This Management Discussion and Analysis ("MD&A") of Asante Gold Corporation, ("Asante" or the "Company" or the "Issuer") provides an analysis of the Company's performance and financial condition for the three and six months ended July 31, 2016. It is prepared as at September 28, 2016 and was approved by the Board of Directors on that date.

This MD&A should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the three and six months ended July 31, 2016 including the related note disclosures. The Company's unaudited condensed interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar figures included therein and in the following discussion and analysis are quoted in the presentation currency of Canadian dollars unless otherwise specified. Additional information relevant to the Company's activities can be found on SEDAR at ***www.sedar.com*** *or the Company's website at* ***www.asantegold.com***

This MD&A may contain forward-looking statements that are based on the Company's expectations, estimates and projections regarding its business and the economic environment in which it operates. These statements speak only as of the date on which they are made, are not guarantees of future performance, and involve risks and uncertainties that are difficult to control or predict. Examples of some of the specific risks associated with the operations of the Company are set out below. Actual outcomes and results may differ materially from those expressed in these forward-looking statements and readers should not place undue reliance on such statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following information should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the three and six months ended July 31, 2016 and related notes thereto. The unaudited condensed interim consolidated financial statements were prepared in accordance with International Financial Reporting Standards. All currency amounts are expressed in Canadian dollars unless otherwise stated.

Principal Business and Corporate History

Asante Gold Corporation is a mineral exploration company primarily involved in the acquisition and assessment of mineral properties in the Republic of Ghana. The Company's objective is to undertake mineral exploration on properties assessed to be of merit and to define mineral resources. Precious metals are targeted with a focus on gold and gold royalties.

The Company entered into a Purchase Agreement with Goknet Mining Company Limited ("Goknet"), a Company with a common director, of Accra, Ghana, on June 15, 2011 to acquire the Fahiakoba Concession, in the Ashanti and Central Regions in the Republic of Ghana. The Company acquired a 100% interest in the Fahiakoba Concession by paying Goknet the sum of US$51,976 (C$50,630) and by agreeing to expend US$1,000,000 over a five year period, which commitment has been met in full. The Company also granted Goknet a 3% net smelter return royalty on production from the Fahiakoba Concession. The Company has applied to have the concession title transferred to ASG Mining Ltd., the Company's 100% owned Ghana subsidiary.

The Company entered into a definitive Option Agreement between the Company, Goknet Mining Company Limited ("Goknet"), Kubi Gold (Barbados) Limited ("Kubi") and Asante Gold Corporation (GH) Limited effective February 28, 2015, to earn a 50% interest in the Kubi Gold Project with the right to increase such interest to 75% and ultimately 100% upon completion of certain conditions.

On August 9, 2016 the Company announced that it has reached agreement with Goknet to close the acquisition of the Kubi Mining Leases by issuing seven million shares and reserving for future delivery to Goknet a total of 8,000 ounces of gold, and thereafter reserving for Goknet a 2% Net Smelter Return Royalty (the "Kubi NSR"). Royal Gold Inc. of Denver holds a 3% Net Proceeds of Production royalty, and the Ghana Government a statutory 10% free carry equity and 5% NSR royalty interest.

In addition the Company will acquire Goknet's interests in eight prospecting licences: two totaling 38 sq km adjoining to the west of the Kubi mining leases, and six contiguous licences totaling 270 sq km located on the Asankrangwa Gold Belt 15 km to the south west and along the strike of the Asanko mine. To purchase the licences the Company will issue up to a maximum of three million treasury shares, pro rata on a license by license basis as and when title is registered in the name of the Company. Goknet will retain a 2% Net Smelter Return royalty on each license. Disinterested shareholder approval for this transaction will be sought at the upcoming Special and Annual General Meeting of Shareholders to be held in December 2016.

On September 8th, 2016, the Company announced that it had entered into an agreement with Sikasante Mining Company Limited, a private Ghana corporation, to earn up to a 100% interest in their Keyhole Gold Project in Ghana. The Company has agreed to issue to Sikasante 250,000 shares in its capital stock on final issuance of the Ayiem license to Sikasante and receipt by Sikasante of all necessary permits required to commence a drilling program, and to complete $500,000 in work over the next four years in order to earn 50%. The Company may earn an additional 50% interest by reserving for Sikasante a 2% net smelter returns royalty (the "Sika NSR Royalty"), and on the assignment of the Sikasante licenses to the Company (subject to the consent of the Minister of Lands, Forestry and Mines) a final payment of 1 million shares in the capital stock of the Company. Sikasante and the Company are related by one common director. All negotiations and final terms of agreement have been approved by a Special Committee of the Directors of the Company.

In addition, the Company, as consideration for acting as a finder, has acquired from NSS Resources Inc. a 2% net smelter returns royalty interest in the Seneca 1 to 9 claims which consist of 208 units covering an area of 4,124 hectares in the Harrison Lake area of British Columbia, Canada.

On May 28, 2015 the Company obtained a listing on the Canadian Securities Exchange and commenced trading under the symbol "ASE".

On August 10, 2015 the Company announced that it has entered into an Option and Sale Agreement with Perseus Mining (Ghana) Limited ("Perseus") to acquire up to a 100% interest in their Betanase Permit in Ghana. The permit adjoins to the east of the Kubi Gold Project which Asante has optioned and which is undergoing scoping studies to develop as an underground mine.

The Company may exercise the option to earn 100% interest in Betanase (subject to 10% reserved for the Government of Ghana, and 1% underlying NSR royalties) by completing US$1million in exploration within four years and by paying US$1million to Perseus. In the event the option is fully exercised it will also be subject to and included in the area of influence of the definitive Kubi Option Agreement between the Company and Goknet Mining Company announced March 3, 2015.

Investors are cautioned that final acquisition and closing of the Kubi Mining Leases, Ashanti II concessions, Betenase and Keyhole options are dependent on additional financing, governmental renewals, approvals and consents, which though expected, may or may not be ultimately completed or obtained.

Key Activities

The Company is currently focused on the, closing, financing and development of its Kubi Gold Project and the exploration of its other Ghanaian holdings. At Kubi, two scenarios are currently being evaluated by the Company: a custom milling and direct shipping option with expected funding estimated at up to US$25 million (mix of equity, joint venture and/or debt) and a 14 month timeline to production; and a second option requiring the building of a full mill for processing with an estimated funding of up to US$45 million and an 18 month timeline to production, subject to completion of additional studies. Completion of a PFS will require additional funding

The Company is continuing to source equity, joint venture and/or debt funding for the project.

The Company is continuing to evaluate potential toll milling opportunities in Ghana, as well as sourcing additional management and production expertise to fully develop the potential of Kubi.

The Company is also discussing potential joint venture arrangements with third parties for funding or to acquire additional interests for the Company in Ghana.

Capital stock and financing

On December 31, 2015 the Company closed a private placement of 650,000 Units at $0.15 raising gross proceeds of $97,500. Each unit consisted of one common share and one transferable half- warrant, each warrant being exercisable for a period of two years at an exercise price of $0.30.

On February 18, 2016 the Company closed a private placement of 533,000 shares at a price of $0.10 per share and raised $53,300.

On March 3, 2016 the Company issued 10,967,000 shares which were valued at $0.10 per common share in settlement of debt totalling CAD$584,019 and US$180,275.

On April 28, 2016 the Company issued 1,000,000 units and on May 9, 2016 a further 600,000 units all at a price of $0.10 per unit. Each unit comprises one common share and one transferable share purchase warrant, exercisable for a period of two years at a price of $0.25 per share.

Overall performance

The Company has no operational revenue, and exploration activity is subject to the availability of funds raised through financings. Global financial and commodity markets have been volatile, and the Company is thus impacted by these generic industry factors which are beyond its control. The Company anticipates obtaining additional financing in the future primarily through further debt and equity financing.

The Company has completed its initial exploration program on the Fahiakoba Concession, consisting of 4,987.5 metres of diamond drilling, ground VLF-EM geophysics and 1,200 auger drill holes. Results are considered sufficiently encouraging and further work will be commenced when adequate working capital is available.

The Company has also completed a program of ground geophysics at Betanase, covering the strong gold in soil anomaly previously outlined by Perseus Mining (Ghana) Limited, and has completed four diamond drill holes for a total of 562 metres. Significant results to 4m @ 3.14 g/t gold and widespread alteration and quartz veining were noted in the drilling. A Phase II drilling program is planned to test associated ground IP geophysical anomalies when additional working capital funding is sourced.

Preliminary exploration planning for the recently announced acquisition of the Ashanti II concessions and Keyhole Gold Project on the Asankrangwa Gold Belt, consisting of ground geophysics and drilling, are underway and will be subject to available working capital.

Selected Quarterly Information

The following table summarizes quarterly results for the current and 8 preceding quarters. The information contained in this table should be read in conjunction with the Company's financial statements.

Summary of quarterly results

Period ending:	Revenue $	Net loss for the period $	Currency translation adjustment $	Comprehensive Income/(Loss) $	Net loss per share
July 31, 2016	**Nil**	(556,717)	(113,534)	(670,251)	$ 0.01
April 30, 2016	Nil	(189,923)	325,470	135,547	$ 0.01
January 31, 2016	Nil	(263,600)	160,224	(103,376)	$ 0.01
October 31, 2015	Nil	(181,034)	26,611	(154,423)	$ 0.01
July 31, 2015	Nil	(236,847)	210,098	(26,749)	$ 0.01
April 30, 2015	Nil	(171,382)	(118,413)	(289,795)	$ 0.01
January 31, 2015	Nil	(146,828)	319,826	172,998	$ 0.01
October 31, 2014	Nil	(169,270)	75,934	(93,336)	$ 0.01
July 31, 2014	Nil	(210,314)	(31,566)	(241,880)	$ 0.01

Results of Operations

The Company's net operating loss for the three months ended July 31, 2016 was $556,717 (2015: $236,847). The table below presents the key expenditure items for the three and six months ended July 31, 2016. (Note references refer to the interim financial statements for the three and six months ended July 31, 2016).

	Six months ended July 31, 2016	Six months ended July 31, 2015	Three months ended July 31, 2016	Three months ended July 31, 2015
Expenses				
Amortization	$ 476	$ 475	$ 238	$ 237
Directors' fees (Note 10)	22,429	19,787	12,663	13,787
Foreign exchange loss	23,361	2,151	1,268	1,512
Share based payments (Note 8)	304,058	18,854	304,058	18,854
Management and consulting fees (Note 10)	218,987	105,000	152,500	42,350
Professional services (Note 10)	78,576	91,470	44,241	51,422
Shareholder communications (Note 10)	5,000	60,077	5,000	34,987
Advertising, trade shows and promotions	35,184	23,846	8,512	21,415
Transfer agent and regulatory fees	9,234	21,219	5,917	12,345
Travel	12,272	23,965	4,689	15,087
General office	37,062	40,822	17,631	24,287
Loss on disposal of assets	-	564	-	564
Net loss for the period	746,639	408,230	556,717	236,847
Currency translation adjustment	(211,936)	(91,685)	113,534	(210,098)
Total comprehensive loss/(income) for the period	534,703	$ 316,545	$ 670,251	$ 26,749

Administration expenditures continue to be tightly controlled in line with the prior year, with non-cash share-based payments arising from the granting of stock options being the significant movement over the comparative prior year periods. The decrease in shareholder communications costs reflects the termination of a consulting agreement in place during the prior year, and the Company continues to invest in activities events such as trade shows to apprise potential investors of the company's initiatives.

The Company capitalizes all mineral property acquisition and exploration costs until the properties to which the costs are related are placed into production, sold or abandoned. The decision to abandon a property is largely determined by exploration results and the amount and timing of the Company's write-offs of capitalized mineral property costs will vary in a fiscal period from one year to the next and typically cannot be predicted in advance.

During the three months ended July 31, 2016, mineral property acquisition and exploration costs totalling $33,075 (2015: $36,515), exclusive of Currency Translation Adjustments, were capitalized to mineral properties. Expenditures are detailed in the exploration expenditure table on page 6 below.

Dividends

There are no restrictions that could prevent the Issuer from paying dividends on its Common Shares. The Issuer has not paid any dividends on its Common Shares and it is not contemplated that the Issuer will pay any dividends in the immediate or foreseeable future. All available cash will be used to finance operations and explore mineral properties, until a revenue stream is generated.

Liquidity and Capital Resources

At July 31, 2016, the Company had a working capital deficiency of $811,219. On March 3, 2016, liabilities of CAD$854,019 and USD$180,275 were settled through the issuance of shares for debt. In addition, long-term debt agreements were concluded which defer the maturity date of CAD$755,296 and USD$510,101 in accounts payable and accrued liabilities and amounts due to related parties until May 19, 2018. The amounts are non-interest bearing and are unsecured. In addition key management and directors have deferred cash compensation until the liquidity position improves.

Expenditure obligations in terms of the acquisition of its interest in the Fahiakoba Concession have been met in full by the Company.

At present, the Company's operations do not generate cash flow and its financial success is dependent on management's ability to discover and develop economically viable mineral deposits and to realise a revenue stream from proposed royalty acquisitions. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

In order to finance the Company's exploration programs and to cover general and administrative expenses, the Company raises money through equity issues. In addition the Company is seeking to finance development of the Kubi Gold Project as discussed in the "Principal Business" section on page 2 above.

Many factors influence the Company's ability to raise funds, including the gold price, the general health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required in the long term, but recognizes there will be risks involved that may be beyond their control.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Exploration Expenditures

Exploration expenditures from January 31, 2015 to July 31, 2016 were as follows:

	Property:		
	Fahiakoba	Betanase	Total
Balance at January 31, 2015	$ 3,312,457	$ -	$ 3,312,457
Drilling	-	161,569	161,569
Assaying, testing and analysis	-	11,546	11,546
Geology and geophysics	36,706	50,432	87,138
Field expenses	27,164	39,717	66,881
General and administrative (Note 6)	87,905	24,880	112,785
Currency translation adjustment	347,003	6,445	353,448
Balance at January 31, 2016	$ 3,811,235	$ 294,589	$ 4,105,824
Geology and geophysics	5,708	2,854	8,562
Field expenses	3,405	1,702	5,107
General and administrative (Note 6)	9,730	4,865	14,595
Currency translation adjustment	(388,379)	(30,411)	(418,790)
Balance at April 30, 2016	$ 3,441,699	$ 273,599	$ 3,715,298
Geology and geophysics	6,645	3,323	9,968
Field expenses	3,141	1,570	4,711
General and administrative (Note 6)	12,264	6,132	18,396
Currency translation adjustment	50,678	92,733	143,411
Balance at July 31, 2016	$ 3,514,427	$ 377,357	$ 3,891,784

Outstanding Securities Data

As at September 28, 2016 there are 36,301,000 Common Shares issued and outstanding. There are 2,000,000 Warrants outstanding, exercisable at $0.15 per Common Share up to February 28, 2017, 325,000 warrants exercisable at $0.30 until January 5, 2018, and 1,600,000 warrants exercisable until May 9, 2018 at $0.25. There are also a total of 4,260,000 incentive options granted to directors, officers and consultants of the Company as follows:

Grant Date	Expiry Date	Exercise Price	Balance	Vested and Exercisable
10/24/2011	10/24/2016	$ 0.75	700,000	700,000
10/24/2011	10/24/2016	$ 0.15	250,000	250,000
4/3/2012	4/3/2017	$ 0.15	200,000	200,000
4/11/2014	4/11/2019	$ 0.15	200,000	200,000
5/15/2014	5/15/2019	$ 0.15	350,000	350,000
7/2/2015	7/2/2020	$ 0.15	220,000	220,000
5/6/2016	5/6/2021	$ 0.17	1,040,000	1,040,000
5/6/2016	5/6/2018	$ 0.17	300,000	300,000
7/4/2016	7/4/2021	$ 0.20	1,000,000	1,000,000
Balance as at April 30, 2016			4,260,000	4,260,000
Weighted Average Exercise Price:				$ 0.27
Weighted Average Remaining Life - 3.82 years				

Transactions with Related Parties

Related Party transactions include transactions with key management personnel and their related parties who hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

For the six months ended July 31, 2016 the following transactions occurred:

	July 31, 2016	July 31, 2015
Management and consulting fees paid or payable to MIA Investments Ltd, a company controlled by an officer and director, D MacQuarrie	$ 90,000	$ 90,000
Professional services paid or payable to 1765271 Ontario Inc., a company controlled by an officer of the Company, P Gibbs	45,000	45,000
	$ 135,000	$ 135,000

	July 31, 2016	July 31, 2015
Directors fees:		
F. Riedl-Riedenstein	6,000	6,000
A. Heath	6,000	6,000
H. K. Arhin (ASG Mining Limited - Ghana)	7,823	7,787
R. Bourke (Asante Gold Corporation GH Limited - Barbados)	1,303	1,863
R. Holford (Asante Gold Corporation GH Limited - Barbados)	1,303	1,863
	$ 22,429	$ 23,513

Executive management and directors have deferred cash compensation until the working capital position is improved, and accordingly amounts due to related parties including key management and directors have increased. As at July 31, 2016 a total of $1,666,705 was owed to related parties, including loans and advances.

Significant Accounting Policies

Significant accounting policies are detailed in the notes to the audited annual consolidated financial statements for the year ended January 31, 2016, which are available on www.sedar.com and on the Company's website.

Changes in accounting policies including initial adoption

- **New standards adopted in the current period:**

  The following standard is effective and has been adopted by the Company on February 1, 2016. The adoption of this standard has had no material impact on the consolidated financial standards.

  IFRS 11 – "Joint Arrangements"

- **Standards, Amendments and Interpretations Not Yet Effective**

The International Accounting Standards Board has issued new and amended standards and interpretations which have not yet been adopted by the Company. The Company is currently evaluating the potential impact of these standards and amendments and does not anticipate early adoption. The following is a brief summary of the new and amended standards and interpretations:

IFRS 9 – 'Financial Instruments'

This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortized cost or fair value. To be classified and measured at amortized cost, assets must satisfy the business model test for managing the financial assets and have certain contractual cash flow characteristics. All other financial instrument assets are to be classified and measured at fair value. This standard allows an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income, with dividends as a return on these investments being recognized in profit or loss. In addition, those equity instruments measured at fair value through other comprehensive income would no longer have to apply any impairment requirements nor would there be any 'recycling' of gains or losses through profit or loss on disposal. The accounting for financial liabilities continues to be classified and measured in accordance with IAS 39, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. This standard is effective for interim periods beginning on or after January 1, 2018.

IFRS 16 – 'Leases'
This new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. The application of this standard is effective for interim periods beginning on or after January 1, 2019.

Risks and Uncertainties

The Company is exposed to a variety of risk factors, of which the most significant are outlined in the section 'Financial Risk Management' below.

Financial Risk Management

The Issuer is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

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

Liquidity Risk

Liquidity risk is the risk that the Issuer will not be able to meet its financial obligations when they become due. The Issuer ensures, as far as reasonably possible, it will have sufficient capital or access to debt in order to meet short to medium term business requirements, after taking into account cash flows from operations and the Issuer's holdings of cash and cash equivalents. The liquidity risk at this time is high due to the working capital deficiency and the current investment climate related to the still weak gold price effect on junior mining companies. The Company intends to raise funds from external sources through equity and debt.

Foreign Exchange Risk

The Issuer is exposed to financial risk arising from fluctuations in foreign exchange rates and the degree of volatility of these rates. At July 31, 2016, the Company is exposed to currency risk through the following financial instruments denominated in foreign currencies:

		US Dollars		Ghana Cedis
Current liabilities	$	146,321	₵	4,086
CAD foreign exchange rate		1.30364		0.2631
CAD equivalent	$	190,750	$	1,075

A 10% increase in the Canadian (CAD) dollar against the foreign currency at July 31, 2016 would result in an increase (decrease) to net income of $19,075, assuming that all other variables remain constant.

The Company is also exposed to foreign currency risk because the Company's exploration and evaluation assets are denominated in United States dollars. A 10% increase in the CAD dollar against the United States dollar at July 31, 2016 would result in a decrease to other comprehensive income of approximately $325,000 arising from the Company's exploration and evaluation assets.

Interest rate risk

The Issuer is subject to interest rate risk with respect to its investments in cash. The Issuer's policy is to invest cash at fixed rates of interest and cash reserves are to be maintained in cash and cash equivalents in order to maintain liquidity, while achieving a satisfactory return for shareholders. Fluctuations in interest rates when the cash and cash equivalents mature impact interest income earned. The Issuer is not exposed to significant interest rate risk.

Commodity Price Risk

While the value of the Issuer's mineral resource properties, the Fahiakoba Concession, the Kubi Project and optioned Betanase Concession is indirectly related to the price of gold, the Issuer currently does not have any operating mines and hence does not have any hedging or other commodity based risks in respect of its operational activities.

Gold prices have historically fluctuated widely and are affected by numerous factors outside of the Issuer's control, including, but not limited to, industrial and retail demand, central bank financial policies, 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.

Capital Management

The Issuer's intended policy is to maintain a strong capital base and deal flow so as to maintain investor and creditor confidence and to sustain future development of the business. Given the poor junior company equity markets over the last few years, the Company decided to rely on debt financing rather than equity in order to minimize share dilution. The capital structure of the Issuer consists of cash and equity, comprising of issued common shares, share based payment reserve, accumulated and other comprehensive income (loss) and deficit, and contributed surplus.

There were no changes in the Issuer's approach to capital management during the quarter. The Issuer is not subject to any externally imposed capital requirements.

Fair Value

The fair value of the Issuer's financial assets and liabilities approximates their carrying amount. 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.