ALERIO GOLD CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED AUGUST 31, 2023

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 year ended August 31, 2023. This MD&A should be read in conjunction with the Company's audited financial statements for the year ended August 31, 2023 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 May 27, 2024. 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

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. On November 22, 2021, the Company was accepted for listing and commenced trading on the Frankfurt Stock Exchange under the symbol "3FRO" with a WKN number of A3C6XZ.

The Company's primary business to date has been to identify, explore and develop opportunities in the resource sector through acquisition or joint venture. In fiscal 2022, the Company was 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 ("Tassawinni" or 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 Aura 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 Aura 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 Aura 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.

In 2021, the Company decided to pursue projects in Guyana, South America.

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 appointed corporate secretary and CFO. On December 16, 2022, Jonathan Challis stepped down as CEO and remained as a director of the Company and Allan Fabbro assumed the position of CEO.

Mineral projects

<u>Tassawini Gold Project</u>

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. Further information on the Property and additional details for the histocic resource estimate are included in the current technical report titled "Technical Report on the Tassawini Gold Project, Co-operative Republic of Guyana", with an effective date of September 7, 2021, prepared by Kangari Consulting in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* and available under Alerio's SEDAR profile at www.sedarplus.com.

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 Property 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 is the Company's principal asset.

On October 5, 2021, the Company entered into an agreement to acquire 100% of the right, title and interest to two gold properties in Guyana known as the Tassawini and Harpy properties with each property holding four mining permits. As consideration, the Company paid $636,889 (US$500,000) and issued 50,000,000 common shares with a fair value of $12,500,000. The Company also capitalized $199,218 in legal costs incurred in connection with this acquisition. Goldeneye Capital Ltd. will retain a 3% royalty over the Tassawini property, and the Company has an option to repurchase up to one-half of the 3% royalty for US$3,000,000 per percentage point.

The transaction required CSE and shareholder approval which were both received on or before November 2, 2021. A Form 2 Listing Statement was 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.

On December 7, 2022, Alerio Gold announced results of a Remote Sensing Survey completed on the Tassawini Gold Property by Auracle Geospatial Science Inc ("Auracle") which included an updated topographic map as well as structural interpretation of the Property. The results of the work generated several high priority Targets outside of the Tassawini Historical Resource area. The remote sensing work conducted by Auracle, focused on locating and identifying sub surface features within the Property and the completion of an updated topographic surface with the preparation of a new Digital Elevation Model ("DEM"). The DEM is a vital component to the anticipated updated Mineral Resource Estimate and to future exploration and drill programmes.

Purini Properties, Guyana

On June 28, 2022, the Company entered into an 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 paid $300,000 and issued 27,000,000 common shares with a fair value of $2,430,000. In connection with the asset purchase, the Company issued 1,000,000 common shares with a fair value of $100,000 to RSJ Consulting Inc. to facilitate the transaction. The Company also capitalized $39,843 in legal costs incurred in connection with this asset purchase.

OVERALL PERFORMANCE

Restatements

The Company has restated its financial statements for the year ended August 31, 2022 to record the fees outstanding pursuant to a marketing agreement. The restatement resulted in an increase in net loss from $1,044,963 to $1,222,938, with no impact on loss per share. The Company also restated its financial statements for the year ended August 31, 2021 to correct a $216,864 payment that was incorrectly expensed that was applied to the purchase price in the October 5, 2021 mineral property purchase agreement entered into during the year ended August 31, 2022. Refer to Note 14 to the audited financial statements for the year ended August 31, 2023 for a summary of the impact of the restatements.

Selected Annual Information

The following table presents selected audited financial information for the three most recent fiscal year ends.

	2023	2022	2021
Net loss	$(923,134)	$(1,222,938)	$(903,208)
Basic and diluted loss per share	$(0.01)	$(0.00)	$(0.00)
Total assets	$16,229,819	$16,330,899	$1,421,065

Summary of Quarterly Results

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

For the three-month period ending	August 31, 2023	May 31, 2023	February 28, 2023	November 30, 2022
Revenue	$nil	$nil	$nil	$nil
Net loss	$(581,428)	$(52,482)	$(135,411)	$(153,813)
Basic and diluted loss per share	$(0.01)	$(0.00)	$(0.00)	$(0.00)

For the three-month period ending	August 31, 2022	May 31, 2022	February 28, 2022	November 30, 2021
Revenue	$nil	$nil	$nil	$nil
Net loss	$(370,932)	$(287,676)	$(377,644)	$(186,686)
Basic and diluted loss per share	$(0.00)	$(0.00)	$(0.01)	$(0.15)

Fourth Quarter

During the fourth quarter ended August 31, 2023, the Company had no material operations. The Company incurred a net loss of $581,428 for the quarter ended August 31, 2023, as compared to net loss of $370,932 for the comparable quarter ended August 31, 2022. The increase can be attributed to the increase in marketing fees and finance costs.

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 year ended August 31, 2023:

The Company has no producing properties, and consequently no sales or revenues during the year ended August 31, 2023 and incurred a net loss and comprehensive loss of $923,134 as compared to a net loss of $1,222,938 for the comparable year ended August 31, 2022.

Total expenses for the year ended August 31, 2023, amounted to $784,442 as compared to $1,222,938 for the comparable period, a decrease of approximately $438,000. The decrease is mainly attributable to the decrease in consulting fees, legal fees, marketing, and exploration costs.

Consulting fees have decreased to $246,733 as compared to $530,422 for the comparable year, as the Company had reduced the number of consultants in the current period due to cash constraints.

Marketing fees have decreased to $312,124 as compared to $342,001 for the comparable year, as the Company had acquired its mineral property in Guyana and was actively promoting its property.

Legal fees have decreased to $12,705 as compared to $40,357 for the comparable year, due to the decreased need for legal advice.

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

Liquidity and Capital Resources

As at August 31, 2023, the Company had a working capital deficiency of $1,050,709 (2022 – $226,267).

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 loans, 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.

On February 8, 2023, the Company entered into a loan agreement with a lender for a total of $100,000 with a lender. The loan in unsecured, non-interest bearing and due on or before 90 days from the date of advance. In connection with the loan, the Company has agreed to issue 1,000,000 share purchase warrants exercisable at $0.10 per share for a period of 12 months from the date of the loan. The share purchase warrants had a fair value of $22,192 which was calculated using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 4.76%; dividend yield of 0%; volatility of 146%; and an expected life of one year.

On June 30, 2023, the Company entered into a loan agreement with the lender for $200,000 which replaced the February 8, 2023 agreement. The loan is unsecured, non-interest bearing, and due on or before August 22, 2023. In connection with the loan, the Company agreed to pay a fee of $40,000 and issue 3,000,000 share purchase warrants exercisable at $0.05 per common share expiring on June 30, 2026. The share purchase warrants had a fair value of $76,500 which was calculated using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 4%; dividend yield of 0%; volatility of 135%; and an expected life of three years.

The lender and the Company have agreed to cancel the 1,000,000 share purchase warrants issued on February 8, 2023.

Subsequent to August 31, 2023, the Company issued promissory notes payable for proceeds of $65,000.

Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

N/A

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.

Additional Disclosure For Venture Issuers Without Significant Revenue

An analysis of material components of the Company's general and administrative expenses is disclosed in the audited financial statements for the year ended August 31, 2023 to which this MD&A relates.

An analysis of material components of the Company's exploration and evaluation assets is disclosed in the audited financial statements for the year ended August 31, 2023 to which this MD&A relates.

Outstanding Share Data

Below is the summary of the Company's share capital as at August 31, 2023 and as of the date of this report:

	As at	
Security description	**August 31, 2023**	**Date of MD&A**
Common shares – issued and outstanding	101,230,827	101,230,827
Warrants issued in private placements	6,605,870	6,605,870
Common shares – fully diluted	107,836,697	107,836,697

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.

	2023	**2022**
Consulting fees incurred to:		
Harmony Corporate Services Ltd., a company controlled by the CFO	$ 37,500	$ 30,000
A company controlled by the former CEO	-	21,000
A company controlled by the former CFO	-	15,000
	$ 37,500	$ 66,000

Included in accounts payable and accrued liabilities for August 31, 2023 is $5,700 (2022 - $9,450) owed to a company controlled by the CFO and $9,975 (2022 - $9,975) owed to a company controlled by the COO.

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 3 and 4 of the Company's year end 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 disclosures that are available on the Company's website at www.aleriogold.com as well as at www.sedarplus.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

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

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 places its cash 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.

As at August 31, 2023, the Company has cash of $17 (2022 - $6,503) available to apply against short-term business requirements and current liabilities of $1,074,578 (2022 - $351,216). All of the liabilities presented as accounts payable and accrued liabilities are due within 90 days of August 31, 2023. The Company will be required to raise additional capital in order to fund operations for the next twelve months.

Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

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.