TDG GOLD CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the six months ended January 31, 2021

(Expressed in Canadian dollars)

The following is management's discussion and analysis ("MD&A") of the results of operations and financial condition of TDG Gold Corp. ("TDG" or the "Company") for the six months ended January 31, 2021 and up to the date of this MD&A, and should be read in conjunction with the accompanying unaudited condensed interim consolidated financial statements for the six months ended January 31, 2021, together with the notes thereto (the "Financial Report").

All financial information in this MD&A is derived from the Company's financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

The effective date of this MD&A is March 25, 2021.

Description of the Business

TDG Gold Corp. (formerly Kismet Resources Corp.) (the "Company") is a publicly traded company incorporated pursuant to the provisions of the British Columbia Business Corporations Act on March 14, 2018. The Company trades on the TSX Venture Exchange ("TSX-V") under the symbol TDG. The Company's head office and registered and records office address is Unit 1 – 15782 Marine Drive, White Rock, B.C. Canada V4B 1E6.

The Company is engaged in the identification, acquisition, exploration and, if warranted, development of mineral resource projects in British Columbia.

Reverse Take-over and Financing

On December 11, 2020, the Company completed a reverse take-over transaction whereby the Company acquired all of the issued and outstanding common shares of TDG BC Assets Corp. (formerly TDG Gold Corp.) ("TDGBC") by way of a three-cornered amalgamation ("Amalgamation") between the Company, TDGBC, and 1266834 B.C. Ltd. ("Numco"), a wholly-owned subsidiary of the Company. Immediately prior to the completion of the Amalgamation, the Company changed its name from Kismet Resources Corp. to TDG Gold Corp. TDGBC amalgamated with Numco as one company under the name TDG BC Assets Corp., a wholly owned subsidiary of the Company.

Pursuant to the Amalgamation:

- the Company issued the former shareholders of TDGBC 25,244,928 common shares (one share for every three shares of TDGBC).
- the shareholders of Kismet retained 2,000,000 common shares valued at $600,000.
- the officers of Kismet retained 200,000 options valued at $34,195. The fair value of the options was determined using the Black-Scholes option pricing model with the following assumptions: a risk-free interest rate of 0.25%; an expected volatility of 100%; an expected life of 1-3 years; a forfeiture rate of zero; and an expected dividend of zero.
- TDGBC amalgamated with Numco as one company under the name TDG BC Assets Corp., a wholly owned subsidiary of the Company.

On completion of the Amalgamation, the former shareholders of TDGBC own more shares of the Company than the former shareholders of the Company and accordingly the Amalgamation has been treated as a reverse take-over transaction with the financial statements of TDGBC being the continuing financial statements of the Company and Kismet being the Company acquired.

The allocation of the cost of acquisition is summarized as follows:

Consideration		
Kismet shares retained	$	600,000
Kismet options retained		34,195
Transaction costs		241,126
Total	$	875,321
Net assets (liabilities) received		
Cash	$	25,161
Receivables		5,349
Trade and other payables		(4,750)
Total	$	25,760
Listing expense	$	849,561

Concurrent with the Amalgamation, the Company completed a private placement through the issuance of 3,645,000 non-flow-through units at a price of $0.30 per non-flow-through unit and 6,917,907 flow-through units at a price of $0.425 per flow-through unit for gross proceeds of $4,033,610. Each non-flow-through unit and each flow-through unit consists of one common share and one-half of one share purchase warrant. Each share purchase warrant is exercisable into one common share of the Company at an exercise price of $0.45 until December 11, 2023. The Company issued 487,135 non-flow-through units valued at $146,141 to an arm's length finder in connection with the financing.

Also, concurrent with the Amalgamation, the Company issued 18,973,699 common shares to Talisker Resources Ltd. to acquire the Baker-Shasta, Mets, and Bot projects.

As a result of the Amalgamation, the common shares of the Company began trading on the TSX-V on December 18, 2020 under the ticker symbol TDG.

COVID-19

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. Although it is not possible for the Company to fully predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business operations, to date the Company has been able to raise equity and explore its exploration projects in British Columbia.

Exploration projects

Baker-Shasta, Mets, and Bot Projects

On July 7, 2020, the Company entered into a purchase agreement with Talisker Resources Ltd. ("Talisker") pursuant to which the Company could acquire a 100% interest in the Baker-Shasta, Mets, and Bot projects located in the Toodoggone region of British Columbia. Pursuant to the agreement, the Company completed the acquisition through the issue of 18,973,669 common shares valued at $5,692,110 to Talisker on December 11, 2020.

In March 2021, the Company completed a quantitative risk assessment of the exploration target at its Shasta Project, using available historical data. Results range from 0.9 million ounces ("Moz") gold equivalent ("AuEq"*) contained in 18.717 million tonnes ("Mt") at 1.5 grams per tonne ("gpt") using a 0.3 gpt cut off grade ("cog") to 1.47 Moz AuEq contained in 50.7 Mt at 0.9 gpt using a 0.1 gpt cog.

The process of assessing the exploration target for the Shasta Project used a quantitative approach that integrated available historical drill hole, geological and geochemical data to produce a series of equally likely scenarios that establish distributions for tonnage, grade, and metal content. Tonnage has been determined by modelling available data from the Creek, Shasta, JM, Cayley, and Rainier Zones, creating grade shells at a 0.1 gpt and 0.3 gpt AuEq cog, and then using statistically averaged gold equivalent grades within those shells. Tonnage calculated does not include the O, North or Jock Zones for which historical drilling information exists but further work is required before these zones can be included.

TDG believes that the exploration target is sufficient to justify undertaking additional exploration activities to confirm the assumptions used in the Exploration Target and advance the Shasta Project towards an NI 43-101 compliant inaugural resource calculation, which would be based on CIM definitions.

The gold mineralization at the Shasta Project is contained along two primary structures – the Shasta and JM Faults which hosts gold and silver bearing ore within stockwork, breccia and gouge zones. Current modelling shows this system to be 1.5 kilometres long by 800 metres wide at its southern end and open along strike and at depth. Recent grades from samples collected in situ from mineralized pillars in the Shasta mine assayed up to 10.40 gpt gold and 782 gpt silver. Historical mining efforts at the Shasta Project focused on the high-grade breccia zones only, leaving a halo of lower-grade mineralization in the ground.

Recompilation of historical exploration information continues for each of the Baker, Mets and Bot Projects.

Oxide Peak Property

On December 22, 2019, the Company entered into an option and joint venture agreement with ArcWest Exploration Inc. ("ArcWest") pursuant to which the Company can earn up to an 80% interest in the Oxide Peak property located in the Toodoggone region of British Columbia.

Pursuant to the agreement, the Company issued ArcWest 1,202,141 common shares valued at $180,321 on August 19, 2020 (Note 10).

The Company can earn an initial 60% interest in the Oxide Peak property (the "First Option") by fulfilling the following terms:

1. Cash payments as follows:
    - $15,000 on signing (paid);
    - $15,000 on or before December 31, 2020 (paid); and
    - $25,000 on exercise of the First Option.
2. Incurring $2,400,000 of exploration expenditures as follows:
    - $400,000 by December 31, 2020 (incurred);
    - An additional $500,000 by December 31, 2021; and
    - An additional $1,500,000 by December 31, 2022.

Upon exercise of the First Option, the Company can earn an additional 20% interest for a total 80% interest (the "Second Option") by electing to complete a preliminary economic assessment within two years of exercising the Second Option.

Following the exercise or lapse of the Second Option, the parties will form a joint venture to hold and operate the Oxide Peak property, and each party will fund the costs associated with the Oxide Peak property proportionate to their respective interest. If a party does not contribute its share of the costs, the other party may contribute the shortfall, in which case, the interest of each party in the Oxide Peak property will be adjusted in accordance with a dilution formula. Should the Company's or ArcWest's interest be diluted to less than 10%, then that interest will convert to a 2% net smelter return ("NSR") royalty, of which 1% of the NSR royalty can be bought back for a $2,000,000 cash payment at any time.

Qualified Person

The technical content of this MD&A has been reviewed and approved Andy Randell, PGeo., a qualified person as defined by National Instrument 43-101.

Financial Condition and Results of Operations – six months ended January 31, 2021

The consolidated net loss for the six months ended January 31, 2021 was $1,610,513 (2020 - $80,928).

The significant changes between the current period and the comparative period are discussed below.

Consulting fees for the six months ended January 31, 2021 totalled $175,300 (2020 - $37,000) and relates to the following:

- $90,000 (2020 - $Nil) paid to a company controlled by Fletcher Morgan, the Chief Executive Officer of the Company.
- $45,000 (2020 - $Nil) paid to Golden Oak Corporate Services Ltd. ("Golden Oak"), a consulting company controlled by the Chief Financial Officer and the Corporate Secretary of the Company. Golden Oak provides the services of a Chief Financial Officer, a Corporate Secretary, and accounting and administrative staff to the Company. The Chief Financial Officer and the Corporate Secretary are employees of Golden Oak and are not paid directly by the Company.
- $40,300 (2020 - $Nil) paid to Duncan McBean, the former VP Exploration of the Company.
- $Nil (2020 - $5,000) paid to John-Paul Dau, a director and the former President of the Company.

Exploration and evaluation expenditures for the six months January 31, 2021 totalled $551,563 (2020 - $Nil) and relates to exploration work on the Company's Baker-Shasta project and towards the Company's earn-in on the Oxide Peak project. In the prior year the Company only held mineral applications in Asia, and so accordingly all associated expenses have been recorded as project investigation costs.

The Company recorded a flow-through premium liability of $864,738 on issuance of the flow-through units. The Company is committed to spend these flow-through funds by December 31, 2021. During the six months ended January 31, 2021, the Company spent $53,110 of these flow-through funds and accordingly recorded a flow-through premium of $15,621 on the statement of loss and comprehensive loss.

As discussed above, the Company completed a reverse take-over transaction whereby the Company acquired all of the issued and outstanding common shares of TDGBC by way of a three-cornered amalgamation between the Company, TDGBC, and Numco. The Company recorded a listing expense of $849,561 in relation to the reverse taker-over.

Summary of Quarterly Results

The Company did not become a reporting issuer until December 11, 2020 on completion of the Amalgamation. Accordingly, the Company has only presented consolidated financial information on a quarterly basis for the three months ended January 31, 2021 and the three months ended October 31, 2020 as follows:

		3 Months Ended January 31, 2021		3 Months Ended October 31, 2020
Total revenues	$	-	$	-
Net loss	$	(963,006)	$	(647,507)
Basic and diluted loss per share	$	(0.02)	$	(0.03)

Liquidity and Capital Resources

The Company began the fiscal year with $1,822,505 cash. During the six months ended January 31, 2021, the Company spent $926,540 on operating activities, net of working capital changes, spent $230,965 on investing activities, and received $4,046,943 from financing activities to end at January 31, 2021 with $4,711,943 cash.

During the six months ended January 31, 2021, the Company completed a private placement through the issuance of 3,645,000 non-flow-through units at a price of $0.30 per non-flow-through unit and 6,917,907 flow-through units at a price of $0.425 per flow-through unit for gross proceeds of $4,033,610. Each non-flow-through unit and each flow-through unit consists of one common share and one-half of one share purchase warrant. Each share purchase warrant is exercisable into one common share of the Company at an exercise price of $0.45 until December 11, 2023. The Company issued 487,135 non-flow-through units valued at $146,141 to an arm's length finder in connection with the financing.

Subsequent to January 31, 2021, the Company completed a private placement through the issuance of 6,963,074 units at a price of $0.30 per unit for gross proceeds of $2,088,922. Each unit consists of one common share and one-half of one share purchase warrant. Each share purchase warrant is exercisable into one common share of the Company at an exercise price of $0.45 until September 20, 2023. The Company issued 58,384 units to an arm's length finder in connection with the financing.

As at January 31, 2021, the Company had working capital of $3,943,821. Management estimates that these funds may not provide the Company with sufficient financial resources to carry out currently planned exploration and operations through the next twelve months. Management estimates that these funds will provide the Company with sufficient financial resources to carry out currently planned exploration and operations through the next twelve months.

Related Party Transactions

Compensation of key management personnel

Key management includes the Chief Executive Officer, the Chief Financial Officer, and the Corporate Secretary. The aggregate compensation paid, or payable, to key management personnel during the three and six months ended January 31, 2021 and 2020 were as follows:

		Three months ended January 31,		Six months ended January 31,	
		2021	2020	2021	2020
Consulting fees					
Golden Oak	(1)	$ 16,000	$ -	$ 45,000	$ -
Thomas Morgan	(2)	60,000	-	90,000	-
John-Paul Dau	(3)	-	-	-	5,000
Total		$ 76,000	$ -	$ 135,000	$ 5,000

(1) Golden Oak Corporate Services Ltd. ("Golden Oak") is a consulting company controlled by Dan O'Brien, the Chief Financial Officer, and Doris Meyer, the Corporate Secretary, of the Company. Golden Oak provides the services of a Chief Financial Officer, a Corporate Secretary, and accounting and administrative staff to the Company. The Chief Financial Officer and the Corporate Secretary are employees of Golden Oak and are not paid directly by the Company.
(2) Thomas Morgan & Co Ltd. ("Thomas Morgan") is controlled by Fletcher Morgan, the Chief Executive Officer of the Company.
(3) John-Paul Dau is a director and the former President of the Company.

Amounts due to related parties

As at January 31, 2021, the Company owed $22,307 (July 31, 2020 – $20,985) to related parties as follows: $21,000 to Thomas Morgan for fees, and $116 to Fletcher Morgan and $1,191 to Golden Oak, for the reimbursement of expenses. All amounts owed are unsecured and non-interest bearing.

Off-Balance Sheet Arrangements

There were no off-balance sheet arrangements during the six months ended January 31, 2021.

Proposed Transactions

There are no proposed transactions as at the date of this MD&A.

Additional Disclosure for Venture Issuers without Significant Revenue

The components of exploration and evaluation assets are described in Note 8 to the Financial Report.

Outstanding Share Data as at the date of this MD&A

Authorized: an unlimited number of common shares without par value

	Common Shares Issued and Outstanding	Share Purchase Warrants	Stock Options
Balance as at January 31, 2021	57,335,335	5,525,021	133,334
Private Placement	7,021,458	3,510,729	-
Options granted	-	-	3,487,500
Exercise of options	66,666	-	(66,666)
Balance as at the date of this MD&A	64,423,459	9,035,750	3,554,168

Use of accounting estimates, judgments and assumptions

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(i) Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and are, but are not limited to, the following:

<u>The carrying value and the recoverability of exploration and evaluation assets</u> - Management has determined that exploration and evaluation costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, scoping and feasibility studies, accessibility of facilities and existing permits.

(ii) Critical accounting judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are, but are not limited to, the following:

<u>Going concern</u> – In the determination of the Company's ability to meet its ongoing obligations and future contractual commitments management relies on the Company's planning, budgeting and forecasting process to help determine the funds required to support the Company's normal operations on an ongoing basis. The key inputs used by the Company in this process include forecasted capital deployment, progress on permitting, results from the exploration of its properties and general industry conditions. Changes in these inputs may alter the Company's ability to meet its ongoing obligations and future contractual commitments and could result in adjustments to the amounts and classifications of assets and liabilities should the Company be unable to continue as a going concern.

New standards, interpretations, and amendments not yet effective

There are no new standards that will have any significant effect on the Company.

Financial Instruments and Risk Management

Financial Instruments

Financial instruments are classified into one of the following categories: fair value through profit or loss ("FVTPL"); fair value through other comprehensive income ("FVTOCI"); or at amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

		January 31, 2021	July 31, 2020
Cash	FVTPL	$ 4,711,943	$ 1,822,505
Receivables	Amortized cost	83,773	19,121
Trade and other payables	Amortized cost	(27,678)	(152,475)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The carrying values of receivables and trade and other payables approximate their fair values due to their short-term nature. These financial instruments are classified as financial assets and liabilities at amortized cost and are reported at amortized cost. The carrying value of cash was determined based on Level 1 of the fair value hierarchy.

Risk management

The Company's risk exposures and the impact on the Company's financial instruments are summarized as follows:

Credit Risk

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash and receivables. The Company limits the exposure to credit risk in its cash by only investing its cash with high-credit quality financial institutions in business and savings accounts, guaranteed investment certificates and in government treasury bills which are available on demand by the Company for its programs. The Company`s receivables include balances receivable from the government of Canada.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that there is sufficient capital in order to meet short-term business requirements. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next sixty days. The Company is exposed to liquidity risk.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity, political risk, and equity prices. These fluctuations may be significant.

(a) Interest Rate Risk: The Company is exposed to interest rate risk to the extent that its cash balances bear variable rates of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

(b) Commodity Price Risk: While the value of the Company's exploration and evaluation assets will be related to the price of gold and the outlook for this mineral, the Company currently does not have any operating mines and hence does not have any hedging or other commodity based risks in respect to its operational activities.

    Historically, the price of gold has fluctuated significantly and is affected by numerous factors outside of the Company's control, including but not limited to industrial and retail demand, central bank lending, forward sales by producers and speculators, levels of worldwide production, short-term changes in supply and demand because of speculative hedging activities, and certain other factors related specifically to gold.

Cautionary Note Regarding Forward-looking Statements

This MD&A may include or incorporate by reference certain statements or disclosures that constitute "forward-looking information" under applicable securities laws. All information, other than statements of historical fact, included or incorporated by reference in this MD&A that address activities, events or developments that the Company or its management expects or anticipates will or may occur in the future constitute forward-looking information. Forward-looking information is provided through statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur or continue. These forward-looking statements are based on certain assumptions and analyses made by the Company and its management in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances.

Although the Company believes such forward-looking information and the expectations expressed in them are based on reasonable assumptions, investors are cautioned that any such information and statements are not guarantees of future realities and actual realities or developments may differ materially from those projected in forward-looking information and statements. Whether actual results will conform to the expectations of the Company is subject to a number of risks and uncertainties, including those risk factors discussed under "Risk Management" in the above documents incorporated herein by reference. In particular, if any of the risk factors materialize, the expectations, and the predictions based on them, of the Company may need to be re-evaluated. Consequently, all of the forward-looking information in this MD&A and the documents incorporated herein by reference is expressly qualified by these cautionary statements and other cautionary statements or factors contained herein or in documents incorporated by reference herein, and there can be no assurance that the actual results or developments anticipated by the Company will be realized or, even if substantially realized, that they will have the expected consequences for the Company.

Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Unless otherwise required by law, the Company expressly disclaims any intention and assumes no obligation to update or revise any forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change, whether as a result of new information, future events or otherwise, and the Company does not have any policies or procedures in place concerning the updating of forward-looking information other than those required under applicable securities laws. Accordingly, readers should not place undue reliance on forward-looking statements or forward-looking information.

Other Information

Additional information relating to the Company is available for viewing on the Company's web site at www.tdggold.com.