 31, 2023 - \$1,668) of depreciation and depletion were included in stockpile inventory.

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

9. TRADE AND OTHER PAYABLES

| As at | December 31, 2024 | December 31, 2023 |
|---|------------------------------|----------------------|
| Trade payables | \$19,864 | \$21,794 |
| Accrued liabilities | 24,244 | 21,536 |
| Payroll and indirect taxes payable | 1,511 | 1,415 |
| Lease liability, short-term portion (Note 11) | 203 | 203 |
| Total trade and other payables | \$45,822 | \$44,948 |

10. LOANS AND BORROWINGS

| | Phase I senior debt facility | Phase II senior debt facility | Bridge loan | Convertible note facility | Total |
|-----------------------------------|------------------------------------|-------------------------------------|-------------|------------------------------|------------------|
| Balance, January 1, 2023 | \$91,177 | - | - | \$30,664 | \$121,841 |
| Accretion | 1,244 | - | - | 952 | 2,196 |
| Principal repayments | (33,769) | - | - | - | (33,769) |
| Foreign exchange loss | 2,281 | - | - | - | 2,281 |
| Balance, December 31, 2023 | \$60,933 | - | - | \$31,616 | \$92,549 |
| Current portion | \$20,192 | - | - | - | \$20,192 |
| Non-current portion | \$40,741 | - | - | \$31,616 | \$72,357 |
| Balance, January 1, 2024 | \$60,933 | - | - | \$31,616 | \$92,549 |
| Drawdowns | - | 27,948 | 19,776 | - | 47,724 |
| Transaction costs (Note 7) | - | (1,031) | (240) | - | (1,271) |
| Accretion | 664 | 8 | 239 | 1,065 | 1,976 |
| Loss on modification (Note 10(d)) | - | - | - | 1,123 | 1,123 |
| Principal repayments | (19,794) | - | (19,554) | - | (39,348) |
| Foreign exchange gain | (2,876) | (219) | (221) | - | (3,316) |
| Balance, December 31, 2024 | \$38,927 | \$26,706 | - | \$33,804 | \$99,437 |
| Current portion | \$18,999 | - | - | - | \$18,999 |
| Non-current portion | \$19,928 | \$26,706 | - | \$33,804 | \$80,438 |

(a) Phase I senior debt facility

The Phase I senior debt facility is a project-level debt with Coris Bank International SA (“Coris”) and was originally divided into a medium-term loan and a short-term loan. The medium-term loan of XOF 40.0 billion bears interest at 9.0% per annum and is repayable in monthly principal instalments that started in October 2023 and matures in September 2026. The short-term loan of XOF 17.5 billion bore interest at 8.0% per annum and had a term of 12-months, maturing on June 28, 2023. The Phase I senior debt facility is secured by a pledge of assets of the Bomboré mine and a parental company guarantee.

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

The Company made principal repayments totalling XOF 12.0 billion (\$19.8 million) on the medium-term loan during the year ended December 31, 2024 (December 31, 2023 - \$5.0 million). At December 31, 2024, XOF 25.0 billion (\$39.6 million) of principal remained outstanding on the medium-term loan (December 31, 2023 – XOF 37.0 billion (\$60.8 million)).

Orezone Gold Corporation

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(b) Phase II senior debt facility

On December 19, 2024, the Company closed its XOF 35.0 billion senior secured debt facility with Coris (“Phase II senior debt facility”). The Phase II senior debt facility is a project-level debt that matures in September 2027, bears interest of 11.0% per annum, and is available in multiple draws. The Company made its first drawdown of XOF 17.5 billion (\$27.9 million) on December 23, 2024. Monthly principal repayments are scheduled to commence in January 2026 with early repayments permitted with a prepayment fee of 2%. The Phase II senior debt facility is secured by the same security as that held by the Phase I senior debt facility.

Transaction costs for loan origination, legal, and due diligence totalling \$2,062 (Note 7) have been incurred on the Phase II senior debt facility.

(c) Bridge loan

The Company closed and drew on a bridge loan for gross proceeds of XOF 12.0 billion (\$19.8 million) with Coris on May 10, 2024. The bridge loan had a term of 12-months, bore monthly interest of 10% per annum, and held the same security currently in place for the Coris senior debt facilities. The bridge loan was repaid in full on December 18, 2024.

(d) Convertible note facility

The convertible note facility was fully drawn on October 19, 2021, 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. The note is non-callable with principal due on maturity.

On December 20, 2024, certain terms of the convertible note facility were amended (the “Convertible Amendment”) in order to secure the consent of the note holders for the Phase II senior debt facility. These amendments consisted of a 2.0% per annum consent fee and a reduction in the conversion price from \$1.08 per share to \$0.70 per share (the “Conversion Price”). The Company may elect to convert up to 50% of the outstanding principal at the Conversion Price if the volume-weighted average price of the Company’s common shares exceeds a 50% premium to the Conversion Price for over 20 consecutive trading days within three months from the proposed date of conversion. The Company determined that the new terms of the Convertible Amendment were not substantially different from the original terms, and accordingly, has accounted for the Convertible Amendment as a non-substantial modification. A loss on modification of \$1,123, being the difference in carrying value before and after modification, has been included in other loss for the year ended December 31, 2024. The amendment to the conversion feature did not change its equity classification.

During the year ended December 31, 2024, the Company issued 3,910,991 shares (December 31, 2023 – 2,615,612) as payment for \$2,233 of interest, (December 31, 2023 - \$2,231) on the convertible note facility.

11. LEASES

Lease liabilities recognized at December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|--------------------------------|--------------|---------|
| Opening balance | \$851 | \$1,030 |
| Payments | (292) | (301) |
| Interest expense | 91 | 114 |
| Foreign currency (gain) loss | (26) | 8 |
| Closing balance | \$624 | \$851 |
| Less: current portion (Note 9) | (203) | (203) |
| Non-current portion | \$421 | \$648 |

During the year ended December 31, 2024, the Company made lease payments of \$4,058 (December 31, 2023 - \$4,959) of which \$3,766 (December 31, 2023 - \$4,657) related to short-term leases.

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The Company's right-of-use assets are included in mineral properties, plant and equipment with a net book value at December 31, 2024 of \$227 (December 31, 2023 - \$302) in Buildings and \$315 (December 31, 2023 - \$466) in Vehicles and Equipment.

12. SILVER STREAM LIABILITY

| As at | December 31, 2024 | December 31, 2023 |
|---|----------------------|----------------------|
| Opening balance | \$6,697 | \$6,257 |
| Revenue recognized on silver ounces delivered | (243) | (228) |
| Fair value loss on re-measurement | 3,124 | 668 |
| Closing balance | \$9,578 | \$6,697 |

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, Bomboré will make annual delivery of 37,500 ounces of silver to the stream holder commencing from the date of commercial production declared on December 1, 2022. If annual silver deliveries are below this minimum, the Company will make an initial catch-up payment only on the fifth anniversary from the date of the initial silver delivery under the Silver Stream 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 and loss and is classified in level 3 of the fair value hierarchy. The fair value is determined based on an income approach using assumptions on forecasted silver prices, discount rates, and expected oxide and hard rock silver production over the life of mine.

13. ENVIRONMENTAL REHABILITATION PROVISION

| As at | December 31, 2024 | December 31, 2023 |
|------------------------|----------------------|----------------------|
| Opening balance | \$10,596 | \$12,241 |
| Obligations incurred | 1,791 | 1,274 |
| Change in estimate | (2,748) | (3,404) |
| Accretion (Note 17) | 503 | 485 |
| Closing balance | \$10,142 | \$10,596 |

The Company measures the provision at the expected value of future cash flows including inflation rates discounted to the present value. The following table summarizes key inputs used in determining the present value of the ERP:

| | December 31, 2024 | December 31, 2023 |
|---|----------------------|----------------------|
| Undiscounted uninflated estimated cash flows (\$) | 17,307 | 13,895 |
| Discount rate (%) | 4.9 | 4.0 |
| Inflation rate (%) | 2.1 | 2.3 |

14. SHARE CAPITAL

(a) Capital stock

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

On August 8, 2024, the Company completed a non-brokered private placement of 92,743,855 common shares of the Company at a share price of C\$0.70 for gross proceeds of C\$64,921 (\$47,431). The net proceeds received from the share issuance was C\$64,790 (\$47,338) after legal and listing fees.

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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 years ended December 31, 2024 and December 31, 2023:

| | Stock options | |
|--------------------------|------------------------|--|
| | Outstanding (#) | Weighted average exercise price (C\$) |
| January 1, 2023 | 22,076,556 | 0.73 |
| Granted | 2,342,309 | 1.21 |
| Exercised | (3,847,290) | 0.73 |
| Expired / Forfeited | (306,715) | 1.20 |
| December 31, 2023 | 20,264,860 | 0.78 |
| Granted | 3,924,857 | 0.80 |
| Exercised | (3,117,666) | 0.53 |
| Expired / Forfeited | (922,368) | 0.56 |
| December 31, 2024 | 20,149,683 | 0.83 |

The following table summarizes information about the Company's stock options outstanding at December 31, 2024:

| Range of exercise prices (C\$) | Options outstanding | | | Options exercisable | |
|--------------------------------|---|---|---------------------------------------|---|---------------------------------------|
| | Outstanding as at December 31, 2024 (#) | Weighted average remaining contractual life (Years) | Weighted average exercise price (C\$) | Outstanding as at December 31, 2024 (#) | Weighted average exercise price (C\$) |
| 0.30 – 0.62 | 5,024,334 | 0.46 | 0.50 | 5,024,334 | 0.50 |
| 0.63 – 0.94 | 9,734,857 | 3.22 | 0.79 | 7,018,296 | 0.79 |
| 0.95 – 1.26 | 4,956,435 | 2.22 | 1.19 | 4,278,222 | 1.17 |
| 1.27 – 1.60 | 434,057 | 2.28 | 1.51 | 434,057 | 1.51 |
| Totals | 20,149,683 | 2.27 | 0.83 | 16,754,909 | 0.82 |

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

| | December 31, 2024 | December 31, 2023 |
|---------------------------------------|--------------------------|-------------------|
| Expected life (years) | 3.0 | 3.0 |
| Expected volatility (%) | 52.59 | 63.44 |
| Expected dividend yield (%) | - | - |
| Risk-free interest rate (%) | 3.94 | 4.15 |
| Weighted average exercise price (C\$) | 0.80 | 1.21 |
| Weighted average fair value (C\$) | 0.31 | 0.55 |

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

| | RSUs | | DSUs | |
|--------------------------|------------------|------------------|------------------|------------------|
| | Outstanding (#) | Vested (#) | Outstanding (#) | Vested (#) |
| January 1, 2023 | 2,155,792 | 1,203,396 | 1,025,418 | 1,025,418 |
| Granted | 839,073 | - | 513,337 | - |
| Vested | - | 865,145 | - | 513,337 |
| Redeemed | (770,450) | (770,450) | (323,116) | (323,116) |
| Forfeited | (79,430) | - | - | - |
| December 31, 2023 | 2,144,985 | 1,298,091 | 1,215,639 | 1,215,639 |
| Granted | 2,422,857 | - | 1,053,125 | - |
| Vested | - | 430,951 | - | 1,053,125 |
| Redeemed | (1,278,629) | (1,278,629) | - | - |
| Forfeited | (14,472) | (14,472) | - | - |
| December 31, 2024 | 3,274,741 | 435,941 | 2,268,764 | 2,268,764 |

RSUs

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

During the year ended December 31, 2024, the Company granted 2,422,857 RSUs (December 31, 2023 – 839,073) at an average fair value of C\$0.80 each (December 31, 2023 – C\$1.26) to employees of the Company. The RSUs will vest in two equal installments on the first and second anniversaries of the grant date.

During the year ended December 31, 2024, 1,278,629 (December 31, 2023 – 770,450) RSUs were redeemed for an equal number of common shares of the Company, and 14,472 (December 31, 2023 – 79,430) RSUs were forfeited.

DSUs

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

During the year ended December 31, 2024, the Company granted 1,053,125 DSUs (December 31, 2023 – 513,337) to directors of the Company. The DSUs are fully vested on the grant date at a weighted average fair value of C\$0.79 each (December 31, 2023 – C\$1.25).

During the year ended December 31, 2024, nil DSUs (December 31, 2023 – 323,116) were redeemed.

(d) Share-based compensation

The following table summarizes share-based compensation expense by unit type for the year ended December 31:

| | 2024 | 2023 |
|---------------------------------------|----------------|----------------|
| Stock options | \$925 | \$908 |
| Restricted share units | 1,218 | 799 |
| Deferred share units | 620 | 479 |
| Total share-based compensation | \$2,763 | \$2,186 |

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15. REVENUE

The Company's revenue from contracts with customers is 100% geographically attributable to the products produced in Burkina Faso.

| | 2024 | 2023 |
|----------------------|------------------|------------------|
| Customer 1 | \$197,816 | \$245,550 |
| Customer 2 | 51,547 | 25,437 |
| Customer 3 | 33,561 | - |
| Other | 593 | 504 |
| Total revenue | \$283,517 | \$271,491 |

16. OPERATING EXPENSES

Operating expenses for the years ended December 31 were as follows:

| | 2024 | 2023 |
|---------------------------------|------------------|------------------|
| Energy and fuel costs | \$41,202 | \$47,149 |
| Contractor costs | 40,329 | 37,836 |
| Materials and consumables | 22,206 | 22,249 |
| Salaries and employee costs | 21,286 | 19,722 |
| Other expenses | 16,818 | 16,140 |
| Net change in inventories | (18,271) | (24,843) |
| Total operating expenses | \$123,570 | \$118,253 |

17. FINANCE EXPENSE

| | 2024 | 2023 |
|---|-----------------|-----------------|
| Interest and fees on loans and borrowings | \$11,194 | \$12,540 |
| Accretion expense from loans and borrowings (Note 10) | 1,968 | 2,196 |
| ERP accretion expense (Note 13) | 503 | 485 |
| Other | 1,273 | 539 |
| Total finance expense | \$14,938 | \$15,760 |

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18. INCOME TAXES

(a) Reconciliation of effective tax rate

The provision for income taxes differs from the expected amount calculated using the combined Canadian federal and provincial statutory income tax rates as follows for the years ended December 31:

| | 2024 | 2023 |
|---|-----------------|----------|
| Income before income taxes | \$84,889 | \$62,853 |
| Statutory Canadian federal and provincial tax rates | 27.0% | 27.0% |
| Expected income tax expense | 22,920 | 16,970 |
| Impact of foreign tax rates | 2,030 | 1,841 |
| Non-deductible expenses | 1,663 | 1,315 |
| Unrecognized change in share issuance and borrowing costs | 197 | 96 |
| Unrecognized change in Canadian non-capital loss carry-forwards | 3,835 | 2,965 |
| Unrecognized change in foreign resource-related income tax attributes | 145 | 195 |
| True up of tax amounts from prior years | 705 | - |
| Benefit of previously unrecognized deferred income tax assets | (11,545) | (10,152) |
| Effect of foreign exchange rate changes on deferred taxes | 855 | - |
| Income tax expense | \$20,805 | \$13,230 |

(b) Income tax payable

| As at | December 31, 2024 | December 31, 2023 |
|--|----------------------|----------------------|
| Income tax payable related to current year taxable profits | \$26,469 | \$18,279 |
| Income tax payable in respect to prior years | 705 | - |
| Current year tax instalments | (7,999) | - |
| Income tax payable | \$19,175 | \$18,279 |

(c) Recognized deferred tax assets

The major components of the deductible temporary differences were comprised as follows:

| As at | December 31, 2024 | December 31, 2023 |
|---------------------------------------|----------------------|----------------------|
| Exploration and evaluation | \$10,782 | \$4,810 |
| Trade and other payables | 1,438 | - |
| Other | 40 | - |
| Recognized deferred tax assets | \$12,260 | \$4,810 |

The Company's movement of deferred tax assets at December 31, 2024 and 2023 is as follows:

| | 2024 | 2023 |
|------------------------------|-----------------|---------|
| Opening balance | \$4,810 | - |
| Deferred income tax recovery | 7,450 | 4,810 |
| Closing balance | \$12,260 | \$4,810 |

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Significant judgment is required in determining the deferred tax asset for tax attributes associated with the Bomboré Mine. This determination includes the likelihood that there will be sufficient taxable income in the future years against which the tax attributes can be utilized. As a result of Bomboré's history of generating taxable income and having established the technical feasibility and commercial viability of the Phase II expansion, the Company now considers it probable that its Burkina Faso operating subsidiary will generate sufficient future taxable income over all years remaining in the mine life against which the tax attributes can be utilized. Consequently, the Company recognized the benefit of deferred tax balances relating to the Bomboré Mine of \$11,545 for the year ended December 31, 2024 (December 31, 2023 - \$4,810).

(d) Unrecognized deferred tax assets

The following deferred tax assets have not been recognized as it is not considered probable that sufficient future taxable profit will be generated to allow these assets to be recovered as at the following dates:

| As at | December 31, 2024 | December 31, 2023 |
|--|----------------------|----------------------|
| Canadian non-capital loss carry-forwards | \$17,803 | \$15,111 |
| Foreign resource-related income tax attributes | 9,499 | 20,684 |
| Unamortized share issuance costs deductible for tax purposes | 214 | 435 |
| | \$27,516 | \$36,230 |

If not utilized, these Canadian non-capital loss carry-forwards expire between 2031 and 2044. The unamortized share issuance costs as at December 31, 2024 will be deductible for Canadian income tax purposes between 2025 and 2028.

The resource-related attributes generated by the Company's foreign subsidiaries are available to reduce future income taxes in Burkina Faso for either a period of five years beginning in the year that production commences, or over the life of mine depending on the nature of the attribute, using a unit-of-production basis of material extracted over proven and probable mineral reserves. These deductions are tracked by project and can be applied to reduce future profit earned in Burkina Faso on the same respective projects should they be taken into production or can be used to offset taxable gains realized on permit sales if such a sale is undertaken. The effective corporate income tax rate in Burkina Faso is 27.5% (2023 – 27.5%). In January 2024, effective for the 2023 and subsequent taxation years, the Burkina Faso government introduced a special levy of 2% on after-tax profits, adding an additional 1.45% to the effective rate.

19. SUPPLEMENTAL CASH FLOW INFORMATION

(a) Changes in non-cash operating activities

Supplemental details of the changes in non-cash working capital for the years ended December 31:

| | 2024 | 2023 |
|--------------------------|-------------------|-------------------|
| Inventories | (\$18,253) | (\$28,768) |
| Other current assets | (12,049) | (10,450) |
| Other non-current assets | (8,504) | (10,904) |
| Trade and other payables | (1,941) | 7,043 |
| | (\$40,747) | (\$43,079) |

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(b) Changes in non-cash investing activities

Supplemental details of the changes in non-cash investing activities for the years ended December 31:

| | 2024 | 2023 |
|--|----------------|-----------|
| Acquisition of mineral properties, plant and equipment | \$3,111 | (\$3,493) |
| | \$3,111 | (\$3,493) |

(c) Changes in non-cash financing activities

Supplemental details of the changes in non-cash financing activities for the years ended December 31:

| | 2024 | 2023 |
|--|----------------|---------|
| Shares issued for interest (Note 10(d)) | \$2,233 | \$2,231 |
| Accretion on loans and borrowings (Note 10) | 1,976 | 2,195 |
| Fair value loss on silver stream liability (Note 12) | 3,124 | 668 |
| Non-cash and accrued interest | (562) | - |
| Other finance costs | 700 | (175) |
| Fair value of warrant exercises | - | (3,408) |
| | \$7,471 | \$1,511 |

20. 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 United States dollars, Canadian dollars, Euros, and XOF. Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Exchange rate fluctuations may affect the costs that the Company incurs in its operations. There has been no change in the Company's objectives and policies for managing this risk during the year ended December 31, 2024.

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

| As at December 31, 2024 | \$ | C\$ | EUR & XOF ¹ | Other | Total |
|----------------------------------|-------------------|------------------|------------------------|----------------|-------------------|
| Financial assets | | | | | |
| Cash | \$7,872 | \$2,062 | \$64,021 | \$66 | \$74,021 |
| Other current assets | 3,902 | 80 | 648 | 1,172 | 5,802 |
| | \$11,774 | \$2,142 | \$64,669 | \$1,238 | \$79,823 |
| Financial liabilities | | | | | |
| Trade and other payables | (\$10,836) | (\$6,131) | (\$23,642) | (\$913) | (\$41,522) |
| Loans and borrowings | (33,804) | - | (65,633) | - | (99,437) |
| Lease liabilities | (219) | (202) | - | - | (421) |
| Silver stream liability | (9,578) | - | - | - | (9,578) |
| Net financial instruments | (\$42,663) | (\$4,191) | (\$24,606) | \$325 | (\$71,135) |

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

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

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

| As at | December 31, 2024 | December 31, 2023 |
|-----------|-------------------|-------------------|
| C\$ | \$419 | (\$577) |
| EUR & XOF | \$2,461 | \$7,250 |
| Others | (\$33) | (\$58) |

(b) Liquidity risk

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

The following table summarizes the contractual maturities of the Company's operating, capital and financing commitments at December 31, 2024, shown in contractual undiscounted cashflows:

| | Within 1 year | Between 1 and 5 years | Thereafter | Total |
|--------------------------|------------------|-----------------------|------------|------------------|
| Trade and other payables | \$45,822 | - | - | \$45,822 |
| Income tax payable | 19,175 | - | - | 19,175 |
| Capital commitments | 33,658 | - | - | 33,658 |
| Operating commitments | 464 | - | - | 464 |
| Lease commitments | 87 | 437 | - | 524 |
| Loans and borrowings | 30,156 | 90,692 | - | 120,848 |
| Total | \$129,362 | \$91,129 | - | \$220,491 |

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

The senior debt facilities 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 ERSA with minimum annual silver delivery obligations, which if not met, may require shortfall payments by the Company.

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(c) Credit risk

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

(d) Fair value measurements

The fair value of a financial instrument is measured within a "fair value hierarchy" that prioritizes the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The three levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: Valuation techniques using input other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Valuation techniques using inputs for the asset or liability that are not based on observable market data.

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

| | Level 1 | Level 2 | Level 3 | December 31, 2024 | Level 1 | Level 3 | December 31, 2023 |
|-------------------------|----------|---------|-----------|----------------------|----------|-----------|----------------------|
| Cash | \$74,021 | - | - | \$74,021 | \$19,483 | - | \$19,483 |
| Other assets | 33 | 539 | - | 572 | 36 | - | 36 |
| Silver stream liability | - | - | (\$9,578) | (\$9,578) | - | (\$6,697) | (\$6,697) |

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

21. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration, development, and exploitation of its mineral properties. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets, or increase borrowings. The Company does not currently pay dividends.

The Company considers the components of shareholders' equity, loans and borrowings, and the Silver stream liability to be its capital, which at December 31, 2024 totalled \$366,795 (December 31, 2023 - \$248,116).

The Company is not subject to any externally imposed capital requirements, with the exception of complying with covenants under the senior debt facilities and convertible note facility. As at December 31, 2024, the Company was in compliance with these covenants.

22. KEY MANAGEMENT COMPENSATION

Key management and director compensation for the years ended December 31 was as follows:

| | 2024 | 2023 |
|---|---------|---------|
| Short-term key management personnel compensation and benefits and director fees | \$3,528 | \$4,266 |
| Share-based compensation | 2,379 | 1,840 |
| | \$5,907 | \$6,106 |

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23. SUBSEQUENT EVENTS

On January 16, 2025, the Company issued 4,834,070 stock options, 1,750,214 RSUs and 932,140 DSUs. The stock options are exercisable at C\$0.70 each.

During January and February 2025, 101,398 RSUs and 305,963 DSUs were redeemed for an equal number of common shares of the Company.

On March 13, 2025, the Company completed a bought deal equity financing whereby the Company issued 42,683,000 common shares at a price of C\$0.82 per share for gross proceeds of C\$35.0 million (\$24.3 million). On March 19, 2025, the Company issued an additional 6,402,450 common shares at a price of C\$0.82 per share for gross proceeds of C\$5.3 million (\$3.7 million) pursuant to the exercise of the over-allotment option by the Underwriter.

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