

ALERIO GOLD CORP.
(formerly PROJECT ONE RESOURCES LTD)
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS
AND RESULTS OF OPERATIONS
FOR THE THREE MONTH PERIOD ENDED NOVEMBER 30, 2021

The following is management's discussion and analysis ("MD&A") of the financial condition and results of operations of Alerio Gold Corp. (formerly Project One Resources Ltd., the "Company") for the three month period ended November 30, 2021. This MD&A should be read in conjunction with the Company's audited financial statements and the related notes contained therein for the years ended August 31, 2021 and 2020 (the "Financial Statements"). The Financial Statements summarize the financial impact of the Company's financings, investments, and operations. The accompanying Financial Statements and related notes are management prepared and are unaudited. All figures are in Canadian dollars unless otherwise stated.

This MD&A has been reviewed by the Company's Audit Committee and approved and authorized for issue by the Company's Board of Directors on January 28, 2022. The information contained within this MD&A is current to the same date.

Cautionary Notices Regarding Forward Looking Statements

While the Company believes that the assumptions underlying any forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this document. The Company disclaims any intention or obligation to update or revise any forward-looking statement, whether it should be revised because of new information, future events or otherwise, unless required to do so by the applicable securities laws.

OVERVIEW

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. The impact of the COVID-19 pandemic has major implications for all economic activity, including that of the Company.

At this time, it is not possible to predict the magnitude of the adverse results of the outbreak and its effects on the Company's business but believes that the COVID-19 Pandemic will likely have only a minimal impact on the Company's activities, most notably in curtailment of travel and access to projects due to travel and social distancing restrictions. There is no material disruption to the Company's current operations.

The Company was incorporated on March 22, 2018 in the Province of British Columbia, Canada by registration of its Incorporation Application and Notice of Articles pursuant to the BC Act. The Company's business and registered office address is currently located at Suite 1000-409 Granville Street, Vancouver, British Columbia, V6C 1T2.

The Company's common shares trade on the Canadian Stock Exchange ("CSE") under the symbol ALE.

The Company's primary business to date has been to identify, explore and develop opportunities in the resource sector through acquisition or joint venture. During the past fiscal year, the Company and management were focused on concluding an acquisition in Guyana, South America which consists of two gold mining properties, the Tassawini and Harpy properties. The acquisition closed on October 28, 2021 at which time the Company's name was changed to Alerio Gold Corp. and the Company's common shares resumed trading on November 3, 2021 under a new symbol "ALE". The objective is to start up all current facilities and assets at the Tassawini site and commence further property exploration activities. The property has been issued a mining permit.

History and Description of the Company

After incorporation in 2018, the Company entered into a Mineral Property Purchase Agreement to acquire an initial property (the Aura property") for shares, raised sufficient capital to commence initial exploration on that property and engaged an agent to assist in obtaining a listing on the CSE.

Prior to the public listing of its common shares on the CSE, the Company completed an exploration program on the property consisting of airborne magnetic and radiometric surveys, satellite image analysis and digital elevation modelling and a systematic evaluation of available stream, soil, and rock geochemical data for the project area.

On June 12, 2019, the Company closed a public offering and raised \$400,000 in gross proceeds through the issuance of 4,000,000 common shares at a price of \$0.10 per share. At the same time, the Company's common shares began trading on the CSE under the symbol PJO.

After the closing of the public offering, the Company continued to undertake exploration activities at the property throughout 2019 and 2020.

The latest exploration activities indicated that IP surveys and drilling would be warranted, however the costs of these programs could not be estimated at that stage. It was determined that his type of follow up work would require permitting through the Ministry of Mines and consultation with affected First Nations.

Due to required permitting and additional extensive financing needed for any ongoing major exploration work on the Aura property, the Company attempted to identify other project opportunities, both mineral properties and other business entities that could be acquired. The advent of COVID-19 in early 2020, slowed activities considerably. In December 2020, our contract geologist filed an updated property plan for the Aura project with the BC Department of Mines.

Recent Corporate Update

-On June 9, 2021 the Company entered in to a non-binding letter of Intent with Goldeneye Capital Ltd to acquire two gold mining properties located in Guyana, South America known as the Tassawini and Harpy properties.

The Tassawini Gold Project is an advanced stage gold project that totals 3,413 acres (or 1,381 hectares) in size and is located approximately 175 kilometres to the northwest of the capital city of Georgetown. Significant previous work has been performed on the property since 2004 by previous owners that includes 47,509 meters of drilling in 1,279 core and reverse circulation drill holes; extensive trenching; metallurgical testing; geophysics and mapping.

The previous work completed on the property resulted in an historical indicated resource containing 10,766,000 tonnes grading 1.3 grams per tonne gold (or 437,000 ounces (oz) gold) and an additional historical inferred resource of 614,000 tonnes grading 1.7 grams per tonne gold (or 62,000 oz gold) that was estimated by SRK in a mineral resource estimation dated July 21, 2008, and revised on Feb. 10, 2010. The resource appears to be open in multiple directions and at depth.

The extensive exploration which has been done on the property has outlined excellent potential to expand the previously defined gold mineralization. The property has significant exploration potential that includes the Sonne zone with a previously defined gold-in-soil anomaly similar in size to the historic resource area and is located only 400 metres to the west. In addition, there are approximately 15 other gold and/or geophysical anomalies within the property that need further exploration.

The property has established infrastructure in place that includes a 120-person camp and facilities, a commercial airstrip, and river docking capacity for 1,000-tonne barge access. The project was issued a mining permit allowing for medium scale production in 2018. The mining permit is renewable in 5 year cycles.

On October 28, 2021 the Company and Goldeneye Capital Ltd entered into a formal Asset Purchase Agreement and, pursuant to the agreement, the Company assumed Goldeneye's rights and obligations under Goldeneye's option agreement respecting the properties in exchange for: (i) an aggregate cash payment to the shareholders of Goldeneye of USD\$500,000 (ii) the issuance to the Vendors of an aggregate of 50,000,000 common shares in the capital of the Company and (iii) a 3% net smelter return with an option to purchase ½ of this net smelter return for USD \$3,000,000.

For the three month period ending	May 31, 2020	February 28, 2020
Revenue	\$nil	\$nil
Operating Expenses	\$16,392	\$19,952
Net loss and comprehensive loss	\$16,392	\$19,952
Basic and diluted loss per share	\$0.002	\$0.002
Total assets	\$140,191	\$315,190
Total non-current financial liabilities	\$nil	\$nil

Selected Annual Information

The selected annual information set out below has been derived from and should be read in conjunction with the Financial Statements.

	Year ended August 31, 2021	Year ended August 31, 2020
Revenue	\$nil	\$nil
Operating expenses	\$813,722	\$363,092
Net loss and comprehensive loss	\$1,120,072	\$407,134
Basic and diluted loss per share	\$0.08	\$0.02
Total assets	\$1,204,201	\$788,125
Total non-current financial liabilities	\$nil	\$nil

Relevant financial information for the three-month period ended November 30, 2021 compared to the three-month period ended November 30, 2020

General and administration (“G&A”) expenses are costs associated with the Company’s corporate office and other expenditures that are not directly attributable to the Company’s exploration project and include due diligence related costs regarding potential acquisitions.

For the three-month period ended November 30, 2021, expenses totalled \$378,226 (2020 - \$164,980), an increase of \$213,246. Major cost increases were for legal fees, geological related consulting, and shareholder communications.

Total legal related expenses during the period were \$177,404 as compared to \$40,614 in the 2020 comparable period, consulting fees totalled \$119,607 as compared to \$104,657, exploration and evaluation expenditures were \$14,359 as compared to \$7,000 in 2020, and interest and bank charges amounted to \$379 as compared to \$577 in the comparable 2020 period.

Advertising and shareholder promotion costs were \$51,004 as compared to \$5,298, and filing fees were \$2,825 as compared to \$2,719 in the comparable 2020 period.

During the period, audit and accounting fees totalled \$3,543 as compared to \$nil in 2019/2020.

The majority of costs were directly related to due diligence activities for the Tassawinii gold project acquisition..

Results of Operations

The Company anticipates that, for the foreseeable future, quarterly results of any mineral exploration operations will primarily be impacted by several factors, including the timing of exploration and the efforts and timing of

expenditures related to the development of the Company. Due to fluctuations in these factors, the Company believes that the period-to-period comparisons of mineral exploration operating results are not a good indication of its future performance.

Revenues

As a mining exploration company, the Company does not generate any income, and must finance its activities through the issuance of equity instruments.

During the three-month period ended November 30, 2021, the Company incurred a net loss and comprehensive loss of \$378,226 compared to a loss of \$164,980 for the three-month period ended November 30, 2020. The loss for the fiscal period ended November 30, 2021 is primarily the result of legal and consulting fees related to due diligence and analysis costs regarding the Goldeneye Capital mining properties acquisition.

Liquidity and Capital Resources

Funds available have been used for corporate development, potential acquisition due diligence costs and general working capital purposes. Cash and cash equivalents as of November 30, 2021, totaled \$350,474 as compared to \$437,262 as at the previous year comparable quarter end.

Advanced exploration of the Tassawini mineral property will require additional financial resources. In this regard, the Company undertook to conclude a private placement financing in the amount of \$1,354,500 which closed on August 16, 2021. The Company is currently proposing to conclude a further private placement financing in the amount of up to \$1,000,000. There is no assurance that further financing will be available under terms that are favourable to the Company.

The Company is pursuing opportunities to raise additional capital as needed; however, there can be no assurance that such financing will be available on a timely basis and under terms which are acceptable to the Company.

Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

At the Report Date, the Company has appointed new management and Board members, accepted the resignations of the prior management and directors and is focused on commercialization of the acquired gold mining properties located in Guyana, South America.

Contractual Obligations

The Company has no material and long-term contractual obligations other than employment contracts in place with Ron Shenton and Brian Roberts.

Significant Accounting Policies and Estimates

The preparation of financial statements requires management to establish accounting policies, estimates and assumptions that affect the timing and reported amounts of assets, liabilities revenues and expenses. These estimates are based on historical experience and on various other assumptions that management believes to be reasonable under the circumstances and require judgment on matters which are inherently uncertain. Details of the Company's significant accounting policies can be found in the notes of the financial statements.

New Accounting Standards

The Company is aware of certain new accounting standards which are reasonably expected to have an impact on disclosures, financial position or performance when applied at a future date. Details of these changes can be found in the notes of the financial statements.

Outstanding Share Data

As of November 30, 2021 there were 69,789,027 common shares issued and outstanding.

During the most recent quarter, and pursuant to the Company's option plan, the Company has granted stock options to directors and consultants to purchase up to 400,000 common shares in the capital of the company at an exercise price of \$0.25, which will expire August 13, 2024.

In August 2021, the Company closed a private placement transaction for \$1,354,500 resulting in the issuance of 5,418,000 common shares and the issuance of 2,709,000 full warrants exercisable for a period of one year at a price of \$0.40 per full warrant and also a total of 162,900 broker B warrants also exercisable at a price of \$0.40 per full warrant for a period on one year.

A total of 80,000 options were exercised by a corporate director at \$0.19 per option and a total of 50,000,000 treasury shares were issued to the shareholders of Goldeneye Capital Ltd as a component of the Tassawini and Harpy gold property acquisitions approval and closing.

Related Party Transactions

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is a related party transaction when there is a transfer of resources or obligations between related parties.

During the fiscal quarter period ended November 30, 2021, related party transactions comprised the following:

- (a) Consulting fees of \$6,000 monthly paid to Ron Shenton for a total of \$18,000 (through 475175 BC Ltd)
- (b) Consulting fees of \$6,000 monthly paid to Brian Roberts for a total of \$18,000 (through 343984 BC Ltd)

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, to support its activities. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital and cash.

The Company will continue to assess new sources of financing available and to manage its expenditures to reflect current financial resources in the interest of sustaining long term viability. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's capital management objectives, policies and processes have not changed over the period presented. The Company is not subject to any externally imposed capital requirements.

Adoption of New and Amended IFRS Pronouncements

The Company has consistently applied the accounting policies and the significant judgments, estimates and assumptions set out in Notes 2 and 3 of the Company's audited financial statements for the year ended August 31, 2021 to the periods presented in these quarterly financial statements.

RISKS

The Company is subject to risks inherent in the mineral exploration business and all other potential business activities as well as general economic and business conditions. For more information on the Company, readers

should review the Company's disclosure that is available on the Company's website at www.aleriogold.com as well as at www.sedar.com

Currency Risk

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not currently have any significant foreign currency denominated monetary liabilities. Exploration and mining activities at the Tassawinni property in Guyana will involve significant requirements for local currency and US dollars and these activities could entail exposure to exchange rate fluctuations risk.

Interest Rate Risk

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered any derivative instruments to manage interest rate fluctuations.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk, the Company would intend to place these instruments with a high-quality financial institution

Liquidity Risk

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility using borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's operations.

Exploration Stage Mineral Exploration Risks

Exploration stage mineral exploration companies face a variety of risks with very few exploration projects successfully achieving development stage due to factors that cannot be predicted or anticipated. Even one such factor may result in the economic viability of a project being detrimentally impacted such that it is neither feasible nor practical to proceed.

Additional Disclosure for Junior Companies

The Company expects that the proceeds raised in August 2021 pursuant to the private placement offering will continue to fund operations through 2021 and initial months of 2022. The estimated total general and administrative costs necessary for the Company to operate during the following 12 months is \$330,000

Subsequent Events

On January 12, 2022 the Company announced that it had closed the first tranche of a private placement. The Company issued 2,841,000 units at a price of \$0.25 for total gross proceeds of \$710,250. Each unit is composed of one common share and one share purchase warrant exercisable into one common share at a price of \$0.40 for a period of two years from the date of issuance. The Company issued 133,070 finders warrants and paid a cash fee of \$33,267.50 to certain finders. Each finders warrant is exercisable at a price of \$0.40 for a period of two years from date of issuance.

On January 21, 2022, the Company announced that it has closed a second tranche of the Private Placement involving a further 600,800 Units for gross total gross proceeds of \$150,200.