



Desert Gold Ventures Inc.
Form 51-102F1
Management's Discussion and Analysis

Nine Months Ended September 30, 2018

**Desert Gold Ventures Inc.
Management Discussion & Analysis
Nine Months Ended September 30, 2018**

BACKGROUND

Desert Gold Ventures Inc. (“Desert Gold” or the “Company”) is an exploration stage company actively engaged in the acquisition, exploration and development of mineral resource properties. The Company is listed on the TSX-V, OTCQX, and Frankfurt Stock Exchange under the symbols TSX-DAU, OTCQX-DAUGF, and Frankfurt Exchange - QXR1 respectively.

The following management’s discussion and analysis (“MD&A”) is dated November 28, 2018 to provide an analysis of the Company’s business and operating results for the nine months ended September 30, 2018. All the amounts presented within this MD&A are in US dollars unless specified otherwise. Readers are encouraged to review the Company’s statutory filings including financial statements and other disclosure documents through Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com, or to review general information, including maps, on the Company’s website at www.desertgold.ca.

FORWARD LOOKING INFORMATION

This MD&A contains “forward-looking information” which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company, its projects, exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining exploration, environmental risks, title disputes or claims and limitations of insurance coverage.

Readers are cautioned not to place undue reliance on these forward looking statements, which speak only to management’s views as of the date the statements were made. Often, but not always, forward-looking statements can be identified by words and phrases about the future, such as: anticipate, expect, plan, intend, predict, goal, target, project, potential, strategy and outlook.

There are a number of factors which may cause results to vary considerably from these predictions, involving known and unknown risks, and uncertainties. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual cost of conducting our exploration program may differ significantly from estimates; we may be adversely affected by foreign currency exchange rates or taxes including fluctuations in the relative value of US and Canadian currency; we are subject to the risk inherent in variations in ore grade or recovery rates and commodity prices, equipment may fail, we may experience labour unrest, accidents and other risks inherent in mining; we may be subject to political risks in developing countries, insurrection or war; delays in obtaining required permits, licenses, and approvals. More specifically, although Desert Gold primarily operates in African countries with stable democratic governments with mining regulations in place, these countries may still be subject to political upheaval such as military coups or rebel insurrection by factions within the country; we discuss geopolitical, economic and other such factors in more depth in the section entitled “Risk and Uncertainties” in this MD&A. Although Desert Gold has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. The Company does not undertake or assume any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as required by securities law.

The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

**Desert Gold Ventures Inc.
Management Discussion & Analysis
Nine Months Ended September 30, 2018**

<i>Forward-looking statements</i>	<i>Assumptions</i>	<i>Risk factors</i>
The Company will need to raise additional funds to meet its long term business objectives.	<i>The Company will continue its exploration activities in 2018 and 2019.</i>	<i>Unexpected downturn of the price of precious metal and the capital markets</i>

Exploration Update

Current exploration permits held by the company are focused around key areas of interest in Mali and in Rwanda (Fig. 1).



Figure 1. Map of Africa.

The company is presently in a mine planning process.

We invite readers to visit our website at www.desertgold.ca, and www.sedar.com, to view details, including the exploration programs and results of Desert Gold's projects in Africa.

MALI

In Mali the Company is operating three exploration permits. The projects are referred to as, Farabantourou, Segala Ouest and Djimbala. Farabantourou and Segala Ouest are in the Kenieba Birimian inlier. During the first quarter of 2018, the Company had significant exploration activities on the Farabantourou and Segala West permit with several encouraging gold intersects reported.

A follow up drilling program is being designed on these two permits, in addition detailed field mapping associated with rock sampling will be completed on the Djimbala permit.

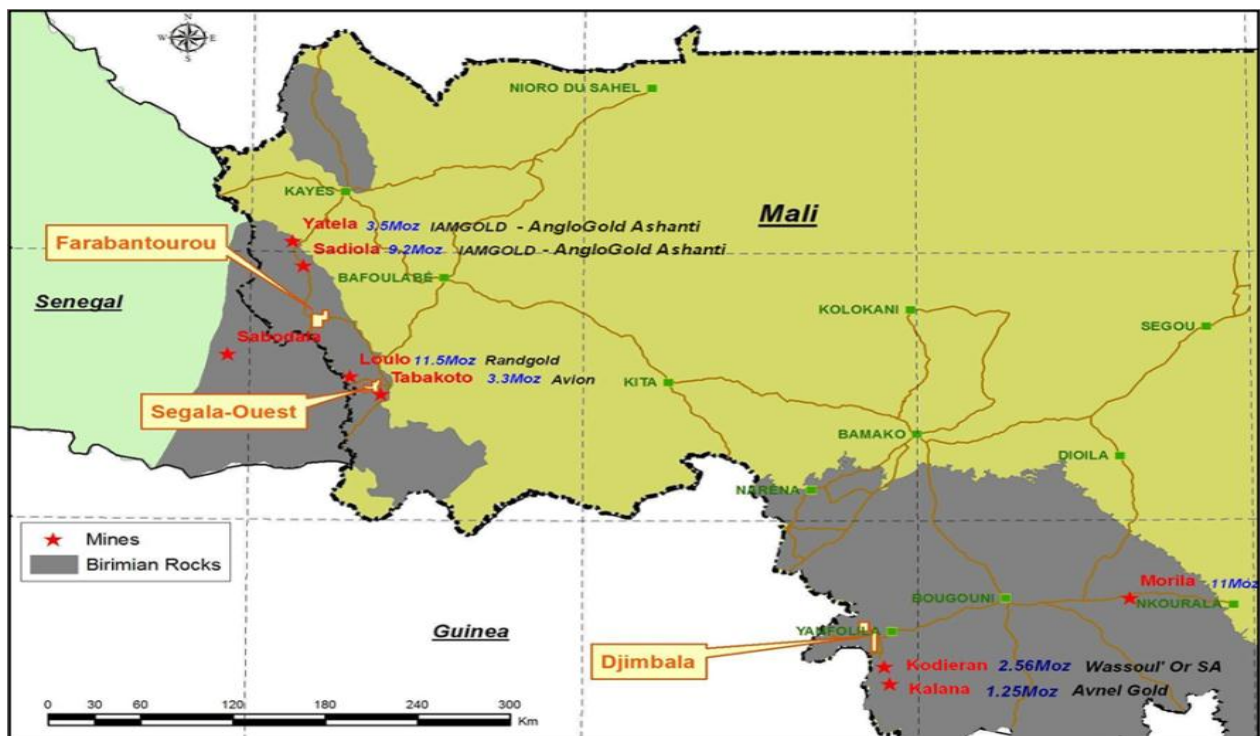


Figure 2. Locality plan of the Mali projects.

FARABANTOUROU PROJECT

The tenement is owned by TransAfrika Mali SA, a joint venture incorporated in Mali and held 74% by TransAfrika Belgique SA and 13% by each of two joint venture partners, governed by a standard Convention Minière detailing the fiscal and legal regime under which the exploration permits are granted. The exploration permit was renewed in November 2014. This permit is in its last renewal, which expired November 2017. The company has applied for a small-scale mining licence covering the north-eastern part of the permit where significant drilling defined an initial resource at Barani East and prospects at Barani and at Kegnekoulou (Fig. 3). The remaining part of the permit is subject to an application for a new exploration licence.

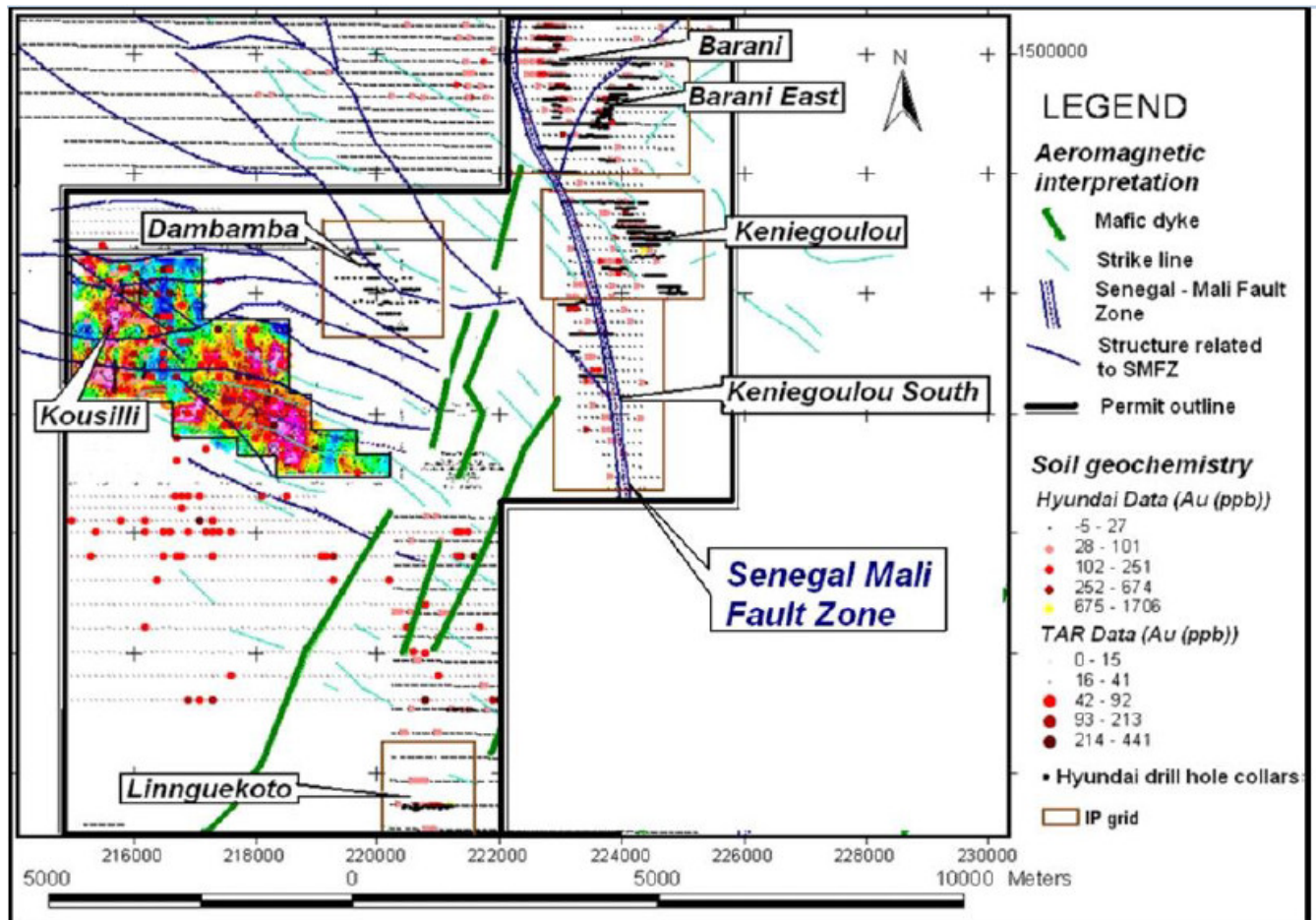


Figure 3. Locality plan showing the location of the gold mineralised prospects within the Farabantourou exploration permit.

The Farabantourou project is located some 50 km south of Sadiola and Yatela and is proximal to the Senegal-Mali shear zone, which hosts the mines Loulo, Sadiola and Yatela amongst others. The property was previously explored by another company, whose work delineated 6 areas of gold mineralisation within the tenement (Fig. 5). TransAfrika completed soil geochemical surveys, ground geophysical surveys (IP- induced polarisation) and follow up drilling over these previously defined areas of gold mineralisation. Drilling focused on Kousilli and on Barani East.

An initial resource of 69.9 koz Au (cut-off grade, 0.5g /t Au) was estimated at Barani East by Minxcon Consulting (cf. Table 1). The mineralisation occurs in an eastward steeply dipping (55° to 60°), tabular body, ranging in width between 4.5m to 15m, with a NNE strike. The average grades vary between 2.22 to 2.29 g/t Au for the indicated and inferred categories, respectively.

**Desert Gold Ventures Inc.
Management Discussion & Analysis
Nine Months Ended September 30, 2018**

Mineralised Zone	Mineral Resource Category	Tonnage	Average Au Grade	Au Content	Au Ounces
		t	g/t	Kg	Koz
Main	Indicated Mineral Resources	541,822	2.23	1,208	38.9
HW		61,467	2.18	134	4.3
FW1		39,176	2.54	100	3.2
FW2		9,615	0.80	8	0.2
Total Indicated Mineral Resources		652,080	2.22	1,450	46.6
Main	Inferred Mineral Resources	280,007	2.23	625	20.1
HW		5,887	2.33	14	0.4
FW1		29,641	2.87	85	2.7
FW2		1,486	0.57	1	0.0
Total Inferred Mineral Resources		317,021	2.29	724	23.3

Notes:

1. The Inferred Mineral Resources have a large degree of uncertainty as to their existence and whether they can be mined economically. It cannot be assumed that all or any part of the Inferred Resource will be upgraded to a higher confidence category
2. Gold content conversion: 1 kg = 32.15076 oz.
3. Columns may not add up due to rounding.
4. Cut-off: 0.5 g/t.
5. RD: 1.6 t/m³ from 0 m -78 m below surface.
6. RD: 1.7 t/m³ from 78 m -190 m below surface.
7. All figures are in metric tonnes.

Table 1. Barani-East mineral resource statement made by Minxcon Consulting, November 2015. This resource statement was made in compliance with the specifications set out by the Canadian Code for reporting of resources and reserves as prescribed in the National Instrument 43-101.

A drilling program was completed on the Farabantourou permit during the period of February 18th to March 15th, 2018 over the three main flashing prospects (Barani East, Barani and Keniekoulou). The drilling program, consisting of diamond and RC, was completed by Geodrill using a multipurpose rig.

The program goals:

- At Barani East, testing on a 25m grid spacing the continuity of the main mineralization with the hanging wall and foot wall mineralization and also an eastern mineralization located to the east of the prospect.
- At Barani and Keniekoulou to test mineralization intersected by Huinday previous drilling program and testing the conceptual geological model over these targets.

The drill program has confirm the initial resource model for Barani east and demonstrate the expansion of the resource based. A second drilling campaign is being designed in order to increase the Barani East resource.

In addition, several mineralised structures have been intersected at Barani main and Keniekoulou prospects. A follow up drilling program is warrant to advance these prospect to the next level.

A part of the new targets generation work, detailed surface geology mapping was completed on the Farabantourou permit where the three main structures of Barani east, Barani and Keniekoulou are cross-cutting. This mapping program has assist to increase geological understanding of the belt to better plan the Auger drilling program that will start during the next drilling campaign after the rainy season.

The company focus during the rainy season is to renew the exploration licenses and consolidated more exploration land package within the projects areas including Farabantourou, Segala Ouest and Djimbala.

**Desert Gold Ventures Inc.
Management Discussion & Analysis
Nine Months Ended September 30, 2018**

The team's working to follow up the permitting with the DNGM and explore additional land opportunity using the updated mining license.

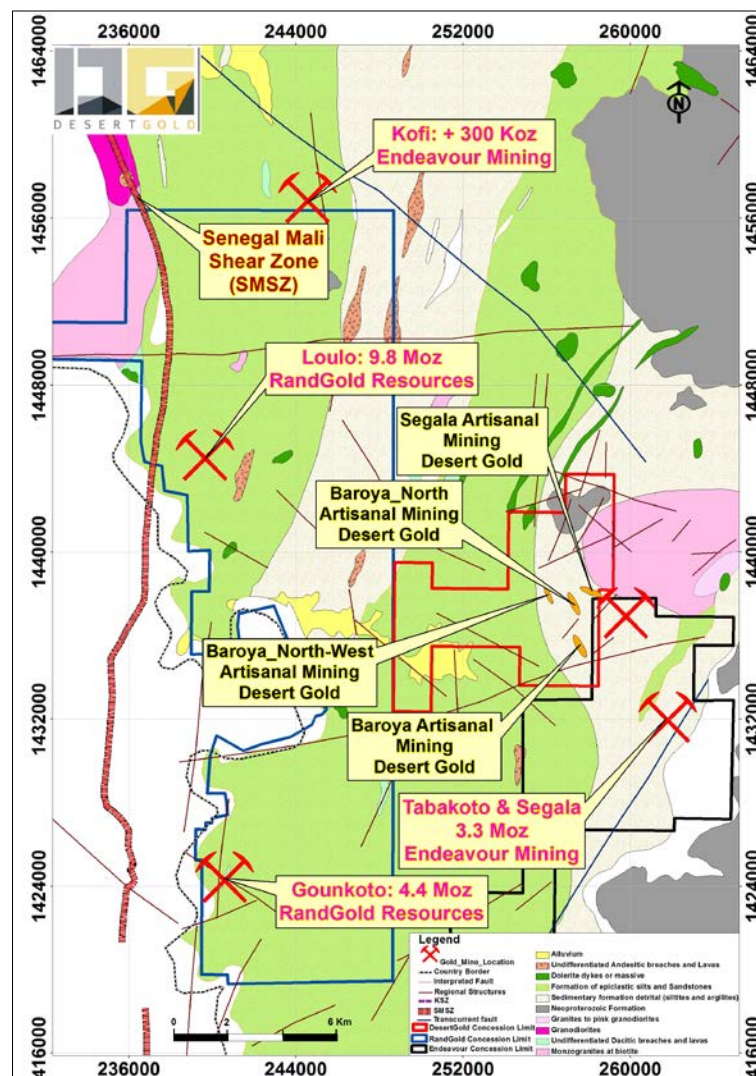
Based upon, internal review and interpretation was completed during in order to assist the company and make decision for Joint Venture options on three projects that were identified around the company projects area.

The three projects include Bourdala, Badougou (owned by Cadem Sarl through its subsidiaries, Doumou Sarl for Badougou, and Sesame Sarl for Badougou) and Yatia Ouest owned by Badenya Gold Sarl.

The Board has received analysis reports for these projects and will make decision based upon.

SEGALA OUEST PROJECT

The prospect is located some 5 km NW of Endeavour's Tabakoto mine and their Segala mine abuts the eastern boundary of the permit. To date the permit is blanket covered by soil geochemical surveys. Some ground geophysical surveys, trenching and drilling were selectively performed on the property. Results of this work supports widespread evidence of gold mineralisation within the tenement. Particularly, within a large soil geochemical anomaly which traverses the property in a north-westerly trend. This anomalous Au in soil zone covers an area approximately 24 km² and is the focus of current exploration activities.



Desert Gold Ventures Inc.
Management Discussion & Analysis
Nine Months Ended September 30, 2018

Figure 4. Locality Plan of Segala Ouest in relation to the neighbouring mines.

From November 15th to December 16th 2017 an initial first pass drilling program was completed at the Segala West permit focussing on five main prospects (Baroya, Baroya North, Baroya North-West, Segala and Yatia West). The drilling program that included diamond, RC and Air-core was completed by Geodrill using a multipurpose rig.

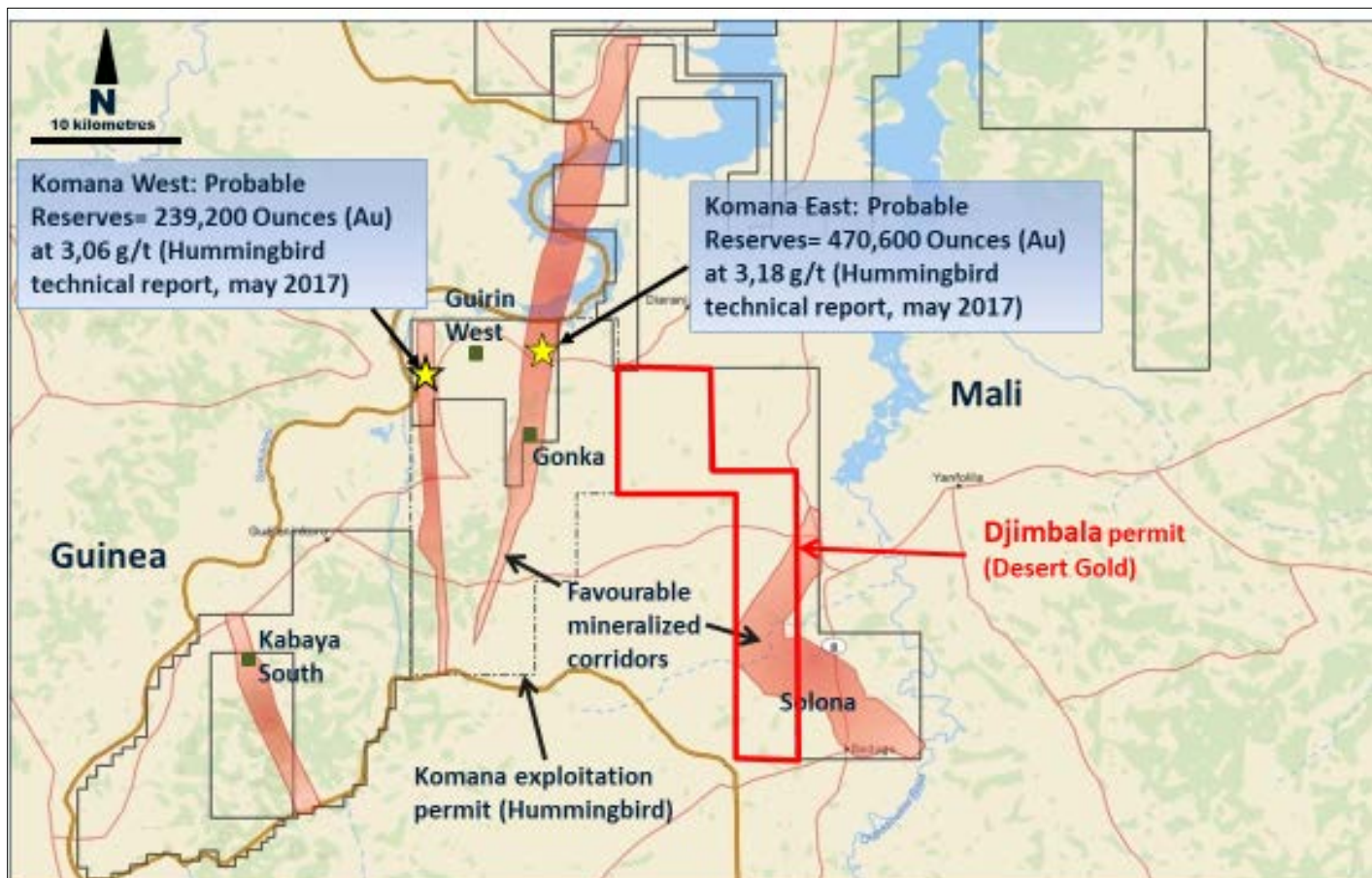
The program was aiming:

- to provide geology and structure information from the diamond holes,
- to test with RC frame work drilling mineralisation extension below the artisanal working zones that were identified during the mapping and rock sampling initiated in May 2017
- and to test multiple robust soil anomalies on Air-core drilling.

DJIMBALA PROJECT

The tenement is owned and governed by a standard Convention Minière detailing the fiscal and legal regime under which the exploration permits are granted. The status of tenure of this permit is in the first renewal period.

Djimbala is located some 220 km south of Bamako and covers an area approximately 125 km². The permit is situated on the Yanfolila gold belt with favourable host rock and surrounded by a significant number of active gold prospecting permits including Hummingbird Komana gold project (Fig. 5).



Desert Gold Ventures Inc.
Management Discussion & Analysis
Nine Months Ended September 30, 2018

Figure 5: Locality Plan of Djimbala in relation to the Komana gold project

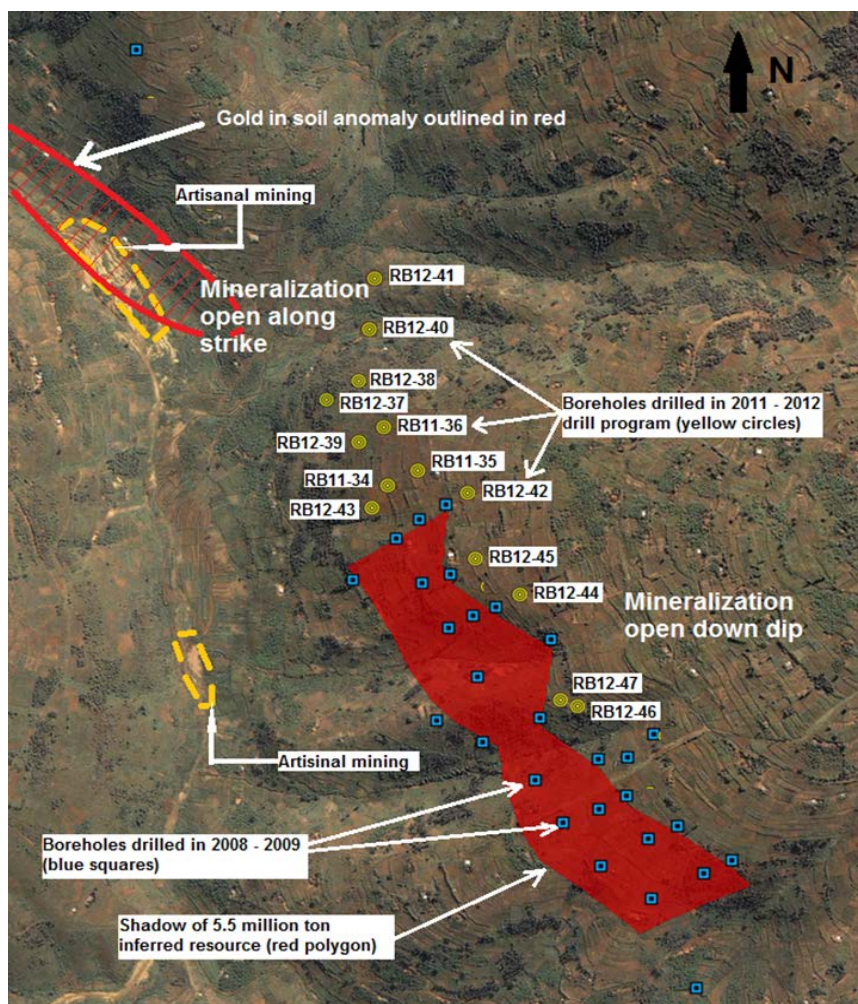
A soil sampling program was completed over part of the permit with positive Au anomalies coinciding with possible favourable mineralised structures. Four north-south gold in soil anomalous zones have been defined mimicking the regional structural trend. Also, several active artisanal workings are located within the permit confirming Au mineralisation. The anomalies regionally correlate well with the extension of Faliko Fodela mineralised structures drilled by Gold Fields.

The company plans to complete a field mapping programme, including rock sampling over prospective artisanal mining areas to help generate early stage targets. This may be followed by auger drilling to further constrain bedrock targets for RC and DD drilling.

The Company has successfully renewed its 100% owned Farabantourou permit for an initial 3-year term. Furthermore, the license terms grant Desert Gold the option to renew the permit for two additional 3-year terms giving the Company control of Farabantourou until November 2027.

RWANDA

The company, through its wholly owned subsidiary TransAfrika Rwanda Gold S.A.R.L, has 100% ownership of Exploration Permit No 107/16.03/05 issued on November 13, 2007, referred to as the Byumba prospect. Byumba has a surface extent of approximately 90,119 ha, its located 20 km north of the capital city of Kigali, easily accessible by road. The prospect lies in the Central African Kibaran Orogen, which hosts gold resources of more than 10 million ounces of gold in the nearby South Kivu Province of the DRC. Exploration started in 2007, comprising a grass root exploration programme over both the Byumba prospect and the relinquished Rusizi prospect. Following initial soil geochemistry, a 3.5 km linear north-northwest trending gold anomaly was discovered on the Byumba prospect.



Desert Gold Ventures Inc.
Management Discussion & Analysis
Nine Months Ended September 30, 2018

Figure 6. Locality plan showing drilling completed to date. Red polygon and blue squares outline the initial resource and drilling. Yellow circles show the location of the second phase of drilling. Areas of artisanal mining activities are shown by the yellow dashed lines.

Diamond drilling on this geochemical anomaly led to the discovery of a significant resource. Drilling continued the initial discovery to define a NI 43-101 compliant inferred resource of 265,000 oz Au contained in 5,551,000 tonnes at an average grade of 1.48 g/t (February 6, 2012). A second phase of exploration focused a drilling program to test the gold mineralisation along strike to the north and down dip extent. This drilling programme confirms the mineralisation to be continuous northward and in depth.

On December 13, 2016 the Rwandan government issued Desert Gold a commercial gold mining license. Below are the main points regarding the license.

- The new title under the exploitation license will be named Rutare
- The mining license is valid for a period of 10 years with an option to renew
- The Rutare permit covers an area of 375 ha (Fig. 7), encompassing the known gold mineralisation
- The mining permit is located a two-hour drive from the capital Kigali accessible by paved highway

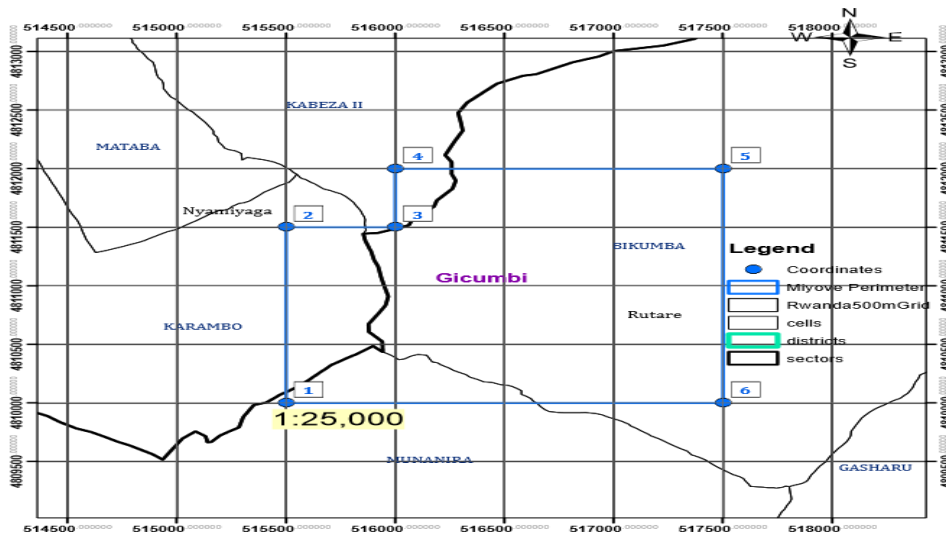


Figure 7. Locality map of the Rutare Exploitation License.

The technical disclosure in connection with the Company's resource properties has been reviewed by Dr. Luc Antoine, a Qualified Person as defined in the National Instrument 43-101.

Exploration expenditures incurred during nine months ended September 30, 2018 are summarized as follow:

Permit application and renewal	\$	87,054
Analysis, reporting, and study		58,804
Drilling		322,284
Lodging and back office		40,659
Salaries		257,305
Total	\$	766,106

Desert Gold Ventures Inc.
Management Discussion & Analysis
Nine Months Ended September 30, 2018

Corporate update

Equity financing

In January of 2018, the Company issued 2,152,750 units at a price of CAD\$0.25 per unit for gross proceeds of CAD \$538,187 (USD \$425,549). Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at a price of CAD\$0.30 per share for a period of five years from closing subject to a 30 days acceleration clause, at the Company's election, when the Company's shares have traded on a volume weighted average basis of CAD\$0.60 or more per share for at least ten consecutive trading days.

The Company paid CAD\$3,000 and issued 12,000 share purchase warrants as finders' fees.

On May 23, 2018 the Company issued 4,316,668 units at a price of CAD\$0.15 per unit for gross proceeds of CAD \$647,500 (\$505,515). Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at a price of CAD\$0.20 per share for a period of five years from closing. The Company applied residual method to account for the issuance of warrants and has recorded CAD \$Nil (\$Nil) to the reserve. The Company paid CAD\$7,458 (\$5,777) professional fees in connection with this private placement.

Issuance of options

In May 2018, the Company granted 845,000 stock options to consultants, directors, and officers at CAD\$0.25 per share which will expire five years from the date of grant if unexercised.

SUMMARY OF QUARTERLY RESULTS

Following are the Company's quarterly information of the Company's most recent eight quarters ended on:

	9/30/2018	6/30/2018	3/31/2018	12/31/17	9/30/17	6/30/17	3/31/17	12/31/16
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net loss	(215,629)	(411,374)	(755,959)	(900,346)	(456,698)	(242,002)	(224,712)	(120,046)
Loss per share, basic and diluted	(0.01)	(0.02)	(0.02)	(0.03)	(0.02)	(0.01)	(0.01)	(0.00)

The Company is in the business of exploration and development of resource properties; thus, the income and loss are not subject to seasonal fluctuations. The fluctuation of the Company's earnings (loss) is directly related to the amount of exploration work done in each quarter as well as the occurrence of incidental events such as disposition of the Company's assets or issuance of stock options to employees and consultants. Losses in the quarters ending from September 30, 2017 to June 30, 2018 were higher as the Company was conducting exploration/drilling activities in Mali during these periods. Management expects the Company's quarterly results may fluctuate in the future with the amount of actual exploration done and with the occurrence of any incidental events that may happen in the future.

**Desert Gold Ventures Inc.
Management Discussion & Analysis
Nine Months Ended September 30, 2018**

DISCUSSION OF OPERATIONS

Nine months ended September 30, 2018 (“2018 Nine Months”)

Nine months ended September 30,	2018	2017	2018-2017
	\$	\$	\$
Amortization	17,562	-	17,562
Investors and shareholders relationship	54,572	38,243	16,329
Office and administration	22,193	65,912	(43,719)
Professional and consulting fees (ii)	323,785	267,531	56,254
Prospecting rights and exploration (i)	766,106	297,363	468,743
Rent	11,856	10,326	1,530
Share-based compensation	104,718	168,972	(64,254)
Transfer agent and listing fees	16,780	26,854	(10,074)
Travel	43,004	46,099	(3,095)
Loss before the following:	(1,360,576)	(921,300)	(439,276)
Finance charges and foreign exchange	(18,596)	(2,112)	(16,484)
Net loss	(1,379,172)	(923,412)	(455,760)

(i) Prospecting rights and exploration expenses increased as the Company has conducted several exploration programs in Mali commencing late 2017 and into 2018.

(ii) Professional and consulting fees increased as the Company’s CEO and President received performance bonus totalling \$106,650 in 2018 Q1.

With respect to the assets and liabilities on the balance sheet, major movements from the last year end (12/31/2017) included the following:

- Cash decreased by \$147,001 (9/30/2018 - \$143,010; 12/31/2017 - \$290,011);
- Share capital increased by \$884,682 (9/30/2018 – \$19,281,191; 12/31/2017 – \$18,396,509) as the Company conducted two equity financing during the current period

The decrease in cash was mainly a combined result of the following:

- a receipt of net proceeds of \$1,108,770 for issuance of shares and share purchase warrants and a borrowing from issuance of a promissory note.
- use of cash of \$1,248,516 in operations including the exploration expenditures in Mali and Rwanda.

The Company expects to incur more exploration expenditure and other operating expenses in 2018 when more exploration works are done to its Mali exploration permits.

**Desert Gold Ventures Inc.
Management Discussion & Analysis
Nine Months Ended September 30, 2018**

Three months ended September 30, 2018 ("2018 Q3")

Three months ended September 30,	2018	2017	2018-2017
	\$	\$	\$
Amortization	5,85	-	5,854
Investors and shareholders relationship	5,611	771	4,840
Office and administration	7,358	29,215	(21,857)
Professional and consulting fees	62,405	88,837	(26,432)
Prospecting rights and exploration (i)	116,884	234,060	(117,176)
Rent	3,885	3,581	304
Share-based compensation	-	80,112	(80,112)
Transfer agent and listing fees	1,387	(6,347)	7,734
Travel	-	24,960	(24,960)
Loss before the following:	(203,384)	(455,189)	251,805
Finance charges and foreign exchange	(12,245)	(2,112)	(10,133)
Net loss	(215,629)	(457,301)	241,672

(i) Prospecting rights and exploration expenses decreased as the Company has conducted several exploration programs in Mali commencing late 2017 and these exploration programs was substantially completed in the second quarter of 2018. The Company focused in applying exploration permit and mining licenses in 2018 Q3.

LIQUIDITY AND CAPITAL RESOURCES

On September 30, 2018, the Company had a working capital deficiency of \$376,306. The Company does not have operations that generate cash inflow and does not expect to have positive cash flow from operations in foreseeable future. As a result, the Company will need to raise additional funds to meet its long-term business objectives, including but not limited to conducting exploration and commercializing the Company's mineral properties in Mali and Rwanda. While the Company has a history of financing its operation through debt or equity financing, there are no guarantees that the Company can do so in the future.

During nine months ended September 30, 2018, the Company received net proceeds of \$1,108,770 from its financing activities (issuance of shares and share purchase warrants and borrowing from issuance of a promissory note)

There was no cashflow in connection with its investing activities

The Company is not subject to external capital commitments.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet transactions.

TRANSACTIONS WITH RELATED PARTIES

a) Transactions with key management personnel:

Desert Gold Ventures Inc.
Management Discussion & Analysis
Nine Months Ended September 30, 2018

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 key management personnel consist of executive and non-executive members of the Board of Directors and corporate officers. The aggregate values of transactions relating to key management are as follows:

Nine months ended September 30	2018	2017
Consulting fees	164,304	\$150,328
Performance bonus	106,650	-

b) Balances due to related parties:

Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment. The Company's accounts payable and accrued liabilities included the following balances owing to related parties.

Due to Related parties	Nature	September 30, 2018	December 31, 2017
Chief executive officer	Consulting fees	\$ 31,952	\$ -
Chief financial officer	Consulting fees	1,200	1,004
Former Director	Consulting fees	-	2,088
President	Consulting fees	12,572	3,189
		\$ 45,724	\$ 6,281

PROPOSED TRANSACTIONS

The Company does not have proposed transactions that may materially affect the Company.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company has exposure to the following risks from its use of financial instruments:

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure as far as possible that it will always have sufficient cash on demand to meet its liabilities when they fall due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation.

Historically, the Company's primary source of funding has been the issuance of equity securities for cash, primarily through private placements and loans from related and other parties. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Interest rate risk

As at September 30, 2018, the Company did not have any significant exposure to the risk of changes in market interest rates as the Company did not have any financial instruments that are exposed to changes in interest rates.

Credit risk

Desert Gold Ventures Inc.
Management Discussion & Analysis
Nine Months Ended September 30, 2018

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investment securities

The potential concentration of credit risk consists mainly of cash and other receivables. The Company limits its counterparty exposures from its cash by only dealing with well-established financial institutions of a high quality credit standing. The maximum exposure to credit risk is represented by the carrying amount of each financial asset on the statement of financial position.

At the reporting date the majority of the Company's cash resources were deposited with reputable established financial institutions. As a result, management believes the Company is not exposed to significant credit risk due to the credit worthiness of these counterparties.

Foreign currency risk

Foreign currency risk arises from holdings of financial assets and liabilities in currencies other than the function currency to which they relate. The Company and its subsidiaries have minimal such holdings, consequently foreign currency risk is considered low.

Classification of financial instruments

Financial instruments included in the statement of financial position are as follows:

	September 30, 2018	December 31, 2017
Cash (fair value through profit and loss)	\$143,010	\$290,011
Trade payables (amortized cost)	\$302,474	\$318,334
Note payable (amortized cost)	\$193,125	-

Fair value

At the respective reporting dates, all of the Company's financial instruments had maturities less than one year. As a result, the carrying amount of note payable, accounts payable and accrued liabilities approximated their fair values due to their short-term maturities.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Cash is classified as Level 1.

SIGNIFICANT ACCOUNTING POLICIES

Refer to Note 2 to the Company's audited consolidated financial statements for the year ended December 31, 2017 for more details. The Company has not adopted new accounting policies since the recent year ended December 31, 2017 except the adoption of IFRS commencing January 1, 2018.

IFRS 9 "Financial Instruments" is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 introduces new requirements for the classification and measurement of financial assets, additional changes relating to financial liabilities, a new general hedge accounting standard which will align hedge accounting more closely with risk management. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39.

Desert Gold Ventures Inc.
Management Discussion & Analysis
Nine Months Ended September 30, 2018

The adoption of this standard has no impact on its financial statements.

SHARE DATA

As of the date of this MD&A, the Company has 38,306,258 common shares, 18,937,318, share purchase warrant, and 3,317,616 stock options outstanding. Share purchase warrants and stock options can be converted into the common shares of the Company on one-to-one basis.

RISKS AND UNCERTAINTIES

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including, but not limited to, environmental, political, financing, and economic risks.

The Company has no significant source of operating cash flow and no revenues from operations. The Company has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish reserves. There is no guarantee that the Company will be able to contribute or obtain all necessary resources and funds for the exploration and exploitation of its permits, and may fail to meet its exploration commitments.

The Company has options to earn an interest in multiple properties, however, all are in the exploration stage, are without known bodies of commercial mineralization, and have no on-going mining operations. Mineral exploration involves a high degree of risk and few properties which are explored are ultimately developed into producing mines.

Exploration of the Company's mineral properties may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company faces a number of risks in its efforts to conduct its exploration activities and to conduct business, including those described below.

Mining Industry

The mineral exploration business is risky, and most exploration projects will not become mines. The Company may offer an opportunity to a mining company to acquire an interest in a property in return for funding all or part of the exploration and development of the property. Major expenses may be required to establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a site. For the funding of property acquisitions and exploration that the Company conducts, the Company depends on the issue of shares from treasury to investors. These stock issues depend on numerous factors including a positive mineral exploration environment, positive stock market conditions, a company's track record, and the experience of management.

It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on many factors, some of which are the attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices which are highly cyclical and government regulations, including

Desert Gold Ventures Inc.
Management Discussion & Analysis
Nine Months Ended September 30, 2018

regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection.

The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. Mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of ore, including unusual and unexpected geology formations, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

Government Regulation

The exploration activities of the Company are subject to various federal, provincial and local laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substance, and other matters. Exploration activities are also subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws mandate, among other things, the maintenance of air and water quality standards, and land reclamation. These laws also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste.

Although the Company's exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Whenever possible, agreements are signed directly with governments and periodic assessment of the political situation in countries where we operate keeps management up to date on factors that may affect our operations.

The Company may operate in foreign countries where government regulation is subject to change without notice which could have an adverse effect on operations, if the government were to impose taxes or duties that were excessive or unexpected the Company may be unable to meet the obligation to pay such costs and it could result in a slow down or ceasing of operations either temporarily or permanently.

Title, Permits, Licenses and Mineral Rights

The exploitation and development of mineral properties may require the Company to obtain regulatory or other permits and licenses from various governmental licensing bodies. There can be no assurance that the Company will be able to obtain and retain all necessary permits and licenses that may be required to carry out exploration, development and mining operations on its properties.

To increase the security of mining tenures where we operate, we have engaged a mineral rights lawyer to ensure compliance with mining laws and regulations in Rwanda, Mali. He looks after Desert Gold's interests and compliance is reviewed monthly by executive management and legal opinions have been obtained regarding security of tenure and compliance for all material permits of the group. Continuous interaction with the relevant departments in countries of operation in regard to permit compliance and administration further reduces risk of loss of tenure.

Although the Company has obtained title opinions with respect to certain of its properties, there may still be undetected title defects affecting such properties. Accordingly, such properties may be subject to prior

Desert Gold Ventures Inc.
Management Discussion & Analysis
Nine Months Ended September 30, 2018

unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects which could have a material adverse impact on the Company's operations.

Environmental Risks and Hazards

All phases of the Company's mineral exploration operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees.

There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present, which have been caused, by previous or existing owners or operators of the properties. The Company may become liable for such environmental hazards caused by previous owners and operators of the properties even where it has attempted to contractually limit its liability. Government approvals and permits are currently, and may in the future be, required relating to the Company's operations. To the extent such approvals are required and not obtained; the Company may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage because of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Production of mineral properties may involve the use of dangerous and hazardous substances such as sodium cyanide. While all steps will be taken to prevent discharges of pollutants into the ground water the environment, the Company may become subject to liability for hazards that cannot be insured against. However, the potential for environmental damage is limited during the exploration phase, and a policy of minimal environmental damage has been adopted; consultants have been appointed in Rwanda to conduct detailed environmental impact studies and assessments with no concerns having been identified thus far, and local environmental management programs will ensure compliance with applicable regulations.

Social & Security

Our reputation and credibility may be damaged if we fail to manage social responsibility expectations and commitments to local, governmental and media stakeholders. Factors influencing the risk are population density, level of education and the security situation in the operating countries.

We take a proactive approach to managing social develop and engage in government and community relations in the areas in which we operate, and we provide for social responsibility projects in our budgeting.

Commodity Prices

Desert Gold Ventures Inc.
Management Discussion & Analysis
Nine Months Ended September 30, 2018

The profitability of mining operations is significantly affected by changes in the market price of gold and other minerals. The level of interest rates, the rate of inflation, world supply of these minerals and stability of exchange rates can all cause significant fluctuations in base metal prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The price of gold and other minerals has fluctuated widely in recent years, and future serious price declines could cause continued commercial production to be impracticable.

Depending on the price of gold and other minerals, cash flow from mining operations may not be sufficient. Any figures for reserves presented by the Company will be estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Market fluctuations and the price of gold and other minerals may render reserves uneconomical. Moreover, short-term operating factors relating to the reserves, such as the need for orderly development of the ore bodies or the processing of new or different grades of ore, may cause a mining operation to be unprofitable in any accounting period.

Foreign Currency Risk

The Company operates in foreign countries and is subject to foreign currency exchange rates and fluctuations which may have an impact on our future costs or on future cash flows. The economies of some of the countries in which we have operations may be subject to high rates of inflation which could adversely affect our financial situation. Funds will be invested in currencies to match the currency profile of forecast expenditure, considering currency and interest rate movements and we maintain excess funds in Canadian banking institutions.

Event and Uninsured Risks

The Company may carry insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include environmental pollution or other hazards against which such corporations cannot insure or against which they may elect not to insure. The occurrence of an abnormal event resulting in damage to assets may occur, however, the potential for environmental damage is limited during the exploration phase and local environmental management programs will ensure compliance with applicable regulations.

Internal Control (Fraud)

The Company may be subject to internal risk of financial loss due to fraud or theft; the risk is limited by stringent treasury control over the funds available in each jurisdiction, and the adoption of policies, compliance monitoring by management, and low staff complement reduces the risk of collusion.

Reliance on Key Personnel

The Company does not carry insurance on its key personnel and the loss of any one of its directors or officers could have an adverse effect on the Company's operations. The Company has only one qualified person on its team, as that term is defined in NI43-101, on whom they rely to review and oversee the exploration program and as such, the loss of such person could result in a setback from which the Company may not be able to recover. The Company has a nominating and governance committee whose role includes maintaining lists of suitable candidates to fill such vacancies should they arise.

Conflicts of Interest

Certain of the directors of the Company also serve as directors and/or officers of other companies involved in natural resource exploration and development. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other

Desert Gold Ventures Inc.
Management Discussion & Analysis
Nine Months Ended September 30, 2018

companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Operational Performance

While the Company strives to execute its program as planned, execution may not comply, incurring delays and additional cost due to productivity and climatic factors. We monitor productivity of operations through weekly and monthly reporting from country offices and contractors to evaluate progress and ensure programs are on track, experienced geologists are appointed to head exploration programs, and countries with extreme weather conditions are recognized as a risk to operational performance and planning acknowledges the risk.

Safety & Health in the Workplace

The Company operates in jurisdictions where health risks may exist and may operate in remote camps with limited access to emergency services. The mining industry has inherent risks and injuries or disease to personnel in operational jurisdictions may lead to liabilities for the Company. We conduct risk assessments and promote safe practices on site through instruction, written safety management systems where applicable, and contractual obligations to comply with health and safety regulations. As activity increases there is provision to put in place a group health and safety manager to lead and monitor compliance.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

The management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's condensed consolidated interim financial statements.

The management of the Company has filed the Venture Issuer Basic Certificate on SEDAR at www.sedar.com. In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.