



ARIS GOLD CORPORATION (FORMERLY CALDAS GOLD CORP.)

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2020

*The following discussion and analysis of the results of operations and financial condition ("MD&A") for Aris Gold Corporation (formerly Caldas Gold Corp.) (the "Company" or "Aris Gold") is prepared as of March 31, 2021 and should be read in conjunction with the audited consolidated financial statements and related notes thereto for the year ended December 31, 2020 (the "Financial Statements"), which are available on Aris Gold's website at www.arisgold.com and under the Company's profile on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com. Due to the change of management on February 4, 2021, the Financial Statements were prepared with the support of the previous management team and include information prepared by them. Additional information regarding Aris Gold, including its Annual Information Form for the year ended December 31, 2020 and dated March 31, 2021, as well as other information filed with the Canadian securities regulatory authorities is also available under the Company's SEDAR profile. Readers are encouraged to read the Cautionary Note Regarding Forward Looking Information included on page 28 of this MD&A. The financial information in this MD&A is derived from the Financial Statements prepared in accordance with International Financial Reporting Standards ("IFRS"). Reference should also be made to pages 24 - 26 of this MD&A for information about non-IFRS measures referred to in this MD&A. **All figures contained herein are expressed in United States dollars ("US"), except for production or as otherwise stated.***

Business Overview

Aris Gold, formerly Caldas Gold Corp., is a company existing under the laws of the Province of British Columbia, Canada. The address of the Company's registered and records office is 2900 – 550 Burrard Street, Vancouver, British Columbia, V6C 0A3. The Company's common shares trade on the Toronto Stock Exchange ("TSX") under the symbol "ARIS" and on the OTCQX under the symbol "ALLXF". The Company has exchange-traded share purchase warrants listed on the TSX under the symbol "ARIS.WT" and senior secured gold-linked notes listed on the NEO Exchange under the symbol "ARIS.NT.U".

The Company, which was then named Bluenose Gold Corp. ("Bluenose"), completed the acquisition of Caldas Finance Corp. ("CFC"), a company which owns the Marmato mine in Colombia, in February, 2020 through a share exchange agreement ("RTO Transaction"). Following completion of the RTO Transaction, the Company changed its name to Caldas Gold Corp. and changed its fiscal year end from June 30 to December 31. The historical figures for the year ended December 31, 2019 and December 31, 2018 represent those of CFC. On February 4, 2021, the Company changed its name to Aris Gold Corporation in association with the appointment of new Board and management team, including the resignation of Serafino Iacono as CEO, Mike Davies as CFO and Rob Doyle as Audit Committee Chair. Post the year end, on February 4, 2021, the new management team and board of directors were appointed, which included Neil Woodyer as CEO, Robert Eckford as CFO and David Garofalo as the Audit Committee Chair of the Company.

Currently, Aris Gold operates the Marmato mine in Colombia, where a modernization and expansion program is underway, and the Juby project, an advanced exploration stage gold project in the Abitibi

greenstone belt of Ontario, Canada. Aris Gold is executing on its strategy of acquiring both operating gold mines and advanced-stage development projects to unlock value creation from scale and diversification.

Since the launch of the Company in February 2020, significant achievements and progress has been made, including:

- Completion of a Preliminary Feasibility Study (“PFS”) for the expansion of the Marmato mine, which focused on the development of the Marmato Deep Zone (“MDZ”) mineralization, construction of a new 4,000 tpd plant, new dry stack tailings storage facilities and the use of efficient mechanized mining methods.
- Established a new Life of Mine (“LoM”) plan for the Marmato mine based on a total Mineral Reserve of 2.0 million contained ounces (oz) gold from exploration drilling results to mid-March 2020.
- Launched a 35,000-metre drill program at Marmato which commenced in May 2020, with the principal objective of converting Inferred Mineral Resources to Indicated Mineral Resources while also testing several newly discovered areas. Drilling results during 2020 included high-grade mineralization over broad widths demonstrating potential to extend the 13-year mine life outlined in the PFS. As of March 2021, this drill program was approximately 50% complete.
- On July 2, 2020, the Company acquired the Juby Gold Project in July 2020, an advanced stage exploration project in northeastern Ontario, and completed an updated Mineral Resource Estimate (the Juby MRE). which is included in the Juby Technical Report (as defined below). The Juby MRE included Indicated Resources of 770,000 contained oz gold based on 21.3 million tonnes at an average grade of 1.13 g/t and Inferred Resources of 1,488,000 contained oz of gold based on 47.1 million tonnes at an average grade of 0.98 g/t.
- Completed three financings for gross proceeds of \$186.5 million, which included:
 - C\$50.0 million (\$37.4 million) bought deal financing
 - \$83.1 million senior secured Gold-Linked Notes (GLN) financing
 - C\$85.0 million (\$66.0 million) private placement led by the current Board and management
- Arranged a \$110.0 million precious metals streaming financing, the completion of which is subject to certain customary conditions.
- Achieved the revised 2020 gold production guidance at the Marmato Upper Zone mine despite challenges associated with COVID-19 (See Q4 and Full Year 2020 Financial and Operating Highlights).
- Negotiated a 30-year extension of the mining title at the Marmato mine to October 2051, which included an agreement with the Agencia Nacional de Minería (ANM) for the creation of a social investment fund with a defined contribution formula based on gold production rates.

For 2021, Aris Gold’s primary focus is the scheduled start of the MDZ expansion project in Q4 2021, following completion of the process to amend and update the required environmental permits. The Marmato project team is implementing a comprehensive development plan that includes completing optimization studies, preparing to update the Mineral Resources and Reserves, engaging an EPCM contractor, and continuing to advance health, safety, and community support programs.

Fourth Quarter and Full Year 2020 Highlights

	Q4		Full Year		
Operating data	2020	2019	2020	2019	2018
Gold produced (oz)	7,181	7,057	23,832	25,750	24,951
Gold sold (oz)	6,589	6,623	23,830	25,277	24,207
Average realized gold price (\$/oz sold)	\$1,870	\$1,470	\$1,767	\$1,387	\$1,236
Cash costs (\$/oz sold) ⁽¹⁾	1,238	927	1,168	983	1,136
AISC (\$/oz sold) ⁽¹⁾	1,941	1,281	1,653	1,222	1,261
Financial data (\$000s, except per share amounts)					
Revenue	\$12,550	\$9,896	\$42,790	\$35,648	\$30,403
Cost of sales	9,958	7,454	33,789	29,870	29,167
Social programs	448	-	931	-	-
Income from mining operations	2,144	2,442	8,070	5,778	1,236
Adjusted EBITDA ⁽¹⁾	768	2,686	5,238	6,743	1,687
Net (loss) income	(33,744)	1,551	(83,114)	3,605	403
Per share – basic and diluted	(0.32)	0.05	(1.25)	0.13	0.01
Net cash provided by operating activities	1,693	1,282	6,410	4,510	1,459
Additions to mining interests	8,615	4,351	20,635	8,753	4,535
Balance sheet, as at December 31 (\$000s)					
Cash and cash equivalents			32,007	2,672	1,202
Cash in escrow			142,096	-	-
Total assets			290,576	45,881	47,393
Total non-current liabilities			115,934	4,579	4,605

(1) See "Non-IFRS Measures" on pages 24 to 26 for full details on cash costs, AISC and Adjusted EBITDA calculations. The Company has changed its methodology of calculating cash cost and AISC, historical amounts have been updated for the purposes of comparison.

In the fourth quarter of 2020, Marmato mine production totaled 7,181 oz of gold, an increase of 2% from the fourth quarter of 2019. Production for the year totalled 23,832 gold oz at the Marmato mine, in line with the Company's revised 2020 production guidance range of 23,000 to 26,000 oz of gold. Associated revenue of \$12.6 million in the fourth quarter of 2020, was 27% higher than the same quarter of the previous year (2019: \$9.9 million) due to a 27% increase in the realized gold price of \$1,870 per oz (2019: \$1,470 per oz). Revenue for 2020 was \$42.8 million, 20% higher than the prior year (2019: \$35.6 million), due to a 27% increase in realized gold price of \$1,767 per oz (2019: \$1,387 per oz), offset by a 6% decline in sales.

Cost of sales for the three months and year ended December 31, 2020 were \$10.0 million and \$33.8 million respectively (December 31, 2019: \$7.5 million and \$29.9 million respectively). The increase in cost of sales for both the fourth quarter and full year is due to higher operating development costs in the Upper Zone mine associated with the preparation of the Transition Zone for expansion of mining activities and additional costs being incurred to maintain the COVID-19 protocols required to protect the health and safety of workers. The aforementioned factors also were the drivers for increased cash cost and all in sustaining costs ("AISC") for the fourth quarter and full year 2020.

In the fourth quarter, The Company reported a net loss of \$33.7 million (\$0.32 per share) (2019: \$1.6 million (\$0.05 per share)). This was primarily due to the loss financial instruments recognized of \$26.6 million from the inclusion of share purchase warrants on the Aris Gold Subscription Receipts and Gold Notes. The net loss for the full year 2020 was \$83.1 million (\$1.25 per share) (2019: \$3.6 million (\$0.13 per share)). For 2020, in addition to the aforementioned factors, the largest items contributing to the net loss was the RTO Transaction expense (\$16.7 million) and the fair value losses on financial instruments (\$47.9 million).

Outlook

Despite the challenges associated with COVID-19, the Company achieved its 2020 annual production guidance at the Marmato mine. The new management team is focusing on advancing the productivity of the Upper Zone operations, with a focus on consistent delivery of scheduled mined grades by reduced mining dilution while concurrently improving health, safety and environmental performance. Aris Gold expects steady improvements during 2021 through implementation of comprehensive workforce training and redirecting site-level operations management.

During the ongoing modernization and expansion phase of the Marmato mine, the Company anticipates higher AISC due to increased investments in sustaining capital. During 2020, sustaining capital expenditures totalled \$6.4 million or \$268 per oz sold, and included \$4.0 million or \$168 per oz sold related to mine infrastructure improvements and equipment. The Marmato mine has been in operation since 1991 and is in need of investments to start modernizing its operations in advance of the large-scale Deep Zone expansion project expected to start in Q4 2021.

During 2021, Aris Gold's primary focus is the scheduled start of the Marmato expansion project in Q4, following completion of the process to amend and update the required environmental permits. The Marmato project team is implementing a comprehensive development plan that includes completing optimization studies, updating mineral resources and reserves, engaging an EPCM contractor, and continuing to advance health, safety, and community support programs.

The 2020-2021 Marmato exploration program that began in May 2020 comprises 60 drill holes totalling 35,000 metres and is expected to be completed by mid-2021. The additional information from this exploration program will contribute to updated mineral resource and mineral reserve estimates to be completed in mid-2021. Drilling results to date have demonstrated high-grade mineralization over broad widths, outlining potential to extend the 13-year mine life defined in the 2020 PFS.

Aris Gold is pursuing a growth strategy of acquiring operating gold mines and projects nearing construction with the goal of creating value through adding scale and diversification. This growth program also includes implementing mine and corporate-level optimizations (similar to those underway at the Marmato Upper Zone), and investing in expansions and near-mine exploration (similar to those at MDZ). With the financing completed during 2020 and the incoming Board and management team added in February 2021, Aris Gold has a solid foundation to implement its growth plans.

Significant Transactions and Financings

The RTO Transaction

On February 24, 2020, the Company, which was then Bluenose, acquired all of the issued and outstanding shares of CFC, a subsidiary of Gran Colombia, in an RTO Transaction in exchange for the issuance of 39,542,600 common shares of the Company. The Company then issued, in exchange for the 10,792,500 outstanding share purchase warrants and 125,550 broker warrants issued prior to the RTO Transaction, the same number of replacement warrants and broker warrants with equivalent terms.

In the RTO Transaction, although legally the Company became the parent of CFC, CFC was deemed to be the accounting acquirer and the Company was deemed to be the acquiree for accounting purposes. Upon completion of the RTO Transaction, the former shareholders of CFC became the controlling shareholders of the Company. As CFC was deemed to be the acquirer in the RTO Transaction, the assets and liabilities of

CFC were accounted for at cost, and the Company's assets and liabilities were accounted for at fair value on acquisition. Since the Company's operations did not constitute a business, the transaction was accounted for as an asset acquisition that was not a business combination. Therefore, the Company's share capital, equity reserve and deficit at the time of the RTO Transaction were eliminated and the RTO Transaction costs were expensed. The capital structure recognized in the consolidated statement of financial position was that of the Company, but the dollar amount of the issued share capital prior to the RTO Transaction was that of CFC, including the value of shares issued prior to, or as part of, the RTO Transaction.

In the accounting for the reverse takeover, the RTO Transaction consideration was determined by reference to the fair value of the number of shares the legal subsidiary, being CFC, would have issued to the legal parent entity, being the Company, to obtain the same percentage ownership interest of 21.5% in the combined entity. As a result, the consideration was measured at the value of the 10,852,841 shares that would have been issued by CFC if it were the legal parent and acquirer.

As a result, the RTO Transaction consideration of \$16.3 million was measured at the value of the 10,852,841 shares that would have been issued by CFC if it were the legal parent and acquirer. On February 24, 2020, the fair value of the net liabilities of the Company acquired by CFC amounted to \$0.1 million.

Acquisition of SARC

On July 2, 2020, the Company completed the acquisition (the "Juby Acquisition") of all of the issued and outstanding shares of South American Resources Corp. ("SARC") by way of a three-cornered amalgamation between the Company, SARC and 1241868 B.C. Ltd., a wholly owned subsidiary of the Company pursuant to the terms of an amalgamation agreement (the "Amalgamation Agreement"). SARC was the holder of certain advanced exploration-stage mining assets in northeastern Ontario, including a 100% interest in the Juby Project and a 25% joint venture interest in certain claims adjoining the Juby Project. On January 1, 2021, the Company completed a vertical short form amalgamation with SARC pursuant to which all of the issued and outstanding shares of SARC were cancelled and SARC ceased to exist. SARC's interest in the Juby Project and 25% joint venture interest in certain claims adjoining the Juby Project are now held directly by the Company.

In connection with the Juby Acquisition, the Company issued 20 million common shares (the "SARC Consideration Shares") to the shareholders of SARC and, through a \$10.0 million promissory note advanced to SARC on June 30, 2020, partially funded SARC's acquisition of the Juby Project and adjoining claims. Certain shareholders of SARC have entered into voluntary lock-up agreements with the Company pursuant to which such security holders, holding approximately 17.4 million or 87% of the SARC Consideration Shares, have agreed to not sell their SARC Consideration Shares for a period of two years from the closing date of the transaction.

The total consideration paid was approximately \$50.3 million, which was allocated to the fair value of the assets and liabilities of SARC acquired by the Company with the majority of the consideration allocated to exploration and evaluation ("E&E") assets at \$50.0 million.

C\$50 Million Bought Deal Financing of Special Warrants

On July 29, 2020, the Company completed a bought deal financing of 22,222,222 special warrants ("Special Warrants") at a price of C\$2.25 per Special Warrant for aggregate gross proceeds of C\$50.0 million (equivalent to \$37.4 million)

Each Special Warrant entitled the holder thereof to receive one unit of the Company on the exercise or deemed exercise of the Special Warrant with each unit comprising one common share of the Company and one common share purchase warrant exercisable into one Common Share at an exercise price of C\$2.75 per Common Share until July 29, 2025 ("Listed Warrant"), subject to adjustment in certain events as set out in the indenture governing the Special Warrants.

On September 28, 2020, the Special Warrants were deemed to be exercised and the Company issued 22,222,222 common shares and 22,222,222 of Listed Warrants to the holders.

\$83 million GLN Subscription Receipts and Long-term Debt

On August 26, 2020, the Company completed a private placement offering of 83,066 GLN Subscription Receipts at a price of \$1,000 per GLN Subscription Receipt for aggregate gross proceeds of \$83.1 million. After deducting the agents' commission and certain expenses of the offering totalling approximately \$5.7 million, the net proceeds of \$77.4 million were placed in escrow pending certain escrow release conditions.

On November 17, 2020, the GLN Subscription Receipts were deemed to be exercised and the Company issued 83,066,000 Gold Notes and 16,613,200 Listed Warrants.

The key terms of the Gold Notes include:

- The Gold Notes are denominated in units of \$1.00.
- The Gold Notes are non-callable, are secured over all assets of the Company, will be repaid over a seven-year term, and mature on August 26, 2027.
- The Gold Notes represent senior secured obligations of the Company, ranking pari passu with all present and future senior indebtedness, including the Wheaton stream financing, and senior to all present and future subordinated indebtedness of the Company.
- The Gold Notes bear cash interest at a rate of 7.5% per annum, payable monthly. The Company has set aside cash in escrow to fund the monthly interest payments during the first two years of the Gold Notes.
- Beginning September 2021, an amount of physical gold will be set aside monthly by the Company in an escrow account (the "Gold Escrow Account") to be used to fund the principal payments (the "Amortizing Payments"). Amortizing Payments are based on a prescribed number of oz of gold and a \$1,400 per oz floor price.
- The Amortizing Payments of the Gold Notes will be made quarterly at the end of February, May, August and November of each year, and will repay and reduce the number and aggregate principal amount of the Gold Notes when paid. The first Amortizing Payment will occur at the end of November 2021.
- To fund the quarterly Amortizing Payments, within five business days after the 15th day of each of February, May, August and November (the "Measurement Dates"), the gold accumulated in the Gold Escrow Account will be sold and the proceeds will be paid to holders on the following basis:
 - If the afternoon London Bullion Market Association Gold Price (the "London PM Fix") on the Measurement Dates is above the \$1,400 per oz floor price, the Company will make a total cash payment to the holders of the Gold Notes equal to that number of gold oz sold multiplied by the London PM Fix. The total payment will represent the Amortizing Payment (based on the \$1,400 per oz floor price) which fully repays that portion of the Gold Notes pro-rata to the principal held by each holder for the applicable quarter, and a Gold Premium. The Gold Premium will be the portion of the gold sale proceeds attributed to the excess of the London PM Fix over the \$1,400 per oz floor price and will not reduce the principal amount of the Gold Notes outstanding.
 - If the London PM Fix is at or below the \$1,400 per oz floor price, the Company will make a cash payment to the holders of the Gold Notes equal to the applicable Amortizing Payment. Any shortfall in the proceeds from the sale of the gold oz below \$1,400 per oz will be paid by the Company.

- The Company will use commercially reasonable efforts to hedge the \$1,400 per oz floor price for the Amortizing Payments on a rolling four-quarters basis.
- The Gold Notes trade on the NEO Exchange under the symbol “ARIS.NT.U”.

The volume of trading in the Gold Notes does not constitute an active market, and therefore the fair value of the Gold Notes as at December 31, 2020 has been determined using a valuation pricing model that captures the features of the Gold Notes, including the holders' right to receive the Gold Premium, gold price volatility of 18.7%, and credit spread of 8.9%.

Scheduled Amortizing Payments of the Gold Notes at \$1,400 per oz are as follows:

	2021	2022	2023	2024	2025	2026	2027	Total
Gold oz	1,083	4,650	6,000	12,000	13,100	13,200	9,300	59,333
Principal repayments	\$1,516	\$6,510	\$8,400	\$16,800	\$18,340	\$18,480	\$13,020	\$83,066

\$110 Million Precious Metals Stream Financing.

On November 5, 2020, the Company entered into a precious metals purchase agreement (“PMPA”) with Wheaton Precious Metals International Ltd. (“WPMI”). The management team are currently working with WPMI to satisfy the closing conditions of the PMPA.

Once closed, pursuant to the terms of the PMPA, WPMI will purchase 6.5% of the gold production and 100% of the silver production from the Marmato mine until 190,000 oz of gold and 2.15 million oz of silver have been delivered, after which the stream drops to 3.25% of the gold production and 50% of the silver production for the life of mine. Under the Precious Metals Stream, WPMI will make an upfront deposit payment in cash of \$110 million, \$38 million of which is payable within six months, subject to customary conditions, and the remaining portion of which is payable during the development and construction of the MDZ project, subject to receipt of required permits and licenses, sufficient financing having been obtained to cover total expected capital expenditures and other customary conditions. In addition, WPMI will make ongoing payments equal to 18% of the spot gold and silver prices until the uncredited portion of the upfront payment is reduced to zero, and 22% of the spot gold and silver prices thereafter. The Precious Metals Stream is effective as of July 1, 2020.

The Company and its subsidiaries have provided security in favour of WPMI in respect of their obligations under the Precious Metals Stream, including, a first ranking general security agreement over substantially all properties and assets of the Company and its subsidiaries, security over the mining rights comprising the Marmato mine, and a first ranking share pledge over the shares of each of the subsidiaries of the Company.

C\$85 Million Aris-led Financing

On December 3, 2020, the Company completed a private placement offering of 37,777,778 subscription receipts to a group of investors led by the Company’s current Board and management team at a price of C\$2.25 per subscription receipt. The aggregate gross proceeds of C\$85.0 million were deposited in escrow pending the satisfaction or waiver of certain release conditions.

Each subscription receipt entitled the holder thereof to receive one unit of the Company on the exercise or deemed exercise of the subscription receipt with each unit comprising one common share of the Company and one Listed Warrant.

On February 4, 2021, the escrow release conditions under the Aris-led financing were satisfied and the Company issued 37,777,778 common shares and 37,777,778 Listed Warrants to the holders of Aris Gold Subscription Receipts and the C\$85.0 million of cash in escrow was released to the Company.

Results of Operations and Overall Performance

	Q4		Year	
	2020	2019	2020	2019
Physicals				
Tonnes milled (tonnes)	83,626	92,832	308,575	370,494
Tonnes per day (tpd)	909	1,009	843	1,015
Head grade (g/t)	2.99	2.71	2.70	2.48
Mill recovery	89.35%	87.10%	89.05%	87.10%
Gold produced (ozs)	7,181	7,057	23,832	25,750
Gold sold (ozs)	6,589	6,623	23,830	25,277
Average realized price (\$/oz)	1,870	1,470	1,767	1,387
Revenues				
Gold	\$12,323	\$9,734	\$42,116	\$35,048
Silver	227	162	674	600
Total Revenue	\$12,550	\$9,896	\$42,790	\$35,648

Gold production and revenue

In the fourth quarter of 2020, gold production totalled 7,181 oz compared to 7,057 oz in the fourth quarter of 2019. The increase was a result of improved milled head grade, partially offset by a decrease in production. For 2020, the Company produced 23,832 oz of gold compared to 25,750 oz in 2019. The 7% decrease was primarily due to the impact of the COVID-19 national quarantine in Colombia beginning on March 25, 2020. Despite this, the Company achieved its revised 2020 production guidance.

During the COVID-19 national quarantine, restrictions on movement of people between communities adversely impacted the Company's access to workers, many of whom come from neighbouring communities outside the municipality of Marmato. In response to the pandemic, the Company implemented its business continuity program and adapted operating procedures to ensure its workers remained healthy and safe. In the third and fourth quarter of 2020, the Company saw significant improvement in tonnes milled, head grade, recovery and production as compared to the second quarter of 2020, which were significantly impacted by the COVID-19 restrictions.

Revenue amounted to \$12.6 million in the fourth quarter of 2020, which was 27% higher than the fourth quarter in 2019 with the increase primarily attributable to the 27% increase in realized gold price. Gold oz sold in the fourth quarter of 2020 were consistent when compared with the same period in 2019. For 2020, revenue totalled \$42.8 million, representing an increase of 20% compared to 2019, as a result of a 27% improvement in the average realized gold price year on year. This increase was partially offset by a 6% decrease in gold oz sold, that resulted from the COVID-19 national quarantine in Colombia invoked on March 25, 2020 which had a significant negative affect on second quarter 2020 production.

Cost of sales

	Q4		Year	
	2020	2019	2020	2019
Operating costs				
Production costs	\$8,382	\$6,302	\$28,516	\$25,444
Production taxes	1,205	837	3,994	3,145
Related party royalty	43	24	127	99
Depreciation	328	291	1,152	1,182
Cost of sales	\$9,958	\$7,454	\$33,789	\$29,870
Social contributions	\$448	\$-	\$931	\$-
Total cash costs per ounce ⁽¹⁾	\$1,238	\$927	\$1,168	\$983
Income from mining operations	\$2,144	\$2,442	\$8,070	\$5,778

(1) See "Non-IFRS Measures" on pages 24 to 26 for full details on cash costs. The Company has changed its methodology of calculating cash cost. Historical amounts have been updated for the purposes of comparison.

Production costs for the three months and year ended December 31, 2020 were \$8.4 million and \$28.5 million respectively (December 31, 2019: \$6.3 million and \$24.4 million respectively). For the three months ended December 31, 2020, production costs were comprised of salaries and employee benefits of \$4.4 million (2019 – \$3.1 million), materials and supplies of \$2.3 million (2019 – \$1.9 million), contractors of \$1.6 million (2019 – \$0.9 million), and other production costs and changes in inventory of \$0.1 million (2019 – \$0.4 million). Cash costs per oz sold were \$1,238 per oz in the fourth quarter of 2020, up from \$927 per oz in the fourth quarter last year.

Factors increasing production costs and cash costs in the fourth quarter of 2020 included the increased level of operating development costs in the Upper Zone mine associated with the preparation of the Transition Zone for the expansion of mining activities and additional costs incurred to maintain the COVID-19 protocols required to protect the health and safety of workers.

In response to COVID-19, the Company incurred \$0.4 million of social contributions in the fourth quarter and \$0.9 million for the year ended December 31, 2020, providing meals, hospital supplies, cleaning kits and masks to the local communities surrounding its Marmato mine. From January 2021, Aris Gold has committed to spend a minimum of \$25 per oz sold from the Marmato mine on community projects and other social contributions.

For the full year 2020, cash costs averaged \$1,168 per oz compared to \$983 per oz in 2019. The increase in cash cost per oz was primarily due to the aforementioned expenses and the result of lower oz sold.

Other items

	Q4		Year	
	2020	2019	2020	2019
Other costs				
Share-based compensation expense	\$708	-	\$4,502	-
General and administrative	1,704	51	3,984	217
RTO Transaction costs	-	-	16,700	-
Interest and accretion (net of finance income)	2,108	-6	2,119	-13
Finance fees and expenses	4,444	-	13,809	-
Loss on financial instruments	26,576	-	47,927	-
Foreign exchange (gain) loss	(624)	27	(490)	88
Income tax expense	972	823	2,633	1,881
Total other costs	\$35,888	\$895	\$91,184	\$2,173
Net loss/(income)	(\$33,744)	\$1,547	(\$83,114)	\$3,605

Share-based compensation expense of \$0.7 million in the fourth quarter of 2020 and \$4.5 for the year ended December 31, 2020 represents the fair value of the long-term incentive program ("LTIP") compensation granted to directors, executives and managers.

Prior to the RTO Transaction, most of the corporate functions of the Company were performed by Gran Colombia Gold Corp. who did not charge the Company any fees with respect to the services of the key management personnel. General and administrative expenses of \$1.7 million in the fourth quarter of 2020 and \$4.0 million for the year ended December 31, 2020 reflects costs associated with establishing the corporate services and functions of the publicly-listed company following the RTO Transaction, personnel related costs, directors fees, office space, insurance, auditor and other professional fees, and the investor relations programs.

The RTO Transaction costs totalling \$16.7 million for the year ended December 31, 2020 represented the one-time \$16.4 million excess of the RTO Transaction consideration over the net liability assumed together with RTO Transaction costs of approximately \$0.3 million which comprised a financial advisory fee and the fair value of the former Bluenose stock options honoured following the RTO Transaction.

Finance fees and expenses of approximately \$4.4 million in the fourth quarter of 2020 related to the significant financings the Company completed, including \$1.8 million for the Wheaton PMPA financing and \$2.4 million related to the Aris-led Financing, which closed in November 2020 and February 2021 respectively. This increased the aggregate finance costs for year ended December 31, 2020 to \$13.8 million.

The Company incurred a \$26.6 million loss on financial instruments during the fourth quarter of 2020 and \$47.9 million for the full year, detail as follows:

	Q4		Full Year	
	2020	2019	2020	2019
Special Warrants ⁽¹⁾	\$ -	\$ -	\$ 18,141	\$ -
Aris Gold Subscription Receipts ⁽²⁾	26,632	-	26,632	-
Equity financing loss	26,632	-	44,773	-
GLN Subscription Receipts	2,353	-	2,179	-
Gold Notes	771	-	771	-
Unlisted Warrant liability	(5,386)	-	(2,002)	-
Listed Warrant liability	2,206	-	2,206	-
	\$26,576	\$ -	\$ 47,927	\$ -

(1) Issued under the Bought Deal financing.

(2) Issued under the Aris-led financing.

The loss on financial instruments in 2020 primarily arises due to the completion of two equity financings, the Special Warrants and the Aris Gold Subscription Receipts. In both financings, investors purchased units that included a common share and a share purchase warrant ("unit"), that were sold at a discount to the market price of the components. The two equity financings result in a one-time loss on financial instruments of \$44.8 million, as detailed below:

- The Special Warrant financing was sold a price of C\$2.25 per unit. At exercise date of September 28, 2020, the underlying common share and share purchase warrant were valued at C\$2.74 and C\$0.60 respectively, for an aggregate value of C\$3.34 per unit. The difference between the C\$2.25 subscription price and the C\$3.34 unit value resulted in an \$18.1 million loss on financial instruments.

- The Aris Gold Subscription Receipts was sold at C\$2.25 per unit. At reporting date of December 31, 2020, the underlying common share and share purchase warrant were valued at C\$2.43 and C\$0.69 respectively, for an aggregate value of C\$3.12 per unit. The difference between the C\$2.25 subscription price and the C\$3.12 unit value resulted in a \$26.6 million loss on financial instruments.

The Company has also issued Gold Linked Notes that were valued using a pricing model which considers several key inputs such as forward gold prices and the credit spread of the Company. The Gold Linked Notes will be revalued for each reporting period based on the change in their estimated fair value. This will result in further gains or losses on financial instruments in the Company's financial statements for future reporting periods.

The Company's share purchase warrants are recognized as a liability in the Company's financial statements and will be revalued for each reporting period based on the change in their estimated fair value. This will result in further gains or losses on financial instruments in the Company's financial statements for future reporting periods. The exercise price of these warrants is denominated in Canadian dollars to be consistent with the Company's shares being listed on the TSX; however, the functional currency of the Company is the US dollar. As a result of this difference in currencies, the proceeds that will be received by the Company are not fixed and will vary based on foreign exchange rates. As such, IFRS requires the warrants to be classified as derivative liabilities despite the fact that there no circumstances in which the Company would be required to pay any cash upon exercise or expiry of the warrants.

As the Canadian dollar strengthened during 2020, the Company reported a \$0.6 million foreign exchange gain in the fourth quarter of 2020 and \$0.5 million for the year ended December 31, 2020. The Company continued to convert a portion of its Canadian dollar cash balances to US dollars in the fourth quarter of 2020 to reduce its exposure to further exchange rate volatility.

Net (loss) income

The Company reported a net loss for the fourth quarter and the year ended December 31, 2020 of \$33.7 million (\$0.32 per share) and \$83.1 million (\$1.25 per share), respectively, compared to net income of \$1.5 million (\$0.05 per share) and \$3.6 million (\$0.13 per share) in the fourth quarter and the year ended December 31, 2019, respectively. The largest items affecting the net loss in the fourth quarter of 2020 were the loss on financial instruments and finance fees and expenses incurred. For the year ended December 31, 2020, in addition to the factors noted in connection with the fourth quarter loss, the largest item contributing to the net loss was the \$16.7 million charge related to the RTO Transaction recorded earlier in the year.

After adjustments as set out in the reconciliation on page 26 of this MD&A, the adjusted net loss for the fourth quarter was \$3.0 million (\$0.03 per share) and the adjusted net loss for 2020 was \$5.2 million (\$0.08 per share), compared to adjusted net income of \$1.6 million (\$0.05 per share) and \$3.7 million (\$0.13 per share) for the fourth quarter and full year of 2019 respectively. The fourth quarter 2020 adjusted net loss compared to the adjusted net income for same period in 2019 reflected an increase in general and administrative expenses as a result of the public company status following the RTO Transaction, as well as increased social contributions and share-based compensation expense. When comparing the adjusted net loss for 2020 to the adjusted net income for 2019, the difference reflected the impact of lower production due to COVID-19, the \$3.8 million charge for share-based compensation related to the initial grants of LTIP compensation following completion of the RTO Transaction, as well as the aforementioned increase in general and administrative expenses as a result of the public company status following the RTO Transaction.

Mineral Resources and Reserves

Marmato Mine Mineral Resources

On August 17, 2020, the Company filed a technical report on its Marmato mine (the “Marmato Technical Report”) pursuant to National Instrument 43-101 - Standards of Disclosure for Mineral Projects (“NI 43-101”). The Marmato Technical Report included the results of the 2020 PFS and an updated mineral resource estimate (“MRE”) for its Marmato mine prepared by SRK in accordance with the Canadian Institute of Mining Metallurgy and Petroleum (“CIM”) Definition Standards incorporated by reference in NI 43-101 and having an effective date of March 17, 2020 (the “2020 MRE”).

The table below summarizes the 2020 MRE for Zona Baja and changes by category in tonnes, grade and oz of gold compared with the previous mineral resource estimate having an effective date of July 31, 2019 (the “2019 MRE”) ⁽¹⁾:

	Measured			Indicated			Measured and Indicated			Inferred		
	Tonnes (Mt)	Grade (g/t)	Oz Au (000s)	Tonnes (Mt)	Grade (g/t)	Oz Au (000s)	Tonnes (Mt)	Grade (g/t)	Oz Au (000s)	Tonnes (Mt)	Grade (g/t)	Oz Au (000s)
2020 MRE	2.1	5.6	387	37.3	3.1	3,699	39.4	3.2	4,086	26.4	2.6	2,172
2019 MRE	2.1	4.9	325	15.2	3.5	1,714	17.3	3.7	2,039	44.9	2.3	3,312
Change	-	0.7	62 +19%	22.1	(0.4)	1,985 +116%	22.1	(0.5)	2,047 +100%	(18.5)	0.3	(1,140) (34%)

(1) Mineral resources are inclusive of mineral reserves and do not have demonstrated economic viability.

The 2020 MRE reflects the impact of infill drilling within the MDZ areas which has increased the confidence in the estimates and resulted in significant movement from the Inferred to Indicated category.

SRK also highlighted that the mineralization notably changes from primarily a vein-style mineralization (“Veins”) in the Upper Zone (current operating mine) to a porphyry-style of mineralization (“Porphyry”) in the Deep Zone, which impacts considerations for mining methods while maintaining the use of a high-grade core to the mineralization at depth. The Veins and Porphyry mineralization is separated by a Transition Zone.

The main changes in the combined Mineral Resource in the 2020 MRE since the 2019 MRE are as follows:

- Increase in the Indicated MDZ Mineral Resources, including the Transition Zone, from 6.4 Mt at 2.6 g/t Au for a total of 537k oz to 28.1 Mt at 2.6 g/t Au for a total of 2,379k oz, representing an increase of 1,842k oz within the MDZ. This is reflected in a reduction in the Inferred Mineral Resources from 41.2Mt at 2.1 g/t for 2,812k oz to 21.9 Mt at 2.3 g/t for 1,639k oz, which is a reduction of 1,173k oz.
- Increase in Measured and Indicated Mineral Resources within the vein domain from 9.2 Mt at an average grade of 4.6 g/t to 9.3 Mt at an average grade of 5.2 g/t Au, which is an increase of 180k oz.
- Reduction in Inferred Mineral Resources within the veins from 3.3 Mt at 4.4 g/t Au for 466k oz to 2.7Mt at 4.4 g/t Au for 386k oz, which represents a difference of 80k oz.
- Minor increase in Indicated Mineral Resources of porphyry (pockets) material of 25k oz.
- Increase in the Inferred Mineral Resources of porphyry material from 0.3 Mt at 3.1 g/t Au for 34k oz to 1.7 Mt at 2.6 g/t Au for 145k oz.

The following table provides additional details with respect to the 2020 MRE⁽¹⁾:

	Category	Quantity [Mt]	Grade (g/t)		Contained gold (k oz)	
			Au	Ag	Au	Ag
Upper Zone ⁽²⁾	Measured	2.1	5.65	27.0	387	1,853
	Veins ⁽⁵⁾	2.1	5.65	27.0	387	1,853
	Porphyry ⁽⁵⁾	0.0	0.00	0.0	0	0
	Indicated	9.2	4.45	18.7	1,320	5,545
	Veins	7.2	5.01	21.1	1,156	4,862
	Porphyry	2.1	2.50	10.3	165	682
	Measured and Indicated	11.4	4.67	20.2	1,707	7,397
	Veins	9.3	5.15	22.4	1,543	6,715
	Porphyry	2.1	2.50	10.3	165	682
	Inferred	4.5	3.70	15.5	532	2,224
	Veins	2.7	4.38	17.9	386	1,574
	Porphyry	1.7	2.62	11.7	145	650
Transition Zone ^{(3) (6)}	Measured	0.0	0.00	0.0	0	0
	Indicated	3.4	2.68	7.2	294	785
	Measured and Indicated	3.4	2.68	7.2	294	785
	Inferred	0.0	1.95	3.7	2	3
MDZ ^{(4) (6)}	Measured	0.0	0.00	0.0	0	0
	Indicated	24.7	2.63	3.6	2,085	2,870
	Measured and Indicated	24.7	2.63	3.6	2,085	2,870
	Inferred	21.9	2.32	2.1	1,639	1,506
Combined	Measured	2.1	5.65	27.0	387	1,853
	Indicated	37.3	3.08	7.7	3,699	9,200
	Measured and Indicated	39.4	3.22	8.7	4,086	11,053
	Inferred	26.4	2.56	4.4	2,172	3,733

(1) Mineral resources are not mineral reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate. All composites have been capped where appropriate. The Mineral Resources were estimated by Benjamin Parsons, MSc, MAusIMM #222568 of SRK, a Qualified Person pursuant to NI 43-101 and included in the Marmato Technical Report.

(2) Upper Zone is defined as the current operating mines from levels 16 to 21 using existing mining methodology (cut and fill).

(3) "Transition Zone" is defined as mining of MDZ above an elevation of 950 metres above sea level ("masl") access from the current operations using a modified longhole stoping method.

(4) MDZ is defined as mining of MDZ below an elevation of 950 masl using longhole open stope mining methods.

(5) Porphyry and vein mineral resources are reported at a cut-off grade ("CoG") of 1.9 g/t. CoGs are based on a price of US\$1,500/oz Au and gold recoveries of 90% for underground resources without considering revenues from other metals.

(6) MDZ mineral resources are reported at a CoG of 1.3 g/t. CoGs are based on a price of \$1,500/oz Au and gold recoveries of 95% for underground resources without considering revenues from other metals within a limiting pitshell.

Marmato Mine Mineral Reserves

The Marmato Technical Report also includes the Company's first Mineral Reserve estimate for the Marmato mine with a total of 2.0 million proven and probable oz of gold, based on 19.7 million tonnes of material at an average head grade of 3.2 g/t.

The mine is currently developed and mined to 1,000 metres elevation. A transition occurs below the elevation where narrow vein mineralization changes to large porphyry mineralized areas (gold associated with pyrrhotite veinlets). Mineralization is generally vertical with veins widths ranging from >1 metre to several metres. Porphyry mineralized areas also have a vertical mineralization trend and can be up to ~100 metres in width.

For the 2020 PFS, there are three different mining methods, separated into three distinct zones as follows:

- The first zone is the mineralized vein material between 950 masl elevation to 1,300 masl elevation, referred to as the Veins. This is the current mine and uses the current conventional cut and fill stope method.
- The second zone is the wider porphyry material between 950 masl elevation and 1,050 masl elevation, referred to as the Transition Zone. A modified longhole stoping method will be used in this area. The stope size is 15 metres wide by 15 metres high with varying length of up to 26 metres. These stopes are mined in a primary-secondary sequence with paste backfill for the primary stopes and unconsolidated waste rockfill for the secondary. Where waste rock is unavailable, hydraulic fill will be used to fill the secondary stopes.
- The third zone is the porphyry material below 950 masl elevation, referred to as MDZ. There is a 10 metre sill pillar left in-situ between the MDZ and the Upper Mine (Veins plus Transition area). The MDZ material can be mined using a longhole stoping method with stope sizes that are 10 metres wide by 30 metres high, with varying lengths of up to 30 metres. The MDZ area is currently not developed.

The first two zones (Veins and Transition) are considered the Upper Mine, and the material is processed in the existing processing facility. The third zone is considered the MDZ and the material is envisioned to be sent to a new processing facility. Separate mine plans are presented for the Upper Mine area and MDZ area. Mining activities are currently limited to 2 million tonnes per annum of ore and waste by permit restrictions.

The following table is derived from the Marmato Technical Report and provides a breakdown of the proven and probable reserves as of March 17, 2020 by area and category⁽¹⁾:

Area	Category	Tonnes (kt)	Grade (g/t)		Contained gold (k oz)	
			Au	Ag	Au	Ag
Veins ⁽²⁾	Proven	762	5.01	21.80	123	533
	Probable	3,049	4.20	16.85	412	1,652
	Veins Total	3,812	4.37	17.84	535	2,184
Transition ⁽³⁾	Proven	40	7.63	28.16	10	36
	Probable	1,293	3.43	7.92	143	329
	Transition Total	1,333	3.56	8.52	152	365
MDZ ⁽⁴⁾	Proven	-	-	-	-	-
	Probable	14,556	2.85	3.84	1,333	1,799
	MDZ Total	14,556	2.85	3.84	1,333	1,799
Total	Proven	802	5.14	22.11	133	569
	Probable	18,898	3.11	6.22	1,888	3,780
	Total	19,701	3.19	6.87	2,020	4,348

Notes: All figures are rounded to reflect the relative accuracy of the estimates. Totals may not sum due to rounding. Mineral Reserves have been stated on the basis of a mine design, mine plan, and economic model.

(1) Veins ore reserves are reported using a CoG of 2.23 g/t Au. The Veins CoG calculation assumes a \$1,400/oz Au price, 85% Au metallurgical recovery, \$49.45/t mining cost, \$13.63/t G&A, \$12.24/t processing cost, and \$8.96/t royalties. Transition ore reserves are reported using a CoG of 1.91 g/t Au. The Transition CoG calculation assumes a \$1,400/oz Au price, 95% Au metallurgical recovery, \$46.00/t mining cost, \$13.63/t G&A, \$12.24/t processing cost, and \$8.96/t royalties. MDZ ore reserves are reported using a CoG of 1.61 g/t Au. The MDZ CoG calculation assumes a \$1,400/oz Au price, 95% metallurgical recovery, \$42.00/t mining cost, \$14.00/t processing cost, \$6.75/t production royalties/taxes, \$3.00/t G&A, and \$3.00/t tailings cost. Note that costs/prices used here may be somewhat different than those in the final economic model. This is due to the need to make assumptions early on for mine planning prior to finalizing other items and using long-term forecasts for the LoM plan.

(2) The Veins area is currently mined using cut-and-fill methods. Mining dilution ranges from 20% to 55%, averaging 26% and is included in the 2020 MRE using a zero grade for dilution. A mining recovery of 90% is applied to stopes. The Veins Mineral Reserves were estimated by Fernando Rodrigues, BS Mining, MBA, MMSAQ #01405, MAusIMM #304726 of SRK, a Qualified Person pursuant to NI 43-101 and included in the Marmato Technical Report.

(3) The Transition Zone is envisioned to be mined using a modified longhole stoping method. A mining dilution of 7% is included in the Reserves using a zero grade for dilution. A mining recovery of 90% is applied to stopes. The Transition Mineral Reserves were

estimated by Fernando Rodrigues, BS Mining, MBA, MMSAQP #01405, MAusIMM #304726 of SRK, a Qualified Person pursuant to NI 43-101 and included in the Marmato Technical Report.

(4) The MDZ portion of the project is amenable to underground longhole open stoping mining methods. Mining dilution (internal and external) is included in the Reserve. Stope dilution is 8%, and a portion of the stope dilution is applied using grade values based on average surrounding block information. A mining recovery of 92.5% is applied to stopes. The MDZ Mineral Reserves were estimated by Joanna Poeck, BEng Mining, SME-RM, MMSAQP #01387QP, a Qualified Person pursuant to NI 43-101 and included in the Marmato Technical Report.

Marmato 2020 PFS and Life-of-Mine ("LoM") Plan

The Marmato Technical Report includes a mining study and schedule prepared by SRK's technical professionals to create a LoM production schedule for the expanded underground mining operations at Marmato that will ultimately comprise two distinct operations, the existing Upper Zone and the new MDZ operation which sits directly below the Upper Zone vein system. The Zona Baja contract was awarded to the Company's wholly owned subsidiary, Caldas Gold Marmato S.A.S. (formerly Mineros Nacionales S.A.S.) in October 1991 and is valid for 30 years until October 2021. In October 2017, the Company commenced the process to renew the contract for another 30-year term, which was completed in early February 2021.

The LoM production schedule in the Marmato Technical Report foresees a total of 19.7 million tonnes of mineralized material being processed over a 13-year mine life resulting in a total of 1.9 million oz of gold produced at an average LoM cash cost of US\$778 per oz and an average LoM AISC of US\$880 per oz. The capital cost of MDZ mining operation, to be incurred between 2020 and 2023, is estimated to total US\$269.4 million. At an expected long-term gold price of \$1,400 per oz, total LoM undiscounted after-tax project cash flow from mining operations amounts to US\$490.9 million. At a 5% discount rate, the net present value of the total LoM after-tax project cash flow amounts to US\$256.1 million. Before financing, the project has a 19.5% after-tax internal rate of return and payback by 2026.

Juby Project Mineral Resources

On October 5, 2020, the Company announced that it had completed an updated Mineral Resource Estimate for its Juby Project prepared in accordance with NI 43-101 and with an effective date of July 14, 2020. The Company also filed a technical report under the Company's profile on SEDAR and on the Company's website entitled "Updated Mineral Resource Estimate for the Juby Gold Project" (the "Juby Technical Report"). The Juby Technical Report was prepared by SGS Geological Services ("SGS") and GeoVector Management Inc. ("GeoVector") in accordance with NI 43-101 in support of the MRE. The table below summarizes the updated within pit MRE for the Juby Gold Project effective as of July 14, 2020^{(1),(4),(5),(6)}:

Area	Category	Tonnes (Mt)	Grade (g/t Au)	Contained gold (oz)
JMZ-GLZ Open Pit ⁽²⁾	Indicated	20.2	1.12	728,000
	Inferred	41.5	0.99	1,319,000
HCLZ and BDZ Open Pit ⁽³⁾	Indicated	1.1	1.31	45,000
	Inferred	5.6	0.93	169,000
Total	Indicated	21.3	1.13	773,000
	Inferred	47.1	0.98	1,488,000

(1) Mineral resources are not mineral reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate. All composites have been capped where appropriate.

(2) JMZ represents the Juby Main Zone and GLZ represents the Golden Lake Zone.

(3) HCLZ represents the Hydro Creek-LaCarte Zone and BDZ represents the Big Dome Zone.

(4) The amounts reported represent "within-pit" Mineral Resources using a base case cut-off grade of 0.40 g/t Au, a gold price of \$1450 per oz, gold recoveries of 90% based on metallurgical test work, and mining loss and dilution of 5% each.

(5) High grade capping values of 12 g/t were applied to the JMZ-GLZ and 25 g/t on HCLZ and BDZ.

(6) Bulk density values of 2.77 g/cm³ for JMZ-GLZ, and 2.80 g/cm³ for HCLZ and BDZ were based on specific gravity test work.

Summary of Quarterly Results

\$000s except oz, per oz and per share data	2020				2019			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Operating data:								
Tonnes milled	83,626	86,715	53,610	84,625	92,832	95,862	90,411	91,389
Tonnes per day (tpd)	909	943	589	930	1,009	1,042	994	1,015
Head grade (g/t)	2.99	2.77	2.51	2.45	2.71	2.32	2.45	2.44
Mill recovery	89.4%	89.4%	88.9%	88.6%	87.1%	86.9%	87.8%	86.6%
Gold produced (oz)	7,181	6,899	3,851	5,901	7,057	6,221	6,257	6,215
Gold sold (oz)	6,589	6,963	3,737	6,541	6,623	6,681	6,578	5,395
Average realized gold price per oz ⁽¹⁾	1,870	1,881	1,691	1,587	1,480	1,458	1,293	1,296
Cash costs per oz ⁽¹⁾	1,238	1,167	1,209	1,076	927	1,024	976	1,009
AISC per oz ⁽¹⁾	1,943	1,658	1,718	1,319	1,280	1,229	1,183	1,189
Financial data:								
Revenue								
Gold	\$12,323	\$13,095	\$6,319	\$10,379	\$9,734	\$9,803	\$8,519	\$6,992
Silver	227	211	73	163	162	167	151	120
Total	12,550	13,306	6,392	10,542	9,896	9,970	8,670	7,112
Cost of sales	9,958	9,948	5,461	8,422	7,450	8,247	7,645	6,528
Social contributions	448	98	385	-	-	-	-	-
Income (loss) from mining operations	2,144	3,260	546	2,120	2,446	1,723	1,025	584
General and administrative	(1,704)	(1,176)	(762)	(342)	(51)	(166)	-	-
Share-based compensation	(708)	(640)	(877)	(2,277)	-	-	-	-
Interest and accretion (net of finance income)	(2,108)	(1)	(13)	3	6	2	3	2
Finance fees and expenses	(4,444)	(9,011)	-	(354)	-	-	-	-
RTO Transaction costs	-	-	-	(16,700)	-	-	-	-
(Loss) gain on financial instruments	(26,576)	(16,953)	(6,182)	1,784	-	-	-	-
Foreign exchange	624	322	560	(1,016)	(27)	26	(13)	(74)
Income (loss) before taxes	(32,772)	(24,199)	(6,728)	(16,782)	2,374	1,585	1,015	512
Income tax expense	(972)	(673)	(208)	(780)	(823)	(597)	(289)	(172)
Net income (loss)	(33,744)	(24,872)	(6,936)	(17,562)	1,551	988	726	340
Net income (loss) per share - basic and diluted	(0.32)	(0.32)	(0.14)	(0.47)	0.05	0.03	0.04	0.01
Adjusted EBITDA ⁽¹⁾	768	2,360	49	2,061	2,686	1,866	1,313	878
Adjusted net income (loss) ⁽¹⁾	(3,036)	437	(1,299)	(1,286)	1,569	971	735	390
Adjusted net income (loss) per share ⁽¹⁾ - basic and diluted	(0.03)	0.01	(0.03)	(0.03)	0.05	0.03	0.03	0.01
Net cash (used in) provided by operating activities	1,693	4,026	1,523	(832)	1,282	1,881	1,464	(117)
Additions to mining interests, plant and equipment	8,615	5,334	3,427	3,259	4,351	1,806	1,674	922

(1) See "Non-IFRS Measures" on pages 24 to 26 for full details on cash costs, AISC and Adjusted EBITDA calculations. The Company has changed its methodology of calculating cash cost and AISC, historical amounts have been updated for the purposes of comparison.

Liquidity and Capital Resources

In 2020 the Company completed four financings totalling \$296.5 million and on February 2, 2021, the Company received approval from ANM for a 30-year extension of its mining title at the Marmato mine. Completion of these milestones now allows the company to progress with a major expansion and modernization of its Marmato mine, including optimization of its existing Upper Zone mining operation, expansion of its Upper Zone processing plant and incorporating the MDZ mineralization into a new mining operation to start construction Q4 2021. Although the Company is generally generating positive cash flow from operations in the Upper Zone, aided in 2020 by an increase in gold prices, it has increased the level of expenditures on its mining interests and plant and equipment in the last two years, triggered by the implementation of drilling campaigns and technical studies associated with evaluation of the mine expansion opportunity.

At December 31, 2020, the Company had working capital of \$75.5 million compared to working capital of \$3.1 million at the end of 2019. Key components of the Company's operating working capital at December 31, 2020 include:

- Cash and cash equivalents - \$32.0 million, up from \$2.7 million at the end of 2019, primarily as a result of completing the Special Warrant financing and the two CFC equity private placements in conjunction with the RTO Transaction. See "Financing Activities" below.
- Cash in escrow - \$142.1 million, up from \$4.9 million at the end of 2019 as a result of the funds held in escrow related to the Gold Linked Subscription Receipts, and the Aris Gold Subscription Receipts.
- Accounts receivable – \$2.2 million, increased over \$1.7 million at December 31, 2019, primarily due to receivables recognized in the fourth quarter for GST recovery.
- Inventories - \$8.2 million, increased by \$2.9 million compared to December 31, 2019 due to an increase in materials and supplies and mineral inventories. The increase was due to the timing of shipments around the end of the year, and supplies inventory increased as a result of ramp-up activities related to the MDZ expansion project.
- Accounts payable and accrued liabilities - \$13.2 million, increased from \$6.4 million at December 31, 2019, largely driven by timing of payments to suppliers in Colombia, as well as amounts accrued in the corporate office related to the financings and transactions which occurred in the fourth quarter of 2020.
- Subscription receipts payable - \$92.6 million, increased from \$5.0 million at December 31, 2019 due to the recognition of the Aris Gold Subscription Receipts in the fourth quarter of 2020.

Operating activities

Net cash provided by operating activities in the year ended December 31, 2020 amounted to \$6.4 million compared to \$4.5 million in the year ended December 31, 2019. Operating cash flow was net of the payment of \$1.8 million of income taxes in 2020, up from \$0.8 million in 2019. The improvement in operating cash flow for the year was reflective of improved realized gold price on sales for 2020.

The fourth quarter of 2020 had a positive impact on operating cash flow as the Company sold more gold at higher realized prices compared to the fourth quarter of 2019. This increase was partially offset by higher production costs which increased the cash cost per oz sold realized in the fourth quarter of 2020 over 2019.

Investing activities

Investing activities used \$30.6 million, up from \$8.8 million in the year ended December 31, 2019. Expenditures are primarily associated with the development at the Marmato mine and the acquisition of the Jubby Project.

Additions to mining interests, plant and equipment in the condensed consolidated statements of cash flow can be broken down into three categories as follows:

	Q4		Full Year	
	2020	2019	2020	2019
Sustaining capital ⁽¹⁾	\$2,864	\$1,460	\$6,362	\$2,730
Non-sustaining capital ⁽¹⁾	6,035	2,736	15,557	6,390
Change in accounts payable and accrued liabilities related to capital expenditures and E&E costs	(284)	155	(1,284)	(367)
Total	\$8,615	\$4,351	\$20,635	\$8,753

(1) See "Non-IFRS Measures" on pages 24 to 26 for full details on sustaining and non-sustaining capital.

Sustaining capital expenditures for 2020 totalled \$6.4 million and included \$4.0 million related to mine infrastructure improvements and equipment, including mining equipment associated with the extension of operations into the Transitional Zone, \$0.9 million of capital development in the Transitional Zone, \$0.9 million associated with mill and tailings storage facility improvements and \$0.6 million on other sustaining capital expenditures.

The Company incurred a total of \$15.6 million of non-sustaining capital expenditures in 2020, including \$5.7 million related to the Deep Zone drilling campaign and \$7.9 million related to various technical studies in support of the 2020 PFS and other costs related to the MDZ expansion project. The remaining \$2.0 million was spend on the plant modernisation and expansion of the Upper Zone. In the third quarter of 2020, the Company also paid \$10.0 million in connection with the acquisition of SARC.

Financing activities

Total cash provided by financing activities in the year ended December 31, 2020 amounted to \$54.0 million, up from \$5.8 million in the year ended December 31, 2019. Key sources of funding in 2020 were as follows:

- At closing of the RTO Transaction, the net proceeds of approximately \$4.7 million from the subscription receipt financing completed by CFC in December 2019 were released from escrow to the Company. Concurrently, the subscription receipts were converted into one common share of the Company and one Unlisted Warrant of the Company exercisable for one Common Share at an exercise price of C\$3.00 per share expiring December 19, 2024. The Company also paid issue costs amounting to \$0.4 million in 2020 related to the subscription receipt financing.
- The Company completed two private placements in 2020 with Gran Colombia yielding total gross proceeds of \$19.7 million as follows:
 - In February 2020, prior to the RTO Transaction, CFC closed a private placement with Gran Colombia pursuant to which Gran Colombia purchased 7,500,000 units of CFC in a non-brokered private placement at a price of C\$2.00 per unit, for gross cash proceeds of C\$15.0 million (approximately \$11.3 million), of which C\$2.4 million (equivalent to \$1.8 million) was

advanced in December 2019. At the closing of the RTO Transaction, each unit issued under the private placement was exchanged for one common share of the Company and one Unlisted Warrant of the Company exercisable for one Common Share at an exercise price of C\$3.00 per share expiring December 19, 2024.

- On June 30, 2020, the Company completed a private placement with Gran Colombia, issuing 7,000,000 common shares at C\$2.00 per share for total gross proceeds of C\$14.0 million (approximately \$10.3 million). The proceeds were used by the Company to fund the \$10.0 million used in the acquisition of SARC. See acquisition of SARC above.
- On July 29, 2020, the Company completed the Special Warrant financing for C\$50 million (approximately \$37.4 million) with transaction costs of the financing amounting to \$2.8 million. See “C\$50 Million Bought Deal Financing of Special Warrants” above.
- On August 26, 2020, the Company completed the private placement of GLN Subscription Receipts. See “\$83 Million Senior Secured Gold-linked Notes Financing” above. Total transaction costs related to the agreement amounted to \$6.5 million in 2020.
- On November 5, 2020, the Company entered into the definitive PMPA with WPMI. See “\$110 Million Precious Metals Stream Financing” above. Total transaction costs related to the agreement amounted to \$1.8 million in 2020.
- On December 3, 2020, the Company completed a private placement for C\$85 million (approximately \$66.0 million). See “C\$85 Million Aris-led Financing” above. Total transaction costs related to the agreement amounted to \$2.4 million in 2020.

In addition to the financings completed in 2020, the Company believes that additional sources of funding for the MDZ expansion project may be available, as needed, through operating cash flow, proceeds received from the exercise of stock options and warrants, future equity issues and lease financing.

Issued and Outstanding Securities

As of March 31, 2021, Aris Gold had the following equity based securities issued and outstanding:

Securities	TSX Symbol	Number	Shares Issuable	Exercise price per share	Expiry or maturity date
<i>Common shares</i>	ARIS	137,832,940			
<i>Stock options</i>		4,490,000	4,490,000	C\$2.00	March 1, 2025
		160,000	160,000	C\$2.50	June 26, 2025
		200,000	200,000	C\$2.73	September 17, 2022
		1,302,207	1,302,207	C\$3.10	February 12, 2024
		6,152,207	6,152,207		
<i>Unlisted warrants</i>	Unlisted	10,800,000	10,800,000	C\$3.00	December 19, 2024
<i>Listed warrants</i>	ARIS.WT	76,613,200	76,613,200	C\$2.75	July 29, 2025 ⁽¹⁾
<i>Broker warrants</i>	Unlisted	118,050	118,050	C\$2.00	December 19, 2022

(1) The Company may accelerate the expiry date of the Warrants after July 29, 2023 in the event that the closing price of the common shares on the TSX (or such other exchange on which the common shares may principally trade at such time) is greater than C\$2.75 per share for a period of 20 consecutive trading days, by giving notice to the holders of Warrants of the acceleration of the expiry date and issuing a concurrent press release announcing same and, in such case, the Warrants will expire on the 30th day following the date on which such notice is given and press release issued.

Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to support its normal operating requirements on an ongoing basis, continue the development and exploration of its mineral properties, support any expansionary plants, maintain sufficient capital for potential investment opportunities and to pursue accretive acquisition opportunities. The Company intends to finance potential acquisitions with a prudent combination of equity, debt and other forms of finance.

In the management of capital, the Company includes the components of equity, and loan facilities, net of cash.

Capital, as defined above, is summarized in the following table:

	2020	2019
Equity	\$ 65,590	\$ 29,490
Long-term debt	83,258	-
	148,848	29,490
Less: Cash	(32,007)	(2,672)
	\$ 116,831	\$ 26,818

The Company manages its capital structure and makes adjustments to it in light of changes in its economic environment and the risk characteristics of the Company's assets. To effectively manage the entity's capital requirements, the Company has in place a planning, budgeting and forecasting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives.

Financial Instruments

The fair values of cash and cash equivalents, cash in escrow, accounts receivable, accounts payable and accrued liabilities approximate their carrying values due to the short term to maturity of these financial instruments. The warrants, subscription receipts, Gold Notes, and DSU liabilities are carried at fair value through profit and loss.

Off balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Related Party Transactions

Gran Colombia, as a significant shareholder of Aris Gold is a related party, as that term is defined by the Company's GAAP, of the Company. As a significant shareholder, Gran Colombia has participated in a number of the Company's financings as follows with an aggregate value of approximately \$59.7 million:

- On February 7, 2020, CFC completed a private placement and applied a \$1.8 million advance made by Gran Colombia in December 2019 to the gross proceeds of the financing. This was settled on February 25, 2020. Gran Colombia purchased 7,500,000 units for CFC in a non-brokered private placement at a price of C\$2.00 per unit for gross cash proceeds of C\$15.0 million (approximately \$11.3 million).
- On June 30, 2020, Gran Colombia purchased 7,000,000 common shares from the Company on a non-brokered private placement basis at a price of C\$2.00 per share for gross cash proceeds of C\$14.0 million (approximately \$10.3 million).

- On July 29, 2020, Gran Colombia purchased C\$20.0 million (approximately \$14.9 million) of the Special Warrants (see “C\$50 Million Bought Deal Financing of Special Warrants” above) issued by the Company.
- On August 26, 2020, Gran Colombia purchased \$10.0 million of the GLN Subscription Receipts (see “\$83.1 Million Senior Secured Gold-linked Notes Financing” above) issued by the Company.
- On December 3, 2020, Gran Colombia purchased C\$17.0 million (approximately \$13.2 million) of the Aris-led private placement (see “C\$85 Million Aris-led Financing” above) issued by the Company.

The Company pays a royalty of 4% on gold and silver revenue to a subsidiary of Gran Colombia in respect of production sourced from the neighbouring Echandia mining title. During the year ended December 31, 2020, the royalty amounted to \$127,000 (2019 - \$99,000).

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that, prior to the RTO Transaction, key management personnel consisted of the Board of Directors and certain executive officers of its parent company, Gran Colombia. Gran Colombia did not charge the Company any fees with respect to the services of the key management personnel prior to the RTO Transaction. Compensation expense for key management personnel for the years ended December 31, 2019 and 2020 are as follows:

	Years ended December 31,	
	2020	2019
Short-term employee benefits	\$ 1,148	\$ -
Share-based compensation	3,237	-
	<u>\$ 4,385</u>	<u>\$ -</u>

Critical Accounting Estimates

The preparation of the consolidated financial statements requires management to make significant estimates and assumptions in determining carrying values, estimates are continuously evaluated and are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ significantly from the amounts included in the consolidated financial statements.

The critical estimates applied in the preparation of the Company's Financial Statements are consistent with those applied and disclosed in Note 4 to the Financial Statements.

Valuation of long-lived assets

The carrying amounts of property, plant and equipment and E&E assets are assessed for any impairment triggers such as events or changes in circumstances which indicate that the carrying value may not be recoverable. If there are indicators of impairment, an exercise is undertaken to determine whether the carrying values are in excess of their recoverable amount.

The Company considers both internal and external sources of information in assessing whether there are any indications that long-lived assets are impaired. External sources of information the Company considers include changes in the market, economic and legal environment in which the Company operates that are not within its control and affect the recoverable amount of its long-lived assets. Internal sources of information the Company considers include the manner in which property, plant and equipment are being used or are expected to be used, and in respect of E&E assets, the right to explore in the specific area has or will expire

in the future and is not expected to be renewed, substantive E&E expenditures are neither budgeted or planned, exploration has not led to the discovery of commercially viable quantities of mineral resources or sufficient data exists that although development of a specific area is likely to proceed, the carrying amount of the E&E assets is unlikely to be recovered.

Provision for decommissioning

The Company assesses its provision for decommissioning when new material information becomes available. Mining and exploration activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing, and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. Accounting for reclamation and remediation obligations requires management to make estimates of the future costs the Company will incur to complete the decommissioning work required to comply with existing laws and regulations at each mining operation. Actual costs incurred may differ from those amounts estimated. Future changes to environmental laws and regulations could also change the extent of reclamation and remediation work required to be performed by the Company. Changes in future costs could materially impact the amounts charged to operations for such obligations and to mineral properties. The provision represents management's best estimate of the present value of the future decommissioning obligation. Actual future expenditures may differ from the amounts currently provided.

Fair values of financial liabilities

The Gold Notes, warrant liabilities, and the subscription receipts are recorded at FVTPL. Fair values of Gold Notes, warrant liabilities and subscription receipts have been determined based on a valuation methodology that captures all of the features in a set of partial differential equations that are then solved numerically to arrive at the value of these financial instruments. The fair value estimates are based on numerous assumptions including, but not limited to, commodity prices, time value, volatility factors, risk-free rates and credit spreads. The fair value estimates may differ from actual fair values and these differences may be significant and could have a material impact on the Company's financial position and results of operations. The fair value of the listed warrants are determined using quoted prices in an active market.

Recent Accounting Pronouncements

New and amended accounting policies

The Company has adopted the following new and revised IFRS standards and amendments, effective January 1, 2020. These changes were made in accordance with the applicable transitional provisions, but their adoption had no impact on the financial statements of the Company.

IAS 1 – Presentation of Financial Statements and IAS 8 – Accounting Policies, Changes in Estimates and Errors

Effective January 1, 2020, the Company has adopted the amendments in *Definition of Material (amendments to IAS 1 and IAS 8)*. The amendments to IAS 1 and IAS 8 clarify the definition of 'material' and aligns the definition used within the IFRS Standards. The application of the amendments did not have an impact on the Company.

IFRS 3 – Business Combinations

Effective January 1, 2020, the Company has adopted the amendments to IFRS 3 which narrow and clarify the definition of a business and provide for an optional simplified initial assessment of whether an acquired

group of assets is a single identifiable group of assets, rather than a business. The application of the amendment has been made on a prospective basis and has not had an impact on the Company.

New accounting standards issued but not effective

IAS 16, Property, Plant and Equipment

The IASB issued an amendment to IAS 16, Property, Plant and Equipment to prohibit the deducting from property, plant and equipment amounts received from selling items produced while preparing an asset for its intended use. Instead, sales proceeds and its related costs must be recognized in profit or loss. The amendment will require companies to distinguish between costs associated with producing and selling items before the item of property, plant and equipment is available for use and costs associated with making the item of property, plant and equipment available for its intended use. The amendment is effective for annual periods beginning on or after January 1, 2022, with earlier application permitted. The extent of the impact of adoption of this standard has not yet been determined.

IFRS 3 – Business Combinations

The IASB has issued an amendment to IFRS 3 Business Combinations adding an exception to its requirement for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. This exception specifies that for some assets and liabilities, an entity applying IFRS 3 should instead refer to IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

The amendment is effective for annual periods beginning on or after January 1, 2022, with early adoption permitted. The extent of the impact of adoption of this standard has not yet been determined.

IFRS 9 – Financial Instruments

The IASB has issued an amendment to IFRS 9 Financial Instruments clarifying which fees to include in the test in assessing whether to derecognize a financial liability. Only those fees paid or received between the borrower and the lender, including fees paid or received by either the entity or the lender on the other's behalf are included.

The amendment is effective for annual periods beginning on or after January 1, 2022 with early adoption permitted. The extent of the impact of adoption of this standard has not yet been determined.

IAS 1 – Presentation of Financial Statements

The IASB has issued an amendment to IAS 1 Presentation of Financial Statements providing a more general approach to the classification of liabilities. The amendment clarifies that the classification of liabilities as current or non-current depends on the rights existing at the end of the reporting period as opposed to the expectations of exercising the right for settlement of the liability. The amendments further clarify that settlement refers to the transfer of cash, equity instruments, other assets, or services to the counterparty.

The amendments are effective for annual periods beginning on or after January 1, 2023 and are to be applied retrospectively, with early adoption permitted. The extent of the impact of adoption of this standard has not yet been determined.

Non-IFRS Measures

The Company has included non-IFRS measures in this MD&A such as cash costs (by-product) and AISC on a per oz basis, sustaining capital, non sustaining capital, EBITDA, adjusted EBITDA and adjusted net income or loss. These non-IFRS measures are intended to provide additional information for the reader and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to other issuers. The Company reports cash costs and AISC on a sales basis. In the gold mining industry, this is a common performance measure but does not have any standardized meaning.

The Company believes that in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's underlying performance of its core operations and its ability to generate cash flow. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Non-IFRS measures referred to in this MD&A are defined as follows:

Cash costs per oz sold on a by-product basis is calculated by deducting revenues from silver sales from production cash costs and dividing the sum by the number of gold oz sold. Production cash costs include mining, milling, mine site security and mine site administration costs. The method of calculating cash costs has changed this reporting period, and now excludes production taxes and related party royalties. Management consider that these costs are not controllable by the operations team and as such exclude it from their controllable cost. These costs are included in AISC below.

AISC per oz sold includes cash costs (as defined above) and adds the sum of production taxes and related party royalties, sustaining capital expenditures and sustaining lease payments, all divided by the number of oz sold. As this measure seeks to reflect the full cost of gold production from current operations, new project capital and E&E costs are not included in the calculation of AISC per oz. Additionally, certain other cash expenditures, including general and administration expenses, income and other tax payments are not included in AISC per oz. The method of calculating AISC has changed this reporting period, and now excludes general administration costs and includes production taxes and related party royalties. General and administration expenses incurred by the company are primarily for costs associated with raising capital and corporate development activity and as such are not attributable to the gold produced and sold from the operations.

Adjusted EBITDA represents earnings before interest (including non-cash accretion of financial obligations and lease obligations), income taxes and depreciation and amortization ("EBITDA"), adjusted to exclude impairment charges, share-based compensation, RTO Transaction costs, fair value changes on financial instruments and foreign exchange gains/losses.

Adjusted net income or loss excludes gains/losses and other costs incurred for acquisitions and disposals of mining interests, impairment charges and reversals, debt financing costs, unrealized and non-cash gains/losses on financial instruments, RTO Transaction costs and foreign exchange gains/losses as well as other significant non-cash, non-recurring items.

The following table reconciles cash costs per oz sold and AISC per oz sold as disclosed in this MD&A to the Financial Statements:

\$000s except oz and per oz data	Q4		Full Year	
	2020	2019	2020	2019
Gold sales (oz)	6,589	6,623	23,830	25,277
Cash costs				
Salaries and employee benefits	\$4,415	\$3,134	\$13,739	\$13,010
Materials and supplies	2,264	1,877	7,458	7,253
Contractors and services	1,569	898	4,267	3,485
Other production costs and changes in inventories	134	393	3,052	1,696
Silver revenues	(227)	(162)	(674)	(600)
Cash costs on a by-product basis	\$8,155	\$6,140	\$27,842	\$24,844
Cash costs per oz sold	\$1,238	\$927	\$1,168	\$983
AISC				
Cash costs on a by-product basis	\$8,155	\$6,140	\$27,842	\$24,844
Production taxes	1,248	861	4,121	3,244
Social contributions	448	-	931	-
Sustaining capital	2,864	1,460	6,362	2,730
IFRS 16 lease payments	71	20	123	65
AISC	\$12,786	\$8,481	\$39,379	\$30,883
AISC per oz sold	\$1,941	\$1,281	\$1,653	\$1,222
AISC per oz sold				
Cash costs per oz sold	\$1,238	\$927	\$1,168	\$983
Production taxes	189	130	173	128
Social contributions	68	-	39	-
Sustaining capital	435	220	267	108
IFRS 16 lease payments	11	3	5	3
AISC per oz sold	\$1,941	\$1,281	\$1,653	\$1,222

The following table reconciles sustaining and non-sustaining capex expenditures as disclosed in this MD&A to the additions to mining interest, plant, and equipment in note 9 of the Financial Statements:

	Q4		Full Year	
	2020	2019	2020	2019
Sustaining capital	\$2,864	\$1,460	\$6,362	\$2,730
Non-sustaining capital	6,035	2,736	15,557	6,390
Additions to ROU plant and equipment	392	-	394	45
Additions to mining interest, plant, and equipment	\$9,291	\$4,196	\$22,313	\$9,165

The following table provides a reconciliation of adjusted EBITDA to net (loss) income as reported in the Financial Statements:

\$000s	Q4		Full Year	
	2020	2019	2020	2019
Net (loss) income	(\$33,744)	\$1,551	(\$83,114)	\$3,605
Income taxes	972	823	2,633	1,881
Interest and accretion (net of finance income)	2,108	(6)	2,119	(13)
Depreciation and amortization	328	291	1,152	1,182
EBITDA	(30,336)	2,659	(77,210)	6,655
Share-based compensation	708	-	4,502	-
Finance fees and expenses	4,444	-	13,809	-
RTO Transaction costs	-	-	16,700	-
Loss on financial instruments	26,576	-	47,927	-
Foreign exchange (gain) loss	(624)	27	(490)	88
Adjusted EBITDA	\$768	\$2,686	\$5,238	\$6,743

The following table provides details of the primary components of adjusted EBITDA:

\$000s	Q4		Full Year	
	2020	2019	2020	2019
Revenue	\$12,550	\$9,896	\$42,790	\$35,648
Cost of sales, excluding DD&A	(9,630)	(7,163)	(32,637)	(28,688)
General and administrative	(1,704)	(51)	(3,984)	(217)
Social contributions	(448)	-	(931)	-
Adjusted EBITDA	\$768	\$2,682	\$5,238	\$6,743

The following table provides a reconciliation of adjusted net income (loss) to net (loss) income as reported in the Financial Statements:

\$000s	Q4		Full Year	
	2020	2019	2020	2019
Net (loss) income	(33,744)	1,551	(83,114)	3,605
RTO Transaction costs	0	-	16,700	-
Loss on financial instruments	26,576	-	47,927	-
Debt financing costs	4,444	-	13,809	-
Foreign exchange (gain) loss	(624)	27	(490)	88
Income tax effect on adjustments	312	-	(16)	-
Adjusted net income (loss)	(3,036)	1,578	(5,184)	3,693

Disclosure Controls and Procedures and Internal Controls Over Financial Reporting

Disclosure controls and procedures and internal controls over financial reporting have been designed to provide reasonable assurance that all material information related to the Company is identified and communicated on a timely basis.

As at December 31, 2020 the Company was TSX-V listed and as such is not required to provide representations relating to the establishment and maintenance of DC&P and ICFR, as defined in Multinational Instrument 52-109. Certification of Disclosure in Issuers Annual and Interim Filings and the companion Policy hereto, in particular, the Chief Executive Officer and the Chief Financial Officer certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) processes to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with the issuer's GAAP.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and the Chief Financial Officer, believe that any disclosure controls and procedures and internal controls over financial reporting, no matter how well designed and operated, can have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance that the objectives of the control system are met.

Risks and Uncertainties

Exploration, development and mining of precious metals involve numerous inherent risks. As such, Aris Gold is subject to financial, operational and political risks that could have a significant impact on its profitability and levels of operating cash flows. Although the Company assesses and minimizes these risks by applying high operating standards, including careful management and planning of its facilities, hiring qualified personnel and developing their skills through training and development programs, these risks cannot be eliminated. Readers are encouraged to read and consider the risk factors which are more specifically described under the caption "*Risk Factors*" in the Company's annual information form for the financial year ended December 31, 2020 dated as of March 31, 2021 which is available for view under the Company's profile on SEDAR at www.sedar.com.

If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently aware or which it considers to be material in relation to the Company's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the prices of the Company's securities could decline and investors may lose all or part of their investment. In addition, such risk factors could cause actual amounts to differ materially from those described in the forward-looking statements related to the Company.

COVID-19 Virus

The ongoing impact of the novel COVID-19 virus is changing daily and the Government of Colombia implemented a selective isolation stage that went into effect at the beginning of September 2020 and, as of the date of this MD&A, remains in effect. While the Company has activated its business continuity program at

its Marmato Operations and is currently in production, it is unknown whether the Company will be able to continue operating on such levels if a reinstatement of a prolonged national quarantine takes place. The Company has taken precautionary measures for screening of all employees at its Marmato mine and non-essential administrative staff are working remotely; however it is unknown whether any additional measures will need to be implemented based upon recommendations from local, national and international agencies. The Company will continue to monitor developments related to the situation and revise its response plans accordingly.

Cautionary Note Regarding Forward-looking Statements

Certain statements in this MD&A constitute forward-looking information. Often, but not always, forward-looking statements use words or phrases such as: "expects", "does not expect" or "is expected", "anticipates" or "does not anticipate", "plans" or "planned", "estimates" or "estimated", "projects" or "projected", "forecasts" or "forecasted", "believes", "intends", "likely", "possible", "probable", "scheduled", "positioned", "goal", "objective" or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Such forward-looking statements, including but not limited to statements with respect to anticipated business plans or strategies, gold production, cash costs and AISC per oz sold, capital and exploration expenditures and mineral resources, involve known and unknown risks, uncertainties and other factors which may cause the actual actions, events and results to be materially different from estimated actions, events or results expressed or implied by such forward-looking statements. The Company believes the expectations reflected in these forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. Factors that could cause actual results to differ materially from those anticipated in these forward-looking statements are described under the caption "*Risk Factors*" in the Company's Annual Information Form. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws.

Unless otherwise indicated, the scientific disclosure and technical information included in this MD&A is based upon information included in the NI 43-101 compliant technical reports entitled:

1. Marmato Technical Report entitled "Revised NI 43-101 Technical Report Pre-Feasibility Study Marmato Project Colombia" dated September 18, 2020 with an effective date of March 17, 2020. The Marmato Technical Report was prepared by Ben Parsons, MSc, MAusIMM (CP), Eric J. Olin, MSc Metallurgy, MBA, SME-RM, MAusIMM, Fernando Rodrigues, BS Mining, MBA, MAusIMM, MMSAQP, Jeff Osborn, BEng Mining, MMSAQP, Joanna Poeck, BEng Mining, SME-RM, MMSAQP, Fredy Henriquez, MS Eng, SME, ISRM, Breese Burnley, P.E., Cristian A Pereira Farias, SME-RM, David Hoekstra, BS, PE, NCEES, SME-RM, David Bird, PG, SME-RM, Mark Allan Willow, MSc, CEM, SME-RM, and Tommaso Roberto Raponi, P.Eng, each of whom is independent of the Company within the meaning of NI 43-101 and is a "Qualified Person" as such term is defined in NI 43-101.
2. Juby Technical Report entitled "Technical Report on the Updated Mineral Resource Estimate for the Juby Gold Project" dated October 5, 2020 with an effective date of July 14, 2020. The Juby Technical Report was prepared by Joe Campbell, B.Sc., P.Geo., Alan Section, M.Sc., P.Geo., Duncan Studd, M.Sc., P.Geo. and Allan Armitage, Ph.D., P.Geo., each of whom is independent of the Company within the meaning of NI 43-101 and is a "Qualified Person" as such term is defined in NI 43-101.