

TAKU GOLD CORP.
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017
Management Discussion and Analysis (MD&A) Form 51-102F1

OVERVIEW

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Taku Gold Corp. (the "Company" or "Taku") constitutes management's review of the factors that affected the Company's financial and operating performance for the nine months and year ended September 30, 2017. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion is dated November 28, 2017, should be read in conjunction with the audited annual financial statements of the Company for the year ended December 31, 2016, together with the notes thereto, and the unaudited interim financial statements for the nine months ended September 30, 2017, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The audited annual financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The unaudited interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") for interim financial reporting and, accordingly, include condensed information and notes required by IFRS for interim financial statements. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the interim periods presented are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at November 28, 2017, unless otherwise indicated.

The Company is currently engaged in exploration and development of mineral properties and does not have any source of revenue or operating assets. The recoverability of the amounts shown for mineral properties is dependent upon the ability of the Company to obtain necessary financing to complete exploration, technical studies and, if warranted, development and future profitable production or proceeds from the disposition of properties. The amounts shown as mineral properties represent costs to date and do not necessarily represent present or future values.

The Company is a reporting issuer under applicable securities legislation in the provinces of Alberta and British Columbia and its outstanding common shares ("Common Shares") are listed on the Canadian Securities Exchange (the "CSE") under the symbol "TAK".

Further information about the Company is available on SEDAR at www.sedar.com.

Adoption of International Financial Reporting Standards ("IFRS")

The Company's financial statements and the financial data included in the MD&A have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee.

Cautionary Note Regarding Forward-Looking Statements

Except for statements of historical fact relating to the Company, certain information contained in this MD&A constitutes "forward-looking information" under Canadian securities legislation. Forward-looking information may include, but is not limited to, statements with respect to the potential of the Company's properties; the future price of coal, gold, silver and copper; success of exploration activities; cost and timing of future exploration and development; the estimation of mineral resources; conclusions of economic

evaluations; requirements for additional capital; and other statements relating to the financial and business prospects of the Company. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, and is inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks related to: unexpected events and delays during permitting; the possibility that future exploration results will not be consistent with the Company’s expectations; timing and availability of external financing on acceptable terms and in light of the current decline in global liquidity and credit availability; uncertainty of mineral resources; future prices of coal, gold, silver and copper; currency exchange rates; government regulation of mining operations; failure of equipment or processes to operate as anticipated; risks inherent in coal, gold, silver and copper exploration and development including environmental hazards, industrial accidents, unusual or unexpected geological formations; and uncertain political and economic environments. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

MINERAL PROPERTIES

Taku holds a portfolio of mineral properties located in Yukon and northern British Columbia. The Company’s principal business activities include acquiring and developing mineral properties. The Company explores for its own account but also derives revenue and furthers exploration or development by farming out mineral property interests in whole or in part to other exploration firms for a mix of cash, shares and work expenditure commitments. The following technical disclosure was prepared by Mark Fekete, B.Sc. P.Geol., a director of Taku and a qualified person under NI 43-101. At September 30, 2017, the Company’s principal mineral properties are located in Canada as described below.

White Gold-Dawson Range District, Yukon

Taku currently holds ten properties covering approximately 48,000 hectares in the White Gold-Dawson Range district of Yukon. The Klondike, located just south of Dawson City, is famous for the gold rush of 1898 and its rich placer gold deposits. The White Gold area lies just south of the Klondike and has only recently been recognized for its hard rock gold potential. This potential is highlighted by the Coffee gold deposit held by Goldcorp Inc. Coffee was discovered in May 2010 by Kaminak Gold Corp., and by January 2016 was taken to the positive feasibility stage based on 2.9 million indicated ounces gold and 2.2 million inferred ounces gold. Kaminak was bought by Goldcorp in May 2016 in an all share transaction valued at \$520 million. Coffee is currently on a fast track to full production by 2020.

Coffee's rapid path from discovery to feasibility has attracted the attention of other majors. In November 2016 a new company, White Gold Corp., was formed by the amalgamation of 21 properties covering 12,301 claims. This transaction was supported by Agnico Eagle Mines Ltd. with a \$14.3 million equity investment. Moreover White Gold solidified its lead status in the Klondike-White Gold district in June 2017 by acquiring all of Kinross Gold Corp.'s assets in the White Gold area to bring its total land base to 19,438 quartz claims totaling 390,000 hectares. The acquisition cost included the issuance of 17.5 million White Gold shares to Kinross which upon completion of the transaction gave Kinross a 19.9% stake in the company. Agnico Eagle invested another \$8.8 million to facilitate the transaction and maintain its 19.9% interest in White Gold.

In addition there are numerous advanced projects held by juniors in the White Gold-Dawson Range district including Boulevard (Independence), Eldorado (Klondike), Klaza (Rockhaven), QV (Comstock), Northern Freegold (Triumph) etc. Taku has been in this rapidly emerging gold camp since 2010 and is well placed with a strategic land position, a large database and local knowledge. To date the Company's main projects have been Rosebute and Sulphur. Taku also holds the Quartz, Wounded Moose and Bishop properties. In Q3-17 Taku purchased the Chopin, Korat, Lucky Joe and 40-Mile properties from Golden Predator Mining Corp., and also obtained an option on the Sonora Gulch property from Golden Predator.

In September 2017, a \$360 million combined federal and territorial infrastructure program was announced with the goal to improve road access in the mineral-rich areas of Yukon. The "Yukon Resource Gateway Project" will help upgrade over 650 kilometres of road and build or replace numerous bridges, culverts, and stream crossings including four separate public road systems in the White Gold-Dawson Range district.

Rosebute Gold Project

The 694-claim (14,365-hectare) Rosebute property is located approximately 65 kilometres due south of Dawson City, at the headwaters of Rosebute Creek, a tributary of the Yukon River. To date three gold target areas have been generated on the property by Taku including the Nor'west, Hudbay and Furtrade zones. In May 2016 Independence Gold Corp. optioned Rosebute and completed surface geophysics, mapping and sampling at the Hudbay zone followed by a 12-hole (924-metre) rotary air blast drill program. In February 2017 Independence dropped the option.

In Q3-17 Taku extended detailed grid soil geochemical sampling to the south and west of Hudbay zone and did reconnaissance ridge and spur-type soil sampling over the western third of the property where no exploration work had been completed previously. This work extended the Hudbay zone approximately 200 metres southwest.

Sulphur Gold Project

The 543-claim (11,344-ha) Sulphur property is located approximately 45 kilometres southeast of Dawson City and straddles Sulphur Creek. Previous work by Taku identified a conductor adjacent to the Lions zone that is the probable cause of a gold-arsenic-silver anomaly, and prospective as a gold-bearing bedrock structure. Moreover previous trenching and drilling appears to have focused directly over the soil anomaly and did not test the conductor. Subsequent to Q3-17 Taku excavated four trenches and drilled 780 metres in eight holes to test the Lions zone. Results of this work are pending as of the date of this report. The work was partially funded by a \$40,000 Yukon Mineral Exploration Program ("YMEP") grant.

Quartz Gold Project

The 146-claim (3,022-hectare) Quartz property is located at the headwaters of Calder and Blanche creeks approximately 30 kilometres southeast of Dawson City, Yukon. Good access is provided by several

seasonal trails that lead from the Quartz Creek road onto the property. The Quartz claims are adjacent to Klondike Gold Corp.'s Eldorado property where there is ongoing drilling at the Lone Star zone. There are numerous large scale placer gold mining operations on Quartz Creek directly east of the property.

In Q3-17 Taku completed detailed soil geochemical sampling adjacent to a strong magnetic high in the northwest corner of the property, and excavated one trench in the same area. No significant results were obtained from this work.

Wounded Moose and Bishop Gold Projects

No work was completed in Q3-17 at the 66-claim (1,379-hectare) Wounded Moose or the 18-claim (376-hectare) Bishop properties located approximately 55 kilometres south of Dawson City. Both of these properties have targets that need additional work.

Chopin, Korat, Lucky Joe and 40 Mile Gold Properties

In July 2017, the Company purchased a 100% interest in the Chopin, Korat, Lucky Joe and 40-Mile properties from Golden Predator Mining Corp. for total consideration of 3,500,000 shares. Golden Predator retains Net Smelter Returns royalties on smeltable materials consisting of 1.0% on the Chopin claims, 1.0% on the Korat claims, 1.5% on the Lucky Joe claims and 0.5% on the 40-Mile claims.

In Q3-17 Taku completed work on all of the properties except Chopin. This work was done primarily to address assessment work deadlines. Encouraging results from Korat confirmed and strengthened the Diego anomaly, and a best ever result of 0.63gpt Au was found in a grab sample from the Diego showing. At the 40-Mile property a trenching program was cut short due to a land slide that prevented access to the target area. Grid soil sampling on the west boundary of the Lucky property failed to return any significant gold values.

Sonora Gulch Gold Property

In July 2017, the Company has entered into an option agreement with Golden Predator to earn a 100% interest in the 259-claim (5,414-hectare) Sonora Gulch property. At closing Taku issued 4,500,000 shares to Golden Predator, and at twelve months will issue 3,500,000 additional shares, or a number of shares equal in value to \$1,400,000 determined at a price per share equal to the volume weighted average price of the Company's shares on the CSE ("VWAP") for the 10 consecutive trading days immediately prior to the issue date, and at 24 months will issue 3,000,000 additional shares, or a number of shares equal in value to \$1,200,000 determined at a price per share equal to the volume weighted average price of the Company's shares on the CSE ("VWAP") for the 10 consecutive trading days immediately prior to the issue date

In Q3-17 one day was spent at Sonora Gulch to collect soil samples, examine core, and clean up the camp as requested by a mining lands inspector.

Keno Hill Gold District, Yukon

The Keno Hill area, located in the Mayo Mining District, has long been known for its spectacular silver deposits. It is Canada's second largest silver producing area after Cobalt, Ontario, and has the distinction of being Canada's highest grade silver camp. At one time Keno Hill miners were the highest paid in the World. However the Keno Hill area is being more talked about now for its gold potential as Victoria Gold Corp. readies its Eagle Gold deposit for production, and a host of juniors including Banyan Gold Corp., Generic Gold Corp. and Zonte Metals Inc. are aggressively exploring on adjacent properties. On the silver side, Alexco Resource Corp. has consolidated and continues to explore the former Keno Hill camp, and

Metallic Minerals Corp. is also exploring for silver on its significant land package. Taku's McQ and Keynote properties are strategically located at the centre of this new exploration and development boom.

McQ Gold Project

In Q3-17 Taku completed a 538-sample soil geochemical survey on the 198-claim (3,780-hectare) McQ property located 35 kilometres northwest of Mayo, Yukon. The sampling extended a known gold-in-soil zone up to length of 1.6 kilometres along a southwest-trending ridge. Gold values within the zone range from trace to 259 ppb Au with elevated arsenic values up to 1,682 ppm As. The zone occurs on the south boundary of the McQ property adjacent to Golden Predator Mining Corp.'s Gold Dome property where exploration drilling has intercepted significant gold mineralization at several zones.

Taku staked 100 additional mineral claims at McQ during the quarter, based on the positive results of the soil sampling program.

Keynote Gold Project

In July 2017, Taku purchased a 100% interest in the 77-claim (1,518-hectare) Keynote property, located approximately 15 kilometres southeast of Keno City, for total consideration of \$35,000 and 300,000 shares. The property is subject to 2.5% NSR royalty on smeltable materials.

Work to date on Keynote has located an anomalous gold-in-soil zone with values from trace to 292 ppb Au on the east side of the property. Surface rock grabs ranging from 175 to 553 ppb Au have been collected from this zone. The gold values are associated with sheeted quartz veins and elevated arsenic values. This style of mineralization appears to fit the reduced IRGS-type deposit model. One day of soil sampling was completed on Keynote in Q3-17 for assessment work purposes.

Tag Gold-Silver Project, British Columbia

The 26-claim (2,429-ha) Tag Gold-Silver property is located 35 kilometres due west of Atlin on Taku Arm of Tagish Lake in Northern British Columbia. The property covers 6.2 kilometres of the 025 Fault Zone ("025FZ"). The 025FZ is a highly deformed interval of shearing, quartz veining, stockwork and breccia with disseminated to stringer sulphide mineralization that cuts calcareous sedimentary rocks.

In 2009, an initial NI43-101 compliant resource was estimated using a 3.0gpt gold equivalent cut-off on 28 eligible holes drilled at the "Main" zone. Estimated mineral resources are 250,000 tonnes at 2.97gpt Au and 12.09gpt Ag indicated, and 400,000 tonnes at 2.98gpt Au and 9.91gpt Ag inferred. This resource estimate is considered to be uneconomic by Taku. Additional drilling to expand the resource at the Main zone or to discover new mineralized zones is needed to further advance the Tag project. The Company has no immediate work planned for Tag as it expects to concentrate its exploration efforts in Yukon.

The following is a description of the Company's exploration and evaluation assets and the related spending commitments as at September 30, 2017:

	Canada		Total for Nine month ended September 30, 2017
	Yukon Territory	TAG BC	
Property acquisition costs			
Balance, beginning of year	\$ 717,703	\$ 1	\$ 717,704
Cash option payment received	35,000	-	35,000
Shares issued	1,695,000	-	1,695,000
Balance, end of year	2,447,703	1	2,412,704
Exploration and evaluation costs			
Balance, beginning of year	2,109,934	40,106	2,150,040
Costs incurred during year:			
Drilling, labour and related costs	403,657	2,550	406,207
Balance, end of quarter	2,513,591	42,656	2,556,247
Balance, September 30, 2017	\$ 4,961,294	\$ 42,657	\$ 5,003,951

SUMMARY OF QUARTERLY RESULTS

The Company is an exploration stage entity engaged in the acquisition, exploration, evaluation and development of principally gold resource properties. At this time, any issues of seasonality or commodity market fluctuations have no direct impact on the Company's results or operations. The Company currently defers its exploration expenditures to mineral exploration properties. A summary of selected information for each of the eight most recent quarters is as follows:

	<u>30 Sept-17</u>	<u>30 Jun-17</u>	<u>31 Mar-17</u>	<u>31 Dec-16</u>	<u>30 Sept-16</u>	<u>30 June-16</u>	<u>31 Mar-16</u>	<u>31 Dec-15</u>
	<i>IFRS</i>	<i>IFRS</i>	<i>IFRS</i>	<i>IFRS</i>	<i>IFRS</i>	<i>IFRS</i>	<i>IFRS</i>	<i>IFRS</i>
Net Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Earnings (loss)	(138,227)	(139,311)	(56,701)	(232,896)	(66,678)	(16,863)	(2,712)	(444,757)
Loss per share	(\$0.01)	(\$0.08)	(\$0.00)	(\$0.01)	(\$0.01)	(\$0.00)	(\$0.05)	(\$0.01)

In general, overall spending levels have varied commensurate with the changes in the Company's exploration, development and corporate activities.

RESULTS OF OPERATIONS

Nine months ended September 30, 2017, compared with Nine months ended September 30, 2016

The Company's loss totaled \$138,227 for the quarter ended September 30, 2017, which compares with a loss of \$66,678 the quarter ended September 30, 2016. The increase in loss of \$71,549 was principally due to:

- a) management fees increased by \$15,000 compared to previous year quarter;
- b) consulting fees increased by \$15,609;
- c) professional fees increased by \$13,312 compared to previous year quarter; and
- d) office and miscellaneous increased by \$20,507.

	Three Months Period Ended September 30, 2017	Three Months Period Ended September 30, 2016	Nine Months Period Ended September 30, 2017	Nine Months Period Ended September 30, 2016
LOSS BEFORE INCOME TAXES				
Consulting (Note 12)	\$ 15,909	\$ 300	\$ 17,009	\$ 300
Management fees (Note 12)	30,000	15,000	60,000	20,000
Office and miscellaneous (Note 12)	46,625	26,118	81,670	31,427
Professional fees (Note 12)	31,036	17,724	75,126	17,308
Transfer agent, filing fees	6,791	5,634	18,084	12,133
Travel and promotion	7,866	1,356	24,731	4,356
Website development	-	546	978	810
	(138,227)	(66,678)	(277,598)	(86,334)
Other items				
Interest income	-	-	60	81
	(138,227)	(66,678)	(277,538)	(86,254)
INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	\$ (138,227)	\$ (66,678)	\$ (277,538)	\$ (86,254)
INCOME (LOSS) PER SHARE - BASIC AND FULLY DILUTED	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)

SELECTED QUARTERLY INFORMATION FOR THREE MONTHS ENDED SEPTEMBER 30

	<u>2017</u> IFRS	<u>2016</u> IFRS	<u>2015</u> IFRS
Consulting fees	\$ 15,909	\$ -	\$ -
Management fees	30,000	15,000	-
Professional fees	31,036	17,724	102
Net income (loss) for period	(138,227)	(66,678)	(20,231)
Working capital	1,064,666	177,897	(48,832)
Mineral property and deferred costs	5,003,951	2,914,279	3,227,668
Shareholder equity	\$ 6,093,617	\$ 3,117,175	\$ 3,203,837

LIQUIDITY, CAPITAL RESOURCES AND BUSINESS PROSPECTS

The Company has no operating revenue and therefore must utilize its current cash reserves and rely on external financing to generate capital to maintain its capacity to meet working capital requirements and ongoing discretionary exploration programs. As a result, the Company continues to incur net losses. As of September 30, 2017, the Company had \$874,026 in cash, 39,846,514 common shares issued and outstanding.

During the quarter ended September 30, 2017, 250,000 share purchase warrants were exercised and no stock options were exercised.

During the quarter September 30, 2017, the Company spent \$187,561 in operations and spent \$389,238 in mineral property acquisitions and exploration activities.

The Company's management believes that the Company has sufficient funds for the next nine months to enable to meet the ongoing obligations as they become due. The Company recognizes that it will require additional funding which the Company will raise through the market and debt instruments but there can be no assurance the management can raise the required capital.

To the date of this MD&A, the cash resources of the Company are held in cash with a major Canadian financial institution. The Company continues to have no debt and its credit and interest rate risk is minimal. Accounts payable and accrued liabilities are short-term and non-interest bearing. The Company's liquidity risk with financial instruments is minimal. In addition, accounts receivable are composed mainly of sales tax receivable from government authorities in Canada.

SHARE CAPITAL

Issued and outstanding as at September 30, 2017, there were:

- a) 39,846,514 common shares outstanding;
- b) 1,360,000 options outstanding; and
- c) 21,7300,000 warrants outstanding.

TRANSACTIONS WITH RELATED PARTIES

The Company had the following transactions in the normal course of operations with directors and companies with common directors:

	Nine Month Ended	
	September 30, 2017	September 30, 2016
Management fees ¹	\$ 60,000	\$ 20,000
Mineral property - exploration expenditures ²	129,149	64,309
Mineral property – management fees ²	60,000	-
Professional fees ¹	39,500	7,500
Consulting fees ³	52,500	20,000
Office rent and supplies ³	3,000	1,400
	\$ 344,149	\$ 113,209

1. The Company paid \$60,000 in management fees to the President of the Company; \$39,500 in professional fees to the CFO/Secretary of the Company
2. The Company paid \$129,149 in mineral property exploration and consulting to the VP of Exploration; the company also paid \$60,000 in management fees and
3. \$52,500 in consulting fees and \$3,000 in rent to a private company controlled by two directors of the Company

The following amounts due to related parties are included in trade payables and accrued liabilities:

	September 30, 2017	December 31, 2016
Directors or companies controlled by directors of the Company	\$ 118,614	\$ 50,396

These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

RISK FACTORS

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's management's discussion and analysis for the fiscal year ended December 31, 2016, available on SEDAR at www.sedar.com. There have been no significant changes to such risk factors since that date.

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

ADDITIONAL INFORMATION

Additional information relating to the Company, including the most recently completed fiscal year, is available on SEDAR at www.sedar.com.

November 28, 2017

(s) Zachery Dingsdale

Zachery Dingsdale

President and Chief Executive Officer

(s) M. Bilal Bhamji

M. Bilal Bhamji

Chief Financial Officer