AFRICAN GOLD GROUP, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE PERIOD ENDED MARCH 31, 2017

Date: The effective date of this report is May 30, 2017.

INTRODUCTION

This Management Discussion and Analysis ("MD&A") is an explanation through the eyes of management, of how African Gold Group, Inc. (the "Company" or "AGG") performed during the periods covered by the consolidated financial statements filed concurrently with this MD&A, and of AGG's financial condition and future prospects. The MD&A covers the quarter ended March 31, 2017 and the subsequent period up to the date of the filing. For a full understanding of the financial position and results of operations of the Company, the MD&A should be read in conjunction with the Interim Condensed Consolidated Financial Statements for the period ended March 31, 2017 and 2016 and notes thereto. The Company's interim condensed consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts are stated in U.S. dollars, unless otherwise noted.

Readers are encouraged to read the Company's public information filings on Sedar at www.sedar.com or on the Company's website at www.africangoldgroup.com.

This MD&A contains certain forward-looking statements and information relating to the Company that is based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect", and similar expressions, as they relate to the Company or its management are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital and the estimated cost and availability of funding for the continued exploration and development of the Company's properties. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause actual results, performance or achievements that may be expressed or implied by such forward-looking statements. The Company does not assume the obligation to revise or update these forward-looking statements, except as required by securities law.

OVERVIEW

AGG and its subsidiaries are junior mineral exploration companies engaged in the business of exploring, evaluating and developing natural resource projects. Through its subsidiaries, the Company controls a prospective exploration concession in a major mineralized belt in Mali, West Africa, the Kobada Gold Project (the "Project"), as described in Note 5 to the interim condensed consolidated financial statements.

OVERVIEW OF OPERATIONS

Although there have been no significant site developments since the December 31, 2016 MD&A, the Company has recently closed on a strategic investment through a private placement of CAD$5.3m with the Forbes & Manhattan group. With the closing, the Board is being reconstituted and new management has been introduced into the Company.

Forbes & Manhattan ("F&M") is a leading private merchant bank with a global focus on the resource-based sector, Technology, Telecommunications and on-line gaming. F&M is headquartered in Toronto, Ontario with offices, operations and assets across the globe. F&M incubates finances and manages junior resource companies and creates shareholder value by combining world-class assets with top-notch management, access to capital and investor and marketing support. F&M have a proven track record of identifying assets that have often struggled under other management and advanced these assets from discovery through to production, with a 3 to 6 year time horizon for unlocking value.

As a result of this private placement, the new Board and management are conducting a strategic review of the project, in an effort to optimize the value of developing the Kobada gold project. This review will evaluate all possible scenarios of increasing the current reserve and reserve size; developing the project with the current reserve and resource estimation or a hybrid of the two options. Given the extensive land package of mineralized ground under license, this fresh capital into the company expands its optionality for unlocking long term value from the asset.

The Company also secured an option to acquire the Madougou gold project located in Burkina Faso. Madougou is a mid-stage exploration project, located in the north-western region of Burkina Faso. The project has been extensively explored, with both ground and airborne geophysical surveys conducted, and over 20,000m of RC drilling completed on the 182km2 land package. Madougou is in a mining favourable jurisdiction within West Africa, and is contained in a regional mineralized area of the greenstone belt within Burkina Faso, with several gold producing operations. AGG views Madougou as a highly strategic asset, with tremendous potential to add significant value to the Company.

In addition to the Kobada gold and Madougou, the Company will also be reviewing a series of other business development opportunities in an effort to expand the portfolio with high quality, low cost and long life mine assets, focused on Africa.

SIGNIFICANT DEVELOPMENTS

- **Closing of Financing** On April 25, 2017, AGG closed on 74,827,188 units for aggregate gross proceeds of CDN$6,734,446.92. 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 AGG at a price of $0.12 per share for a period of thirty-six months from the date of closing.
- **At March 31, 2017**, the Company had cash and short-term investments of $33,857.

MINERAL PROPERTY UPDATE

THE KOBADA GOLD PROJECT

The Company's concessions in Mali cover 136 square kilometers under a mining license, and a further 79 square kilometres held under an exploration license. These properties are located in the Kangaba region of Mali. A detailed discussion on the site was discussed in the operational overview.

The Company's driving philosophy of the Kobada Feasibility Study and subsequent development of the Project will be the return of profits to shareholders via fixed dividend payments based on a percentage of gold production. The Feasibility study details the development philosophy, environmental commitments, production rate and financial metrics, but the Company will also use it to develop a dividend policy that shareholders can easily understand. As evidenced by the table below, very little has happened in the quarter as the new management team, as referenced above, evaluates the strategic options for the asset.

Costs associated with the property at March 31, 2017 versus March 31, 2016 are as follows:

Kobada	Mar-31 2017	Mar-31 2016
Opening balance	$ 22,416,882	$ 20,117,587
Drilling and Feasibility study	530	112,830
Site maintenance	2,422	2,170
Camp	23,738	18,031
Geologists	-	-
Assays and sampling	-	-
Taxes and other	49,737	-
	$ 22,493,309	$ 20,250,618

Despite the challenges faced by AGG due to the restrictive nature of the global capital markets, the Company has been successful in raising sufficient funds to move its Kobada project forward.

OVERALL PERFORMANCE

Management aims to minimize G&A expenditures while continuing to progress on placing Kobada into production.

Assets decreased from $22,650,868 as at December 31, 2016 to $22,619,973 as at March 31, 2017 due to the normal expenditures of the business on general and administrative functions as AGG was in care and maintenance mode after the completion of its feasibility study early in 2016. There were no significant foreign exchange fluctuations experienced for the 2017 first quarter, which was a marked change for the sizable decline of the Canada dollar versus the US dollar in the same timeframe in 2016.

For a discussion of trends that are reasonably likely to affect the Company's business, see "Liquidity and Capital Resources – Trends" below.

SELECTED FINANCIAL INFORMATION

The following information has been extracted from the Company's consolidated financial statements:

March 31,	2017	2016
Operations	$	$
Revenue	-	-
Net loss	(399,614)	(2,361,400)
Basic and diluted loss per share	(0.00)	(0.01)
Balance Sheet		
Total Assets	22,619,973	22,650,868
Working capital deficit	(1,824,837)	(1,534,469)
Cash dividends declared	NIL	NIL

RESULTS OF OPERATIONS

Revenues

The exploration properties acquired by the Company are still in the exploration and evaluation stage. Until sufficient work has been completed to confirm the technical and commercial feasibility of any specific interest being placed into production, it is not anticipated that AGG will have any material revenue. No revenues have been reported for the periods ended March 31, 2017 or 2016.

Expenses

For the Three Months Ended March 31,	2017	2016
Expenses		
Administrative and general	173,482	269,091
Personnel costs	36,283	71,383
Amortization	2,010	109
Foreign exchange gain	187,960	2,193,228
Share based payments	-	212,284
	399,736	2,746,095

Personnel Costs – the decrease in personnel costs year over year is due to the elimination of personnel and restructuring of the remaining salaries.

Foreign exchange gain – The Canadian dollar continued to fluctuate in 2017 but only marginally over from the 2016 year end rate. The Canadian dollar weakened considerably in the first quarter of 2016, resulting in sizable unrealized holding losses on US based loans receivable in the Canadian entity that is reflected in the Statement of Operations.

Share based payments – This amount is affected by timing and size of stock options granted as amounts are expensed over the vesting periods of the options along with volatility and strike price entered into the Black Scholes model. The change in the expense in 2017 is primarily due no options being issued in the current quarter while 5,800,000 options were issued in February 2016.

Administrative expenses – AGG's administrative expenses decreased in 2017 versus 2016 by approximately $96,000. Specifics of the administrative expenses are as follows:

For the three months ended March 31,	2017	2016
Bank and interest charges	$968	$497
Communication	1,693	547
Consulting	104,502	152,306
Insurance	7,772	8,929
Investor relations	265	3,086
Office and general	13,074	29,775
Professional fees	30,697	40,391
Rent	9,419	7,439
Travel	5,092	26,121
	$173,482	$269,091

Consulting fell considerably due to the change in the charge for the Presidents feasibility study completion bonus in 2016. No such bonus was effected in 2017. Office and administrative charges were reduced due to the elimination of all unnecessary purchases and part-time labour. Professional fees decreased due to lack of substantive activity by AGG in the first quarter of 2017 versus 2016. Travel decreased due to the elimination of all trips including conferences being PDAC and South Africa and site visits in 2017.

Income (loss) from discontinued operation – This represents costs associated with the Ghana operation sale completed in 2016. A breakout of the 2017 and 2016 costs is included in the interim condensed consolidated financial statement note 10.

SUMMARY OF QUARTERLY RESULTS

Selected unaudited consolidated financial information for each of the last eight quarters:

Quarter Ended	Revenue	(Loss) income for the Period	Earnings(Loss) per Share *
	$	$	$
March 31, 2017	Nil	(399,614)	0.00
December 31, 2016	Nil	280,871	0.00
September 30, 2016	Nil	105,428	0.00
June 30, 2016	Nil	(274,671)	(0.00)
March 31, 2016	Nil	(2,361,400)	(0.01)
December 31, 2015	Nil	167,421	0.00
September 30, 2015	Nil	1,758,300	0.01
June 30, 2015	Nil	(505,508)	(0.01)

* Earnings (Loss) per share data is basic and diluted

The Company's level of activity and expenditures during a specific quarter are influenced by the availability of working capital, the availability of additional external financing, the time required to gather, analyze and report on geological data related to mineral properties, the results of the Company's prior exploration activities on its properties and the amount of expenditure required to advance its projects**.**

LIQUIDITY AND CAPITAL RESOURCES

The Company had working capital deficit at March 31, 2017 of $1,824,837 (December 31, 2016- $1,534,469) and cash and cash equivalents of $33,857 (December 31, 2016 - $105,144). Specific cash flow fluctuations can be evidenced in the March 31, 2017 interim consolidated financial statements in the Statement of Cash Flows. Management estimates operating expenses for the 2017 of approximately $750,000 and property expenditures to amount to $3,500,000. As such, AGG does not have sufficient funds to meet its cash requirements for the balance of 2017. Accordingly, there is uncertainty as to whether the Company will be able to meet its committed exploration expenditures for its exploration and evaluation assets and to meet its corporate administrative expenses for the next 12 months without additional financing.

Management will raise sufficient capital to further explore and develop its properties and projects in future periods when additional funding is required. The Company has been successful in accessing the equity market for funds required to maintain its operations. However, there is no guarantee that the Company will continue to able to access the equity markets, or that financing will be available upon terms acceptable to the

Company. AGG's approximate cash position at the end of May 2017 is CAD$3,500,000 being the balance of the proceeds referenced in the significant developments section of this document.

Trends

Mineral exploration is a speculative venture. There is no certainty that the money spent on exploration and development of mineral projects will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be related to the success of its exploration programs, which may be affected by a number of factors that are beyond the control of the Company.

The mineral industry is intensely competitive in all its phases. The Company competes with many other mineral exploration companies who have greater financial resources and experience. The market price of precious metals and other minerals is volatile and cannot be controlled.

RELATED PARTY TRANSACTIONS

Related party transactions are in the normal course of business and are recorded at the amount agreed to between the parties.

Legal fees of $NIL (2016 - $Nil) were paid to a legal firm in which one of the partners is a director of the Company of which $285,057 (2016 - $283,082) was unpaid and included in accounts payable and accrued liabilities at year end.

Geological services were provided to the Company by one of its directors who charged $Nil (2016 - $Nil). Unpaid fees owing to the geologist of $5,916 (2016 - $5,916) is included in accounts payable and accrued liabilities at year end.

In accordance with IAS 24, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key management of the Company was as follows for year ended March 31:

		2017	2016
Remuneration	$	147,377	$ 214,041
Share based payments		-	112,791
	$	147,377	$ 326,832

The Company has entered into an arrangement with International Scout, whereby International Scout agreed to represent the Company with respect to the identification of a prospective joint venture partner or potential purchaser of the Company's Kobada, Mali Gold Project. The Company and International Scout clarified and confirmed the terms of this arrangement by entering into a letter agreement dated September 24, 2010 (the "**Letter Agreement**").

The Letter Agreement confirms International Scout's representation of the Company pursuant to the earlier arrangement and in consideration for such representation, International Scout shall be paid in the case of a sale of the Kobada, Mali Gold Project as an indirect consequence of the acquisition of all of the Company's issued and outstanding common shares by a third party (a "**Share Transaction**"), a fee equal to 1% of the enterprise value of such Share Transaction using the 5-day volume weighted average trading price of the Company's common shares on the TSX Venture Exchange during the 5 trading days immediately prior to the closing of the Share Transaction.

International Scout is controlled by Pierre Lalande, now a director of the Company. At the time of the original arrangement between the parties, Mr. Lalande was not a director, officer or an affiliate or associate of a director or officer of the Company.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Management is often required to make judgments, assumptions and estimates in the application of generally accepted accounting principles that have a significant impact on the financial results of AGG. A comprehensive discussion of AGG’s significant accounting policies is contained in note 3 to the interim consolidated financial statements.

As is common with exploration companies, the Company's ability to continue its on-going and planned exploration activities and continue operations as a going concern, is dependent upon the recoverability of costs incurred to date on mineral properties, the existence of economically recoverable reserves, and the ability to obtain necessary equity financing from time to time. Should the Company be unable to continue as a going concern, amounts realized from disposal of its assets (primarily its mining properties) on a liquidation basis may be significantly less than their carrying amounts.

Management continues to pursue various alternatives, including private placements, to raise capital. It is not possible to determine with certainty the success or adequacy of this or other initiatives.

The following is a discussion of the accounting estimates that are critical in determining AGG’s financial results:

Impairment

Assets, including property and equipment, and deferred exploration expenditures, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts.

There are a few circumstances that would warrant a test for impairment of deferred exploration expenditures, which include: the expiry of the right to explore, substantive expenditure on further exploration is not planned, exploration for and evaluation of the mineral resources in the area have not led to discovery of commercially viable quantities, and/or sufficient data exists to show that the carrying amount of the asset is unlikely to be recovered in full from successful development or by sale. If information becomes available suggesting impairment, the amount capitalized is written off in the consolidated statement of comprehensive income (loss) during the period the new information becomes available.

In the determination of carrying values and impairment charges, management looks at the higher of recoverable amount or fair value less costs to sell. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

USE OF FINANCIAL INSTRUMENTS, OFF BALANCE SHEET ARRANGEMENTS AND CONTRACTUAL OBLIGATIONS

The Company has not entered into any specialized financial agreements to minimize its investment risk, currency risk or commodity risk. There is no off-balance sheet arrangements that are likely to have a material effect or future effect on the Company's financial condition that have not been disclosed in the consolidated financial statements.

Additional disclosure concerning the Company's contractual obligations is provided in Note 5 in the interim consolidated financial statements for the period ended March 31, 2017, copies of which are filed on the SEDAR website at www.sedar.com.

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

There were no significant changes to the Company's internal control over its financial reporting for the period ended March 31, 2017, which have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

As of March 31, 2017, the Company evaluated its disclosure controls and procedures and internal control over financial reporting. These evaluations were carried out under the supervision of the Company's president and chief financial officer. Based on these evaluations, the president and chief financial officer concluded that the design and operation of these internal controls and procedures and internal control over financial reporting was effective.

Other

In March 2011, the board of directors of the Company approved the adoption of a shareholder rights plan agreement ("SRP") which was adopted to provide adequate time for the Board and the Company's shareholders to assess any unsolicited take-over bid (a "Bid") which might be received, to provide the Board with sufficient time to explore and develop alternatives for maximizing shareholder value and to provide the Company's shareholders with an equal opportunity to participate in the Bid and protect them from unfair or coercive tactics. The plan was again approved at the Company annual general meeting held in June 2016.

Recent Accounting Pronouncements

The International Accounting Standards Board ("IASB") or the International Financial Reporting Interpretations Committees ("IFRIC") have issued a number of new or revised standards or interpretations that will become effective for future periods and have a potential implication for the Company.

IFRS 9 Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

IFRS 15 Revenue from Contracts ("IFRS 15") establishes principals for recognizing revenues based on a five-step model which is to be applied with all contracts with customers. The Company plans to adopt the new standard for the year ended December 31, 2018.

IFRS 16, Leases ("IFRS 16") was issued by the IASB in January 2016 and will replace IAS 17 Leases. IFRS 16 specifies the methodology to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. The mandatory effective date is for annual periods beginning on or after January 1, 2019.

The Company has not early adopted any of these standards or interpretations and is currently assessing the impact of the revised standards and interpretations on its consolidated financial statements.

DISCLOSURE OF OUTSTANDING SHARE DATA

The following is for disclosure of information relating to the outstanding securities of the Company:

As at the date of this MD&A the Company had 326,103,788 common shares issued and outstanding.

As at the date of this MD&A the Company had 133,679,213 warrants outstanding.

As at the date of this MD&A the Company had 16,300,000 stock options outstanding.

RISK FACTORS

The Company's recorded value of its mineral properties is based on historical costs that expect to be recovered in the future. The Company's recoverability evaluation is based on market conditions for minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through the mining operations or by sale. The Company is in an industry that is exposed to a number of risks and uncertainties, including:

Fair value and foreign exchange risk

The carrying amount of cash and cash equivalents, receivables, and accounts payable and accrued liabilities approximates their fair value because of the short-term maturities of these items. The Company has operations in Canada, Barbados and West Africa and as such, transactions are settled in local currencies or the United States Dollar. Given this scenario, AGG's operating businesses and financial reporting results and cash flows are exposed to risks associated with foreign currency fluctuations.

Price Volatility

Any future earnings will be directly related to the price of precious and base metals. Such prices fluctuate over time and are affected by numerous factors beyond the control of the Company.

Political and Economic Risk

The Company's operations in West Africa are affected by West Africa's unpredictable and potentially unstable political and economic environment. Although the environment has been relatively stable in recent years, there is the risk that this situation could deteriorate and adversely affect the Company's operations.

Environmental
Operations, development and exploration projects could potentially be affected by environmental laws and regulations of the country in which activities are undertaken. The environmental standards continue to change and the global trend is to a longer, more complex process. Although the Company continuously reviews environmental matters and undertakes to comply with changes as expeditiously as possible, there is no assurance that existing or future environmental regulations will not materially adversely affect AGG's financial conditions, liquidity or results of operations.

Certain environmental issues, such as storm events, storage seepage, dust and noise emissions, while having been assessed and strategies based on best practices have been adopted, there can be no assurance an unforeseen event will occur which could have a material effect on the viability of the Company's business and affairs.

Going Concern
As is common with exploration companies, the Company's ability to continue its on-going and planned exploration activities and continue operations as a going concern, is dependent upon the recoverability of costs incurred to date on mineral properties, the existence of economically recoverable reserves, and the ability to obtain necessary equity financing from time to time.

Interest Rate Risk
Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company does not have any borrowings. Interest rate risk is limited to potential decreases on the interest rate offered on cash and cash equivalents held with chartered Canadian financial institutions. Sensitivity to a plus or minus 1% change in the interest rates could impact any renewals or extensions of term deposits which would have no significant impact on the net loss due to the immateriality of the interest earned.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases.

At March 31, 2017, AGG had a cash balance of $33,857 and current liabilities of $1,947,713. As outlined in Note 2, the Company will be required to obtain additional financing for working capital and continued exploration and development of its properties.

Credit Risk
Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk in its cash and cash equivalents, short-term investments, and receivables. The maximum credit risk represented by the Company's financial assets is represented by their carrying amounts. Concentration of credit risk exists with respect to the Company's cash and cash equivalents as substantially the entire amount is held at a single major Canadian financial institution. Credit risk on cash and cash equivalents and short-term investments is minimized by depositing with only reputable financial institutions. Management has reviewed the receivable balances and determined that the balances are collectible; accordingly there has been no allowance for doubtful accounts recorded.

May 30, 2017