TEMBO GOLD CORP

MANAGEMENT'S DISCUSSION & ANALYSIS OF

FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Form 51-102F1

For the three and six months ended June 30, 2015

(Stated in Canadian Dollars)

(Unaudited)

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For the three and six months ended June 30, 2015

Date of Report: August 20, 2015

General

The following Management's Discussion and Analysis ("MD&A") of Tembo Gold Corp. (the "Corporation" or "Tembo") should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2015 with a comparative period for the year ended December 31, 2014, and the notes thereto. The Corporation's unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Unless otherwise stated, all amounts discussed herein are denominated in Canadian dollars. This MD&A was prepared as of August 20, 2015, and all information is current as of such date. Readers are encouraged to read the Corporation's public information filings on SEDAR at www.sedar.com.

This discussion provides management's analysis of Tembo's historical financial and operating results and provides estimates of Tembo's future financial and operating performance based on information currently available. Actual results will vary from estimates and the variances may be significant. Readers should be aware that historical results are not necessarily indicative of future performance.

Certain information set forth in this MD&A, including management's assessment of the Corporation's future plans and operations, contains forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the Corporation's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be inaccurate and, as such, reliance should not be placed on forward-looking statements. Tembo's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits, if any, that Tembo will derive there from. Tembo disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by applicable law.

Corporate Overview

Tembo Gold Corp. (formally Lakota Resources Inc.) (the "Corporation" or "Tembo") was incorporated on March 3, 1937 under the laws of the Province of Ontario, Canada. The principal business of Tembo is the acquisition, exploration and development of gold resource properties in Tanzania, East Africa. The Corporation's flagship asset is the Tembo gold property located in the prolific Lake Victoria goldfield district, a geological terrain and mining belt hosting several multi-million ounce gold deposits.

Effective September 26, 2011, the Corporation changed its name from Lakota Resources Inc., to Tembo Gold Corp., and consolidated its common shares on the basis of one new common share for every eighteen common shares outstanding. All share and per share amounts prior to September 26, 2011 have been retroactively adjusted to reflect the share consolidation.

Operational Highlights Q2 2015

EXPLORATION ACTIVITIES

The Corporation's main asset is the Tembo Gold Project in northwest Tanzania comprising 38 contiguous prospecting licenses and license applications covering a total area of approximately 110km^2. The Corporation's wholly owned Tanzanian registered subsidiaries and associates are the sole holders. The project is located directly northwest of and adjacent to Acacia Mining's Bulyanhulu mine (with a total Proven and Probably Reserve of 9.52 million ounces of gold, and a Mineral Resource of 3.38 million ounces of gold). Geologically, the Tembo project is situated in the Lake Victoria goldfield in the Sukumaland greenstone belt, an Archean age succession of volcanic and sedimentary rocks that have been intruded by a variety of Archean granitic plutons as well as younger dolerite dykes and possible kimberlite intrusions. The geology that is host to Bulyanhulu trends directly into the Tembo Project area, including the main structure on which the Reef 1 ore body is developed.

On August 31, 2012, the Corporation filed a NI 43-101 compliant report, "Report on the Tembo Gold Project", revision dated July 31, 2012, available on SEDAR at www.sedar.com. The report recommended that a staged gold focused exploration program consisting of trenching, mapping and drilling be implemented in order to test the Ngula 1 target and the numerous other gold anomalous zones on the property. The estimated cost for this stage of the drilling program was US$2.9M. Depending on positive results being returned, a further expanded drilling program was planned.

At the end of 2012, the Corporation suspended drilling pending new financing being secured. During the fourth quarter of 2013 new financing of CDN$8.5M was secured and diamond drilling was resumed in December 2014. The 2014 drilling program including all corporate expenses was planned to cost US$4.2M and comprise 7,000m of diamond drilling.

A summary of previous activities and results is presented below.

Prior to 2009, high resolution airborne magnetics, extensive RAB drilling and surface soil sampling, mapping, and limited RC and diamond drilling was conducted and resulted in the definition of a number of target areas.

During 2011 the earlier work was followed up by a LIDAR survey and field mapping which provided a high resolution colour orthophotograph and an accurate digital elevation model allowing the location and extent of artisanal mining, both current and historical, to be determined and mapped.

The historical work and the follow up allowed the targets to be confirmed and refined and on this, an extensive targeted drilling program was designed on seven targets.

No exploration activities were conducted during Q2 2015 pending further funding.

TEMBO DRILLING EXPLORATION RESULTS

An initial phased drilling program was designed for the project comprising approximately 115 diamond holes (27,500m) and 470 RC holes (60,000m). RC and diamond drilling commenced on Ngula 1 in January 2012, and a total of 196 holes were drilled on the targets to the end of 2012. Due to market financing constraints, the drilling is undertaken in focused phases as available funding permits.

All drill cores are oriented using either a Reflex instrument or an orientation tool to facilitate structural logging and analysis. Preliminary indications are that mineralization may be associated with steep north and south dipping structures and as such additional diamond drill holes have been planned from the north to improve the intersection angle through structures with a northern dip and provide additional 3D information.

Ngula 1. During the 2012 drilling campaign seventy-five holes were drilled at Ngula 1, with thirty-four diamond and forty-one RC holes completed, totaling 7,953m and 7,623m respectively. Drilling commenced again in late December 2013 at Ngula 1 and borehole TDD0041 was deepened to its final depth of 507.0m.

The initial drilling targeted a southern dominant east-west structure at 50m and 100m depths, with all holes being extended to between 200m and 300m in order to intersect a second east-west structure and test for potential deeper structures. The drill holes were collared at -60° inclination either to the north or south as the primary east west striking structures have near vertical dips.

One incomplete hole from 2012 was completed in Q4 2013 and two additional holes drilled at Ngula 1 during Q1 2014. Drilling has been suspended at Ngula 1 pending a detailed review and structural analysis of the gold hosting zones, where after a decision will be made on future drilling.

Nyakagwe East. Nyakagwe East is characterized by extensive artisanal mining with numerous shafts in excess of 20m in depth accessing a number of northwest striking quartz vein shears. Historic diamond and RC drilling returned significant gold intersections from two sub-parallel, northwest southeast trending mineralized zones, each consisting of multiple structures. Twenty-three diamond drill holes (6613m) and 20 RC drill holes (2,238m) have been completed to date.

In the Phase 1 program, the diamond drill holes targeted an extensive area of artisanal mining along a northern and southern set of structures, both of which were previously drilled in 2008. The reverse circulation holes targeted the east and west extensions to the artisanal workings. The drilling identified 1,000m of mineralized strike length. The mineralization along the northern structure on which the drilling focused appears to be open to the west (entering the Mgusu target area) and to the east (where RC drilling has been hampered by the presence of black cotton soils). The latter will be tested by means of diamond drilling during the dry season during a further phase of drilling. All diamond drill holes encountered gold mineralization along a principle structure with multiple gold bearing structures identified in several holes at depth.

Follow up drilling has been conducted in the 2014 drilling campaign through Q1 and Q2 and has included in fill drilling and deeper step back boreholes testing lateral and vertical continuity and tenor of mineralization. A total of 3,178m comprising 13 diamond drill holes were completed in the 2014 drilling program to date. Drilling has been suspended pending exploration funding.

Highlights of 2014 drilling results at Nyakagwe East Drill include:

- TDD0026: 1.89g/t Au over 2.23m from 221.77m
- TDD0056: 4.42g/t Au over 2.60m from 130.60 including 10.57g/t Au over 1.00m
- TDD0070: 1.01g/t Au over 8.70m from 87.84m, including 2.81g/t Au over 1.41m
- TDD070A: 1.55g/t Au over 7.21m from 93.24m, including 3.15g/t Au over 0.94m and 3.19g/t Au over 0.51m
- TDD0072: 8.44g/t Au over 1.30m from 99.90m, including 25.00g/t Au over 0.42m
- TDD0074: 6.55g/t Au over 7.46m from 370.46m
- TDD0077: 1.41g/t Au over 4.50m from 133.00m, including 2.62g/t Au over 1.50m

Nyakagwe Village. The potential of the Nyakagwe Village target was initially indicated in 2011 by a new artisanal mining operation located immediately to the east of the village in a corn land, exploiting a previously unknown east west trending set of south dipping quartz veins. Within a year a large number of shafts were sunk by the miners to access these high grade shear hosted veins. Subsequently a large open pit was excavated to facilitate easier and deeper access. Mining has subsequently been stopped due to excessive water ingress.

During Q2 2014 three drill holes totaling 585m were completed and fifteen diamond drill holes (2914m) and 20 RC drill holes (2,238m) have been completed to date.

The 2014 results have include:

- TDD0071: 9.64g/t Au over 3.95m from 85.25m, including 24.72g/t Au over 1.45m
- TDD0103: 15.10g/t Au over 1.00m from 54.00m
- TDD0112: 3.49g/t over 4.98m from 65.12m (previously announced May 21, 2014)

Significantly, the 2014 program identified a previously unknown northeast trending mineralized zone associated with a 1.8km long magnetic lineament. Drill holes to date have tested the structure along a strike of approximately 200m and down to a depth a 100m and the mineralization is open ended in all directions. Shallow wide zones of mineralization were encountered where the earlier drilled east-west structures intersected the northeast structure.

The high grades intersected are associated with quartz veining and associated abundant pyrite mineralization. Further drilling is planned to test the extensions to the known mineralization along strike and down dip on the east-west and northeast structures.

Buly Trend/Iyenze/Ngula 2.

The Buly/Iyenze target area was historically defined by scattered elevated gold grades in soil sampling and RC drilling. Abandoned artisanal workings are present within the target area. These targets are on the boundary of the Bulyanhulu Gold Mine license area and may be an extension of the prospective geology.

To date, a total of 16 RC scout holes (3,001m) have been drilled into the Iyenze structure, covering some 1,500m of strike on lines spaced at 200m intervals. No significant intersections were achieved and drilling was halted to focus on other higher potential targets.

The first borehole to be drilled by Tembo along the Buly Trend (TDD0001) commenced in Q1 2014 and was completed at 305m during Q2. A broad zone of intense shearing was intersected which locally contained abundant quartz veining but little mineralization evidenced by minor disseminated sulphide containing low levels of gold.

At Ngula 2 surface geological mapping and a review of the artisanal mining indicate the possibility of more than one trend, including the northwestern extension of the Buly Trend. An initial four diamond holes were completed (1,195m) but returned no significant results. An induced polarization geophysical survey was conducted in Q2 2014 over the Buly/Iyenze target areas and extended to cover the Ngula 2 target area to the northwest along the Buly Trend extension. This survey tested for chargeable and resistive horizons across a broad zone of greenstone lithologies within which the earlier airborne magnetic survey highlighted a number of weak to strong northwest trending zones interpreted as Buly parallel structural zones. Based on the results, hole TDD0002 was drilled to a depth of 752m without intersecting any significant mineralization.

FOLLOW UP DRILLING PROGRAM AND FUTURE STRATEGY

The Corporation plans to continue testing the identified targets particularly at Nyakagwe Village and Nyakagwe East along which significant drill intersections were achieved during the Phase 1 drilling program in 2012 and Q1 and Q2 2014 program. No drilling was conducted during the second half of 2014 and first half of 2015 pending further financing. A strategic review by the Company has concluded that the definition of a near surface resource and the potential of a medium scale mining operation must be established and if shown to be feasible, such resource should be brought into production. Immediate drill planning for 2015 is therefore to be focused on resource definition on those targets that have returned good results.

Results of Operations

The following table provides selected financial information and should be read in conjunction with the Corporation's audited consolidated financial statements for the periods below.

	Year ended December 31, 2014 $	Year ended December 31, 2013 $	Year ended December 30, 2012 $
OPERATIONS			
Total revenue	**7,494**	1,852	43,391
Comprehensive income(loss) for the year	**1,089,877**	(1,793,022)	(4,499,644)
Basic and diluted loss per share	**(0.01)**	(0.04)	(0.11)
BALANCE SHEET			
Working capital	**395,591**	4,020,636	799,363
Total assets	**22,153,563**	20,805,418	16,426,581
Total liabilities	**113,013**	437,554	863,372

Summary of Quarterly Results

The following table sets out selected quarterly financial data for the most recently completed interim quarters:

Quarter	2015 Second	2015 First	2014 Fourth	2014 Third	2014 Second	2014 First	2013 Fourth	2013 Third
	($)	($)	($)	($)	($)	($)	($)	($)
Revenue	23	664	1,524	2,752	3,218	Nil	Nil	163
Operating expenses	153,402	224,184	184,754	474,556	319,274	506,198	380,897	498,671
Loss from operating activities	(153,379)	(223,520)	(183,230)	(471,804)	(316,056)	(506,198)	(380,897)	(498,508)
Compre-hensive income / loss	(539,874)	1,739,937	919,970	496,004	(875,069)	548,972	(416,804)	72,071
Basic and diluted net loss per share	0.00	0.00	0.00	0.00	(0.01)	0.00	(0.01)	0.00

Overall Performance

The comprehensive loss for the three months ended June 30, 2015 was $539,874 as compared to the comprehensive loss of $875,069 in the same period of the previous year. The reasons for the change in comprehensive loss were overall operating expenditures decreased by more than half as compared to the same period of the previous year due to the Corporation continually follow strict cost control measures. In addition, the change in exchange differences on translation of foreign operations decreased from $679,462 to $386,495.

Operating expenses were $153,402 during the three months ended June 30, 2015 which were $165,872 lower compared to the same period of the previous year. Overall operating expenses during the current period were lower than the same period of the previous year, with the exception of professional fees that increased from $8,293 to $28,390 and management fees that increased from $58,995 to $63,738. Office overhead and corporate expenses decreased from $90,267 to $26,786, depreciation expense decreased from $13,209 to $10,846, consulting fees decreased from $59,965 to $22 credit, salaries and wages decreased from $77,709 to $19,775, insurance decreased from $5,429 to $2,782, and transfer agent fees decreased from $3,610 to $1,107. Current tax expense of $Nil was incurred during the three months ended June 30, 2015 compared with $4,936 in the same period of previous year. As noted above, exchange differences on translation of foreign operations decreased from $679,462 to $386,495.

Office overhead and corporate expenses of $26,786 were incurred during the three months ended June

30, 2015. The major components of office overhead and corporate expenses include: listing fees of $4,743, utilities of $3,049, shareholder communications of $1,349, and staff benefit and support of $12,169 for the three months ended June 30, 2015.

The Corporation recorded $23 in other income during the second quarter ended June 30, 2015 compared to $3,218 during the same period of the previous year. The Corporation is closely monitoring expenditures and preserve cash.

Exploration and evaluation assets

The Corporation's carrying values of Tembo project was $23,264,280 as of June 30, 2015, and $21,402,926 as of December 31, 2014.

		Tembo Project
Balance, December 31, 2013	$	16,038,676
Additions:		
Assay and analysis		58,054
Exploration		59,044
Technical services		495,156
Drilling		1,498,256
Travel		58,031
Acquisition		739,641
Currency adjustment		2,456,068
Total additions		5,364,250
Balance, December 31, 2014	$	21,402,926
Additions:		
Assay and analysis		
Exploration		29,990
Technical services		110,448
Drilling		38,707
Travel		38,507
Acquisition		31,748
Currency adjustment		1,611,954
Total additions		1,861,354
Balance, June 30, 2015	**$**	**23,264,280**

Tembo Gold Project

The Tembo Gold Project is located in northwest Tanzania, and is comprised of 38 contiguous Prospecting Licenses and license applications covering approximately 110 square kilometres. The Corporation's wholly owned Tanzanian registered subsidiaries are the sole licence holders. The project is located directly northwest of and adjacent to African Barrick Gold's Bulyanhulu mine.

Liquidity and Capital Resources

The Corporation's cash and cash equivalents balance was $15,719 at June 30, 2015 compared to $111,414 at December 31, 2014. Current assets at June 30, 2015 were $67,474 compared to $508,604 at December 31, 2014 and total assets at June 30, 2015 were $23,551,993 compared to $22,153,563 at December 31, 2014. The Corporation continues to negotiate with and seek strategic investors and financing opportunities to improve liquidity. The nature and exact timing of any potential private placements has not been finalized as of the date of this report.

Operating Activities

For the six months ended June 30, 2015, the Corporation used $112,815 in cash related to operating activities. The non-cash charges to earnings include depreciation of $21,794. For the six months ended June 30, 2015, the majority of the cash used in operating activities can be attributed to funding of day to day operations.

Investment Activities

The Corporation proceed from redemption of investment and received cash of $17,120 in investment activities for the six months ended June 30, 2015. During the same period of the previous year the Corporation used cash of $3,369,083 on its investment activities. The Corporation does not believe it is exposed to any material liquidity risks in relation to its investment activities.

Financing Activities

The Corporation had no financing activities for the six months ended June 30, 2015. During the comparative period for the previous year a private placement was completed that provided $1,079,404 after share issue costs.

Outstanding share data

Common Shares

The Corporation’s authorized share capital consists of an unlimited number of common shares without par value. As at August 20, 2015, there were 136,757,634 common shares issued and outstanding.

Private placement #1 - 1st Tranche

On January 8, 2014 the Corporation closed a non-brokered private placement through issuance of 2,800,000 units (the "Units") at a price of $0.10 per Unit for gross proceeds of $280,000. Each Unit consists of one common share and one common share purchase warrant (each a "Warrant"). Each such Warrant entitles the holder to purchase one common share of the Corporation at a price of $0.12 per common share until January 9, 2017. Securities issued under the Offering are subject to a hold period expiring May 10, 2014. The investors who subscribed for Units under this financing were NAMF II (Mauritius) Limited as to $218,400 and NAMF II South Africa Partnership as to $61,600 (collectively "NAMF"). NAMF is currently an insider of the Corporation and as a result of the financing is consider a "related party transaction" for the purposes of the Multilateral Instrument 61-101 ("MI 61-101). However, the financing is not subject to the minority approval and valuation requirements under MI 61-101 as there is an applicable exemption from these requirements as neither the fair market of the subject matter, nor the fair market value of the consideration, for the financing, insofar as it involves the interest parties, exceeds 25% of Tembo's market capitalization.

As of the private placement, NAMF collectively owns 37,800,000 Common Shares or approximately 30.1% of the outstanding Common Shares on a non-diluted basis. NAMF also owns 37,800,000 Warrants, and if exercised, an aggregate 75,600,000 Common Shares or approximately 46.2% of the outstanding Common Shares on a partially diluted basis.

Private placement #1 - 2nd Tranche

On February 8, 2014, the Corporation issued 10,000,000 units (the "Units") at a price of $0.10 per Unit for gross proceeds of $1,000,000. Each Unit consists of one common share and one common share purchase warrant (each a "Warrant"). Each such Warrant entitles the holder to purchase one common share of the Corporation at a price of $0.12 per common share until January 9, 2017. Securities issued under the Offering are subject to a hold period expiring June 15, 2014.

The investor who subscribed for Units under this financing is Concept Capital Management Ltd. ("CCM"). CCM is currently an insider of the Corporation and as a result of the financing is consider a "related party transaction" for the purposes of the Multilateral Instrument 61-101 ("MI 61-101). However, the financing is not subject to the minority approval and valuation requirements under MI 61-101 as there is an applicable exemption from these requirements as neither the fair market of the subject matter, nor the fair market value of the consideration, for the financing, insofar as it involves the interest parties, exceeds 25% of Tembo's market capitalization.

As of the private placement, CCM collectively owns 22,500,000 Common Shares or approximately 16.6% of the outstanding Common Shares on a non-diluted basis. CCM also owns 20,000,000 Warrants, and if exercised, an aggregate 42,500,000 Common Shares or approximately 27.3% of the outstanding Common Shares on a partially diluted basis.

Private Placement #2

On March 11, 2014, the Corporation issued 1,000,000 units (the "Units") at a price of $0.10 per Unit for gross proceeds of $100,000. Each Unit consists of one common share and one common share purchase warrant (each a "Warrant"). Each such Warrant entitles the holder to purchase one common share of the Corporation at a price of $0.125 per common share until March 11, 2017. Securities issued under the Offering are subject to a hold period expiring July 12, 2014.

Warrants

The following Financing warrants were issued and outstanding as at August 20, 2015:

Expiry Date	Exercise Price $	Warrants Outstanding Balance #
December 02, 2016	0.120	73,371,401
January 09, 2017	0.120	12,800,000
March 11, 2017	0.125	1,000,000
		87,171,401

As at August 20, 2015 the Corporation has no Finder's Fee warrants outstanding as the 2014 closing balance have all expired.

The continuity of warrants issued and outstanding is as follows:

	Financing Warrants #	Finder's Fee Warrants #	2015 Closing Balance #
Balance, December 31, 2014	87,171,401	-	87,171,401
Expired	-	-	-
Balance, August 20, 2015	**87,171,401**	**-**	**87,171,401**

Stock Options

The following table reflects the stock options that have vested as at August 20, 2015:

Expiry Date	Exercise Price $	Options Granted #	Options Vested #
February 01, 2016	0.500	200,000	200,000
November 20, 2018	0.100	400,000	400,000
		600,000	600,000

The Corporation applies the fair value method of accounting for all stock based compensation awards. During the three months ended June 30, 2015, the Corporation recognized as compensation for the options that vested during the period. (2014 - $1,575 was recorded as compensation during the period). As at August 20, 2015, there were no unvested options, with a weighted average exercise price of $Nil (2014 - Nil unvested options, with a weighted average exercise price of $Nil)

Related Party Transactions

The Corporation's related parties include key management personnel and entities over which they have control or significant influence as described below.

	Nature of transactions
Apex Investigation and Security Inc.	Management Consulting

David Scott	Management Consulting
0753331 BC Ltd.	Management Consulting

The Corporation's related parties include directors and officers and companies which have directors in common. Transactions made with related parties are made in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The following are the related party transactions, recorded at the exchange amount as agreed to by the parties:

i) Included in operating expenses are amounts totaling $17,500 (2014 - $21,000) for management fees paid to Apex Investigation and Security Ltd., a company related to the Corporation through John Seaman, the former Chief Financial Officer.

ii) Included in operating expenses are amounts totaling $92,390 (2014 - $86,401) for management fees paid to David Scott, President, Chief Executive Officer, and a Director of the Corporation.

iii) Included in operating expenses are amounts totaling $30,000 (2014 - $30,000) for management fees paid to 0753331 BC Ltd., a company related to the Corporation through Marc Cernovitch, the Vice President of Corporate Development.

Key management personnel remuneration includes the following amounts:

	2015 **$**	2014 $
Management and consulting fees	**139,890**	319,441
Management fees	**-**	1,575
	139,890	321,016

Commitments

(a) Corporation to a certain third party upon certain events having occurred, a US$250,000 payment upon production of 250,000 ounces, a US$1,000,000 payment upon production of 1.0mm ounces, a US$1,500,000 payment upon production of 1.5mm ounces, and a final payment of US$2,000,000 upon production of 2.0mm ounces. At June 30, 2015 there have been no production decisions.

(b) Based on an option agreement related to the Tembo property, the Corporation has an option to acquire 100% interest in one Primary Mining License ("PML"). In order to complete the agreement, the Corporation is required to make aggregate payment of US$6,500 and issue 5,000 common shares at a deemed price of $0.23.

(c) On January 2, 2014, the Corporation's subsidiary, Tembo Gold (T) Ltd. entered into lease agreements for four vehicles. The commitment is for 36 months, and has total aggregate cost of approximately $195,000 USD.

The Corporation has commitments relating to lease agreements are as follows:

	$
2015	32,713
2016	65,425
	98,138

Financial Instruments

Financial instruments consist of cash and cash equivalents, accounts receivable, investments, and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value due to the short term to maturity, unless otherwise noted.

Risk Factors

An investment in the Corporation involves a number of risks. You should carefully consider the following risks and uncertainties in addition to other information in this report in evaluating the Corporation and its business before making any investment decision in regards to the common shares of the Corporation. The Corporations' business, operating and financial condition could be harmed due to any of the following risks. The risks described below are not the only ones facing the Corporation. Additional risks not presently known to us may also impair business operations.

Exploration and Mining Risks

The Corporation is engaged in mineral exploration and development activities. Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. The long-term profitability of our operations will be in part directly related to the cost and success of our exploration programs, which may be affected by a number of factors beyond our control.

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Corporation has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of mineral resources, any of which could result in work stoppages, damage to property, and possible environmental damage.

Hazards such as unusual or unexpected formations and other conditions such as formation pressures, fire, power outages, labour disruptions, flooding, explorations, cave-ins, landslides and the inability to obtain suitable machinery, equipment or labour are involved in mineral exploration, development and operation. We may become subject to liability for pollution, cave-ins or hazards against which we cannot insure or against which we may elect not to insure. The payment of such liabilities may have a material, adverse effect on our financial position.

The Corporation relies upon consultants and others for exploration and development expertise. Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, allowable production, importing and exporting of minerals and environmental protection.

Financing Risks

The Corporation is limited in financial resources, and as a mineral exploration company has no source of operating cash flow. The Corporation has no assurance that additional funding will be available to us for further exploration and development of our projects or to fulfil our obligations under any applicable agreements. There can be no assurance that we will be able to obtain adequate financing in the future, or that the terms of such financing will be favourable. Failure to obtain additional financing could result in delay or indefinite postponement of further exploration and development of our projects with the possible loss of such properties.

Regulatory Requirements

Even if our mineral properties are proven to host economic reserves of mineral resources, factors such as governmental expropriation or regulation may prevent or restrict mining of any such deposits or repatriation of profits. The Corporation may acquire other properties in other jurisdictions or countries. Any changes in regulations or shifts in political conditions are beyond the control of the Corporation and may adversely affect our business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, and expropriation of property, environmental legislation and mine safety.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Corporation may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Corporation.

No Assurance of Titles

It is possible that any of our properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects.

Permits and Licenses

The operations of the Corporation may require licenses and permits from various governmental authorities. There can be no assurance that such licenses and permits as may be required to carry out exploration, development and mining operations at our projects will be granted.

Competition

The mineral industry is intensely competitive in all its phases. We compete with many companies possessing greater financial resources and technical facilities than the Corporation for the acquisition of mineral concessions, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees.

In addition, there is no assurance that a ready market will exist for the sale of commercial quantities of ore. Factors beyond the control of the Corporation may affect the marketability of any substances discovered. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including 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 Corporation not receiving an adequate return on invested capital or losing our investment capital.

Environmental Regulations

Our operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. 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. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. There is no assurance that future changes in environmental regulation, if any, will not adversely affect our operations.

Stage of Development

The Corporation is in the business of exploring for, with the ultimate goal of producing, mineral resources from our mineral exploration properties. None of our properties have commenced commercial production and we have no history of earnings or cash flow from our operations. As a result of the foregoing, there can be no assurance that we will be able to develop any of our properties profitably or that our activities will generate positive cash flow. We are unlikely to enjoy earnings or pay dividends in the immediate or foreseeable future. A prospective investor in the Corporation must be prepared to rely solely upon the ability, expertise, judgment, discretion, integrity and good faith of our management in all aspects of the development and implementation of our business activities.

Markets for Securities

There can be no assurance that an active trading market in our securities will be established and sustained. The market price for our securities could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of our peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the securities of the Corporation. The stock market has from time to time experienced extreme price and volume fluctuations, particularly in the mining sector, which have often been unrelated to the operating performance of particular companies.

Reliance on Key Individuals

Our success depends to a certain degree upon certain key members of the management. It is expected that these individuals will be a significant factor in our growth and success. The loss of the service of members of the management and certain key employees could have a material adverse effect on the Corporation.

Geopolitical Risks

The Corporation may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploitation and production, price controls, export controls, currency availability, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on mineral exports, increased financing costs, and site safety. In addition, legislative enactments may be delayed or announced without being enacted and future political action that may adversely affect the Corporation cannot be predicted. Any changes in regulations or shifts in political attitudes that may result, among other things, in significant changes to mining laws or any other national legal body of regulations or policies are beyond the control of the Corporation and may adversely affect its business. The possibility that future governments may adopt substantially different policies, which might extend to the expropriation of assets, cannot be ruled out.

Financial risks and related risks

The Corporation's operations include the acquisition and exploration of mineral properties in Tanzania, East Africa. The Corporation examines the various financial risks to which it is exposed and assesses the impact and likelihood of occurrence. These risks may include credit risk, liquidity risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

[a] Credit risk

Counterparty credit risk is the risk that the financial benefits of contracts with a specific counterparty will be lost if a counterparty defaults on its obligations under the contract. This includes any cash amounts owed to the Corporation by those counterparties, less any amounts owed to the counterparty by the Corporation where a legal right of off-set exists and also includes the fair values of contracts with individual counterparties which are recorded in the financial statements.

i) Trade credit risk
The Corporation is in the exploration stage and has not yet commenced commercial production or sales. Therefore, the Corporation is not exposed to significant credit risk and overall the Corporation's credit risk has not changed significantly from the prior year.

ii) Cash and cash equivalents
In order to manage credit and liquidity risk the Corporation invests only in highly rated investment grade instruments that have maturities of six months or less and are cashable at any time. Limits are also established based on the type of investment, the counterparty and the credit rate.

iii) Derivative financial instruments
As at June 30, 2015, the Corporation has no derivative financial instruments. It may in the future enter into derivative financial instruments in order to manage credit risk, it will only enter into derivative financial instruments with highly rate investment grade counterparties.

[b] Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation manages liquidity risk through the management of its capital structure.

Accounts payable and accrued liabilities are due within the current operating period.

[c] Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Corporation will realize a significant loss as a result of a decline in the fair market value of investments and other items held within cash and cash equivalents is limited given that the majority of investments have a relatively short maturity. The Corporation manages its interest rate risk with investments by investing the majority of funds in short-term investments and therefore is not exposed to significant fluctuations in interest rates.

[d] Currency risk

The Corporation is exposed to the financial risk related to the fluctuation of foreign exchange rates. The functional currency of the Corporation is the Canadian dollar and reporting currency is the Canadian dollar. However it has operations primarily located in Tanzania, and its subsidiaries' functional currency is the U.S. dollar. Changes in the currency exchange rates between the Canadian dollar relative to the U.S. could have an effect on the Corporation's results of operations, financial position or cash flows. The Corporation has not hedged its exposure to currency fluctuations. At June 30, 2015 a 100 basis point decrease/increase in the U.S dollar would result in a foreign exchange gain/loss of CDN$12,317.

The Corporation does not invest in derivatives to mitigate these risks.

Management of Capital Risk

The Corporation manages its common shares, stock options and warrants as capital. The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going-concern in order to pursue the exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue new shares and, acquire or dispose of assets.

In order to maximize ongoing exploration efforts, the Corporation does not pay out dividends. The Corporation's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with short-term maturities, selected with regard to the expected timing of expenditures from continuing operations.

Subsequent event

As at August 20, 2015, there are no subsequent event for the six months ended June 30, 2015.

Off-Balance Sheet Arrangements

The Corporation has not participated in any off-balance sheet or income statement arrangements.

Changes in Internal Control over Financial Reporting (“ICFR”)

No changes occurred in the current period of the Corporation’s ICFR that have materially affected, or are reasonably likely to materially affect the Corporation’s ICFR.

Controls and Procedures

In accordance with the requirements of National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings, the Corporation's management, including Chief Executive Officer (CEO) and Chief Financial Officer (CFO), have evaluated the operating effectiveness of the Corporation's internal control over financial reporting. Management of the Corporation is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed by, or under, the supervision of, the CEO and CFO and effected by management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Management assessed the effectiveness of the Corporation's internal control over financial reporting as of June 30, 2015. Based on this assessment, management believes that, as of June 30, 2015, the Corporation's internal control over financial reporting is designed effectively.

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the CEO and CFO, on a timely basis so that appropriate decisions can be made regarding annual and interim financial statement disclosure. Management believes these disclosure controls and procedures have been effective during the period ending June 30, 2015

Additional Information

Additional information relating to the Corporation can be found on SEDAR at www.sedar.com, or on the Corporation's web-site at www.Tembogold.com.

Mr. David Scott, Pr. Sci. Nat., President and CEO of Tembo Gold Corp. is the Qualified Person for the information contained in this MD&A and is a Qualified Person defined by National Instrument 43-101.

(Signed) Marc Cernovitch
Chief Financial Officer

Thunder Bay, Canada
August 20, 2015