

**ALERIO GOLD CORP.  
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS  
AND RESULTS OF OPERATIONS  
FOR THE THREE MONTHS ENDED NOVEMBER 30, 2022**

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 months ended November 30, 2022. This MD&A should be read in conjunction with the Company's unaudited condensed interim financial statements for the three months ended November 30, 2022 and related notes, and the audited financial statements for the year ended August 31, 2022 and the related notes. The Financial Statements summarize the financial impact of the Company's financings, investments, and operations. The accompanying Financial Statements and related notes are presented in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Please refer to the *Cautionary Notices Regarding Forward Looking Statements* in this MD&A, especially regarding forward looking statements. 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 26, 2023. 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's business financial condition and results of operations may be further negatively affected by economic and other consequences from Russia's military action against Ukraine and the sanctions imposed in response to that action in late February 2022. While the Company expects any direct impacts, of the pandemic and the war in the Ukraine, to the business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect the business.

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 2, 2021 under a new symbol "ALE". The Company's current property focus is the Tassawini gold property (the "Property"). 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.

The Company will continue with its principal business of acquisition, exploration and evaluation of resource properties with its main focus in Guyana, South America.

### **History and Description of the Company**

Prior to the recent transaction, the Company undertook steps to develop its business, including recruiting directors and officers with the skills required to operate a public company. During 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.

On August 28, 2018, the Company raised \$174,500 through the issuance of 3,290,000 common shares at \$0.05 per share.

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.

On October 28, 2021, the Company decided to pursue projects in Guyana, see below for current year’s acquisition. On October 28, 2021, the following board of directors were appointed, Jonathan Challis, Geoff Balderson, Greg Smith, Lee Graber and Allan Fabbro. Jonathan Challis was also appointed CEO and Geoff Balderson was appoint corporate secretary and CFO. On December 16, 2022, Jonathan Challis has step down as CEO and will remaining as a director of the Company and Allan Fabbro has assumed the position of CEO.

### **Mineral projects**

#### **Tassawini Gold Project**

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, in Guyana, South America. 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 historical mineral resource practices for the Tassawini and Sonne deposits at a cut-off grade of 0.5

grams of gold per tonne (g/t) were in accordance with CIM Estimation of Mineral Resource and Mineral Reserve Best Practice Guidelines (November 29, 2019), and followed CIM Definition Standards for Mineral Resources and Mineral Reserves (May 10, 2014), that are incorporated by reference into National Instrument 43-101 ("NI 43-101"). The data and procedures employed by SRK and the historical resource is considered reliable and it was a valid resource estimation in 2010. The historic resource estimate used geological interpretation to prepare wireframes, data validation, and statistical analyses including variograms. Composites were capped for gold grades, block size was determined by drill spacing, and grades were estimated into the block model using ordinary kriging. Mineral resource classification was carried out using a combination of drillhole spacing, geological and wireframe confidence. Pit optimization studies were conducted to determine the depth to which resource estimates were reported. Since 2010, a qualified person has not done sufficient work to classify the historical estimation as current mineral resources and the Company is not treating the historical resource estimation as a current mineral resource. Additional confirmation drilling and updated topographic surveying is required to update the historic resource estimate. The historical estimate should not be relied upon.

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.

The Tassawini Gold Project will become the Company's principal asset.

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.

The transaction required CSE and shareholder approval which were both received on or before November 2, 2021. A Form 2 Listing Statement has been filed on the CSE website and on Sedar. The transaction also involved the Company changing its name to "Alerio Gold Corp." and changing its CSE trading symbol to ALE.

### **Purini Properties, Guyana**

On June 28, 2022, the Company entered into asset purchase agreement with Purini Partnership to acquire 100% interest in five prospecting permits located near the Purini River in the Mazaruni Mining District No. 3, Guyana. As consideration, the Company has agreed to a one-time cash payment of \$300,000 (Paid) and issue 27,000,000 common shares. On July 6, 2022, the Company issued the 27,000,000 common shares at a price of \$0.09 per share for a total value of \$2,430,000. In connection with the asset purchase, the Company issued 1,000,000 common shares to RSJ Consulting Inc. fair valued at \$100,000 to facilitate the transaction.

## OVERALL PERFORMANCE

### Summary of Quarterly Reports

A summary of results for the most recent eight quarters are as follows:

For the three month period ending	November 30, 2022	August 31, 2022	May 31, 2022	February 28, 2022
			Restated	Restated
Revenue	\$nil	\$nil	\$nil	\$nil
Operating Expenses	\$153,813	\$192,957	\$287,676	\$377,644
Net loss and comprehensive loss	\$(153,813)	\$(192,957)	\$(287,676)	\$(377,644)
Basic and diluted loss per share	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.01)
Total assets	\$16,068,537	\$16,114,035	\$13,788,443	\$14,066,655
Total non-current financial liabilities	\$nil	\$nil	\$nil	\$nil

For the three month period ending	November 30, 2021	August 31, 2021	May 31, 2021	February 28, 2021
	restated			
Revenue	\$nil	\$nil	\$nil	\$nil
Operating Expenses	\$186,686	\$448,623	\$90,439	\$109,680
Net loss and comprehensive loss	\$(186,686)	\$(754,973)	\$(90,439)	\$(109,680)
Basic and diluted loss per share	\$(0.15)	\$(0.05)	\$(0.00)	\$(0.01)
Total assets	\$13,574,279	\$1,204,201	\$348,026	\$598,767
Total non-current financial liabilities	\$nil	\$nil	\$nil	\$nil

### Fourth Quarter

N/A

### 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.

During the three months ended November 30, 2022:

The Company has no producing properties, and consequently no sales or revenues during the quarter ended November 30, 2022 and incurred a net loss and comprehensive loss of \$153,813 as compared to the net loss of \$186,686 for the comparable quarter ended November 30, 2021.

Total expenses for the three months ended November 30, 2022, amounted to \$153,813 as compared to \$186,686 for the comparable period, a decrease of approximately \$33,000. The main decrease can be attributed to the decrease in legal fees to \$Nil as compared to \$38,123 for the comparable quarter, as the Company incurred legal fees in the comparable quarter related to general corporate matters and due diligence on potential mineral property acquisitions.

Marketing fees have decreased to \$1,708 as compared to \$51,169 in the comparable quarter, as the Company had acquired its mineral property in Guyana and was actively promoting its property. There was no marketing activity in the current quarter due to cash constraint.

The above decreases were offset by an increase in consulting fees to \$113,333 from \$57,107 in the comparable quarter.

All other costs are consistent with maintaining the Company's reporting issuer status.

## Liquidity and Capital Resources

As at November 30, 2022, the Company had a working capital deficiency of \$202,105 (August 31, 2022 – working capital deficiency of \$48,292).

The Company's budget is its working capital and believes that the current capital resources is not sufficient to pay overhead expenses and exploration program for the next twelve months and continues to raise additional funding to fund its future exploration program, marketing and general working capital and towards potential mineral projects, if such opportunities arise. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects.

Since the Company may not be able to generate cash from its operations in the foreseeable future, the Company will have to rely on the issuance of shares or the exercise of options and warrants to fund ongoing operations and investment. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

## Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

## Proposed Transactions/Subsequent Events

N/A

## 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

Below is the summary of the Company's share capital as at November 30, 2022 and as of the date of this report:

Security description	As at	
	August 31, 2022	MD&A
Common shares – issued and outstanding	101,230,827	101,230,827
Warrants issued in private placements	3,605,870	3,605,870
Share purchase options	750,000	750,000
Common shares – fully diluted	105,586,697	105,586,697

## Related Party Transactions

Key management personnel include persons having the authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Board of Directors and corporate officers.

		<b>For the three months ended November 30,</b>	
		<b>2022</b>	<b>2021</b>
<b>Consulting fees</b>			
	Harmony Corporate Services Ltd., a company controlled by the CFO	\$ 9,000	\$ -
	A company controlled by the former CEO	-	27,000
	A company controlled by the former CFO	-	21,000
		<b>\$ 9,000</b>	<b>\$ 48,000</b>

Included in accounts payable at November 30, 2022 is \$19,650 (August 31, 2022 - \$9,450) owed to a company controlled by the CFO for unpaid consulting fees.

### **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 IRFS Pronouncements**

The Company has consistently applied the accounting policies and the significant judgments, estimates and assumptions set out in Notes 3 and 4 of the Company's audited 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.aleriongold.com](http://www.aleriongold.com) as well as at [www.sedar.com](http://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 have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

### **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**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when due.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As at November 30, 2022, the Company had a working capital deficiency of \$202,105 (August 31, 2022 – working capital deficiency of \$48,292). The Company plans to raise financing from private placements to meet its current and future obligations.

### **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.

### **Financing Risks**

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the properties owned by the Company.

While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of the Property, there is no assurance that any such funds will be available. If available, future equity financing may result in substantial dilution to existing shareholders. At present it is impossible to determine what amounts of additional funds, if any, may be required.