



TRUE GOLD MINING INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the six months ended June 30, 2015**

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Management's Discussion and Analysis
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The following Management's Discussion and Analysis ("MD&A") should be read in conjunction with the True Gold Mining Inc. (in this MD&A also referred to as "True Gold", or "the Company", or "the Corporation", or "we", or "our", or "us") condensed interim consolidated financial statements for the six months ended June 30, 2015 and related notes (together, the "Interim Financial Statements") which are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

This MD&A contains forward-looking statements that involve numerous risks and uncertainties. The Company continually seeks to minimize its exposure to business risks, but by the nature of its business and exploration activities and size, will always have some risk. These risks are not always quantifiable due to their uncertain nature. Should one or more of these risks and uncertainties, or those described under the heading "Risk Factors" in our AIF (as defined below) and those set forth in this MD&A under the headings "Cautionary Notes Regarding Forward-Looking Statements" and "Industry and Economic Factors that May Affect our Business" materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described in forward-looking statements.

The written disclosure of technical information in the MD&A has been approved by David Laing, BSc., ARSM, MIOm3, SME, Chief Operating Officer of the Company, and Scott Heffernan, M.Sc., P.Geo., Vice President, Exploration of the Company, both Qualified Person's ("QP") for the purposes of National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"). Readers are directed to the section "Scientific and Technical Disclosure" included within this MD&A.

All figures are in United States dollars (\$) unless otherwise noted. This MD&A has been prepared as at August 21, 2015. Additional information relating to the Company, including the Company's Annual Information Form, dated April 27, 2015 ("AIF") for the 12 months ended December 31, 2014, are available under the Company's profile on SEDAR at www.sedar.com.

SECOND QUARTER HIGHLIGHTS AND SUBSEQUENT EVENTS

Over the second quarter the Company made significant progress at the Karma Mine.

Project Construction Update:

The Karma Mine is in full construction with over 600 staff on site and on track for first gold pour by the end of Q1 2016. Overall the project is approximately 62% complete, as at July 31, 2015. Noteworthy activities commenced or completed include:

Earthworks and Civils

The mining fleet was commissioned and is operational. The raw water pond excavation has been completed and the water pipeline from barrage to site is 95% complete. Good progress has been made on the excavation of the storm water and Pregnant Leach Solution (PLS) ponds and cells 1 to 6 of the heap leach pads.

Within the process plant, foundations are under construction for the soft rock crusher, cement silos, cyanide mixing and agglomeration areas. The power plant is onsite with all generators mounted on plinths and the fuel farm is completed. Assembly of the Adsorption, Desorption and Recovery (ADR) plant has commenced and is rapidly advancing.

Mine Development

Phase I condemnation drilling at the Goulagou II (GGII) waste dump was completed and grade control drilling at GGII is currently underway.

Logistics

Procurement is 99% complete and deliveries to site are 55% complete. The agglomeration drum has been received at site as well as elution column.

Community

The Community Liaison Committee (CLC), the key communication conduit between the Company and the local communities is operating with over 80 representatives from local villages. A tripartite agreement was signed on June 15, 2015 between the Government of Burkina Faso, the Company and community leaders signifying formal support of the Karma mine.

Project Finance – Karma Mine Is Fully Funded:

Karma is forecast to be funded through construction to production. True Gold has \$30.5 million in cash, and up to \$48.4 million available under our finance facility with approximately \$60 million of project cost left to spend, as at July 31, 2015.

Leadership Team

The Company appointed David Laing as Chief Operating Officer ("COO"). Mr. Laing brings a unique combination of a technical background as a mining engineer with strong capital market acumen to help steer True Gold's growth strategy. He has extensive experience in operations and mine building, and specifically with low cost heap leach operations. Mr. Laing joins True Gold from Quintana Resources, a base metals streaming company, where he was COO and lead the origination and execution of stream financing transactions. He was also one of the original executives of Endeavour Mining Corporation as the group grew from one mine in Burkina Faso to a four mine, 500,000 ounce gold producer in West Africa.

Maryse Belanger was appointed to True Gold's Board of Directors. Ms. Belanger brings over 30 years of experience in the mining industry with strengths in operational excellence and efficiency. Currently, she is the Chief Executive Officer and Managing Director of Mirabela Nickel Ltd. (MBN ASX) where she has been responsible for the turnaround of the company and the reestablishment of its mine as one of the world's premier nickel copper sulphide open pit operations. From 2012 to 2014, Ms. Belanger was Senior Vice President, Technical Services at Goldcorp. Prior to joining Goldcorp, Ms. Belanger was Director, Technical Services for Kinross Gold Corporation for Brazil and Chile.

OUR BUSINESS

The Company's focus is on completing construction and operating the low cost Karma Mine with a strategy to become a mid-tier producer through organic and strategic growth opportunities. Our projects are located in Burkina Faso, West Africa, a country with proven gold production, favourable geology and a government that supports the mining industry. To advance our projects and execute on our vision we have established an owner's team with the full spectrum of talent and expertise in finance, exploration, development, construction and mine operations.

Our short-term focus is taking our flagship Karma Mine to production. In a short period of time, True Gold has advanced and significantly de-risked the Karma Mine with production in sight. True Gold has executed and met key milestones recently despite a rapid ramp up to full construction in May and June 2015. The Company is targeting first gold pour by the end of Q1 2016. Karma will be the seventh mine built in Burkina Faso within the past five years and is one of only a handful of gold mines in the world that is currently fully permitted, in construction, fully funded and scheduled to pour gold within the next eight months.

For information on the Karma Mine and Karma Mine reserve and resources please see the "*Karma Mine*" section below.

Additional information about the Karma Mine is summarized in our AIF and detailed in technical reports available under the Company's profile on SEDAR at www.sedar.com.

OUR OBJECTIVES & OUTLOOK

Despite the challenging market conditions and ongoing volatility in the price of gold, since May 2013, True Gold has arranged approximately \$200 million in funding. In August 2014, we commenced mine construction and plan to pour first gold by the end of Q1 2016.

In August 2014, the Company secured up to \$120.0 million in financing from Franco-Nevada Corporation ("Franco-Nevada") and Sandstorm Gold Ltd. ("Sandstorm"), to construct the Karma Mine, with \$71.6 million drawn to date. Combined with existing cash balances, the funds from the financing from Franco-Nevada and Sandstorm enable True Gold to construct the Karma Mine. In 2014, we obtained the necessary project equity funding for the development and construction of the Karma Mine with the closing of the C\$51.9 million bought deal financing and private placement.

We are currently negotiating long-term consumables contracts and have finalized equipment procurement to complete construction and operate the mine. We released the North Kao PEA, on December 5, 2014, which demonstrates the prospective upside and potential economic viability of the Karma mining district, and how True Gold could potentially phase new discoveries into a future mine plan. North Kao

represents just one of six new discoveries made at Karma since 2013. The North Kao PEA represents a potential increase in project value since September 2014. In addition, exploration at the Karma Mine will continue to focus on potential mine life extension or potential production expansion. Upcoming milestones include:

- Completion of ponds and pipeline in Q4-2015
- Ore is expected to be placed on the leach pad in Q4-2015;
- Plant components (ie. Soft rock crusher, ADR Plant, Agglomeration unit) completion in Q1-2016;
- Expected mine construction completion in Q1-2016;
- First gold pour is expected by the end of the first quarter of 2016.

OVERALL PERFORMANCE

Material Projects

The Company's principal asset, the Karma Mine, hosts a mineral reserve and mineral resources prepared pursuant to National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101"), as described in this MD&A. The potential quantities and grades disclosed relating to targets at our other exploration projects are conceptual in nature and there has been insufficient exploration to define a mineral resource for the targets disclosed. It is uncertain if further exploration will result in these targets being delineated as a mineral resource.

All of the Corporation's mineral properties are located in Burkina Faso, West Africa.

KARMA MINE

The Karma Mine is located in the north-central part of Burkina Faso, approximately 185 km northwest of the capital city of Ouagadougou and 20 km east of the regional center, Ouahigouya (population 122,677). The Karma Mine covers approximately 900 km² and consists of eight contiguous exploration permits and one exploitation permit. To date, there have been six gold deposits (Goulagou I ("GG I"), Goulagou II ("GG II"), Kao, Rambo, Nami and North Kao) identified at the Karma Mine, of which five (GG I, GG II, Rambo, Kao and Nami) are covered by the Karma exploitation (mining) permit. The newly identified North Kao deposit, which was not included in the Karma FS (as defined below), will be applied for as an extension to the Karma exploitation permit.

Karma Mine:

Karma Mine Feasibility Study

On January 27, 2014 the Company filed a NI 43-101 technical report, entitled "*Technical Report, Updated Resource Estimate and Feasibility Study of the Karma Gold Project, Burkina Faso, West Africa*" effective December 17, 2013, a copy of which is available under the Company's profile on SEDAR at www.sedar.com (the "Karma FS"). The Karma FS supports a technically simple open-pit heap leach project from currently defined open-pit deposits containing 949,000 ounces of gold (33.2 Mt at 0.89 g/t Au) of probable mineral reserves.

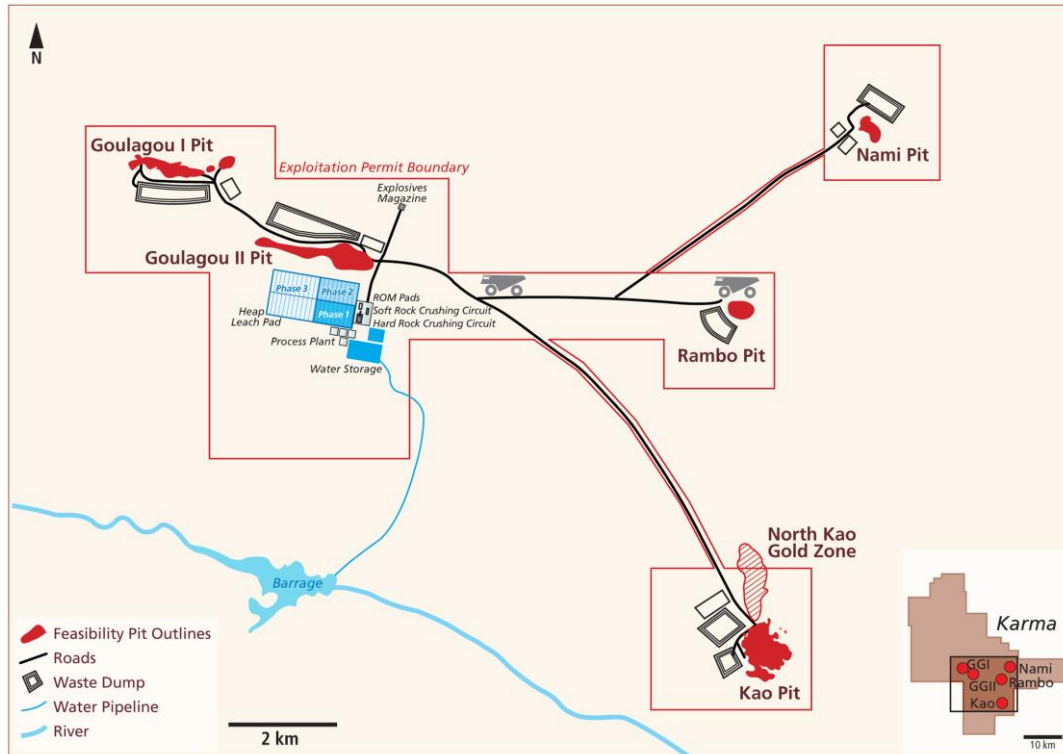
Base case highlights of the Karma FS include¹:

Karma FS - Base Case Highlights	
Gold price	\$1,250/oz Au
Probable Mineral Reserves	33.2 Mt @ 0.89 g/t Au containing 949,000 oz Au
Production	97,000 oz Au/year (average) over an 8.5-year mine life
Production Costs	
Direct Cash Operating Costs ² (\$/oz)	\$591
Total Cash Costs ³ (\$/oz)	\$672
All-in Sustaining Cash Costs ⁴ (\$/oz)	\$720
NPV @ 5% (after tax)	\$178.2 million
IRR (after tax)	43.1%
Payback (after tax)	1.4 years
Resilience	21.3% IRR at \$1,000/oz Au

- 1) The Karma FS economic highlights throughout this MD&A represent True Gold's effective 90% interest in the Karma Mine, after allowing for Burkina Faso's 10% carried interest and all government and contractual royalties. Karma's 100% after-tax project value at a \$1,250/oz gold price is \$200.7 million NPV (5%) and an IRR of 46.0%. All results are reflected on an owner-operator basis.
- 2) Includes all mining costs, processing costs, on-site G&A.
- 3) Includes all direct cash operating costs plus refining cost and royalties.
- 4) Includes total cash costs plus sustaining capex.

The Karma FS supports an open-pit heap-leach mine scenario from currently defined deposits containing 949,000 ounces (33.2 Mt at 0.89 g/t Au) of gold in probable mineral reserves. The heap leach pad is designed to process oxide and transition ore from five shallow pits, with a small amount of leachable sulphide ore extracted from two of these pits. The five open-pit areas will be developed in sequence to provide the ore feed for the heap leach operations. These open-pit mining operations will exploit the GGI, GGII, Kao, Rambo and Nami mineral deposits. Target production during the life of the mine is 4.0 million tonnes per year. The site layout in Figure 1 shows an overall view of the Project site.

Figure 1. – Karma Mine Site Plan



More information on the Karma FS can be found in our December 17, 2013 press release available on SEDAR at www.sedar.com and our website www.truegoldmining.com.

Mineral Resources

As part of the Karma FS the previously announced mineral resource estimates on the Karma Mine were updated to reflect new engineering data and an updated geological model. The resource model contains 2.621 million ounces of gold (75.2 Mt at 1.08 g/t Au) of Indicated mineral resources and 700,000 ounces of gold (17.5 Mt at 1.25 g/t Au) of Inferred mineral resources within optimized pit shells. The Mineral Resource estimates in the table below are derived from the Karma FS.

Deposit	Indicated				Inferred		
	Material	Tonnes (Kt)	Grade (g/t Au)	Gold (Koz)	Tonnes (Kt)	Grade (g/t Au)	Gold (Koz)
GG1	Oxide	6,264	0.63	126	752	0.83	20
	Transition	5,225	0.65	109	543	0.85	15
	Sulphide	6,669	0.99	212	2,836	1.26	115
	Subtotal	18,158	0.76	447	4,131	1.13	150
GG2	Oxide	5,874	1.12	212	615	0.72	14
	Transition	2,166	1.36	95	354	0.69	8
	Sulphide	7,092	1.74	397	1,537	1.25	62
	Subtotal	15,132	1.45	703	2,506	1.04	84
Kao	Oxide	13,361	0.74	319	1,821	0.51	30
	Transition	4,094	0.91	120	445	0.51	7
	Sulphide	19,955	1.37	876	7,245	1.69	394
	Subtotal	37,410	1.09	1,315	9,511	1.41	431
North Kao	Oxide				14,212	0.79	360
	Transition				2,200	0.89	63
	Sulphide				31,396	1.23	1,239
	Subtotal				47,808	1.08	1,662
Rambo	Oxide	219	2.30	16	102	0.74	2
	Transition	290	2.40	22	103	0.54	2
	Sulphide	556	1.79	32	446	1.05	15
	Subtotal	1,065	2.06	71	651	0.92	19
Nami	Oxide	531	0.95	16	120	0.81	3
	Transition	1,011	0.72	23	169	0.77	4
	Sulphide	1,857	0.77	46	365	0.72	9
	Subtotal	3,399	0.78	86	654	0.76	16
TOTAL	Oxide	26,249	0.82	689	17,622	0.76	430
	Transition	12,786	0.90	370	3,814	0.81	99
	Sulphide	36,129	1.34	1,562	43,825	1.30	1,833
	Total	75,164	1.08	2,621	65,261	1.13	2,362

- (1) Mineral Resource estimates were based on a gold price of \$1,557 per ounce, a 90%, 80% and 85% respective process recoveries for oxide, transition and sulphide; oxide mining costs of \$1.61/tonne, \$1.94 per tonne for transition and \$2.05 for sulphide; process costs of \$7.25/tonne for oxide and transition and \$19 per tonne for sulphide; and General & Administrative costs of \$1.35 per tonne were used to determine the respective 0.20, 0.22 and 0.50 oxide, transition and sulphide open pit cut-off grades.
- (2) Au grades were estimated in a 5m x 5m x 5m block model (except Rambo at 2.5m x 2.5m x 2.5m blocks) from capped 2.0m composites utilizing inverse distance cubed interpolation. Composites were capped up to 45 g/t depending on the individual mineralized domain.
- (3) Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
- (4) The quantity and grade of reported Inferred mineral resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred mineral resources as an Indicated or Measured mineral resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured mineral resource category.

- (5) The mineral resources in this MD&A were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.
- (6) Mineral Resources are inclusive of all Mineral Reserves.

Mineral Reserves

In the Karma FS, project mineral reserves were derived exclusively from the leachable portion (above the cut-offs listed in the second table below) of the Indicated mineral resource as this represents the lowest cost mineralized material in the Karma Mine deposits and has the highest value available for extraction. Mineral reserves were developed using a Lerchs-Grossman pit optimization process; appropriate operating costs, recoveries, and pit slopes; and a gold price of \$1,300/oz. Reserves were defined by minable pit designs and incorporate mining losses and dilution.

The Probable mineral reserves in the Karma FS were based exclusively on Indicated mineral resources. Inferred mineral resources falling within the pits were treated as waste regardless of grade. A \$1,300/oz gold price was selected because it represented a forward-looking, long-term projection of metal price shared by many financial institutions while providing a resource that performed well even if prices remained low.

Probable Mineral Reserves

Deposit	Oxide			Transition			Sulphide			Total		
	Mt	Au g/t	Au koz	Mt	Au g/t	Au koz	Mt	Au g/t	Au koz	Mt	Au g/t	Au koz
GG1	6.5	0.59	123	4.3	0.64	86	-	-	-	10.8	0.61	209
GG2	6.1	1.03	200	1.5	1.47	72	-	-	-	7.6	1.12	272
Kao	9.0	0.89	260	1.9	1.32	80	-	-	-	10.9	0.96	340
Rambo	0.3	1.85	16	0.3	1.97	22	0.3	2.10	20	0.9	1.98	58
Nami	0.5	0.87	16	1.0	0.62	21	1.5	0.70	33	3.0	0.71	70
Total	22.4	0.85	615	9.0	0.97	280	1.8	0.95	53	33.2	0.89	949

The Probable mineral reserves are 67% oxide, 27% transition, and 6% sulphide on the basis of ore tonnage. Cut-off grades varied by pit and material type. The following table identifies the various cutoff grades used to define the Karma Mine Probable mineral reserve.

Karma Mine Cut-off Grades by Deposit and Material Type

		GG1	GG2	Kao	Rambo	Nami
Oxide	Au g/t	0.19	0.23	0.32	0.20	0.20
Transition	Au g/t	0.21	0.26	0.36	0.21	0.21
Sulphide	Au g/t	-	-	-	0.22	0.23

Development Update for Q2 2015:

Overall, the Karma Mine construction is running on budget and on schedule. Full construction activities resumed June 1, 2015 and the Company is on schedule for first gold pour by the end of Q1-2016.

Additional mine development details include:

- Strengthened key development and operational teams. The Company has all the key technical personnel in place to successfully complete the Karma construction and development;
- Procurement is 99% complete;
- Excavation of raw water pond completed;
- Water pipeline from barrage to site 20% complete;
- Excavation of storm water pond is 10% complete;
- Excavation of Pregnant Leach Solution (PLS) pond commenced;
- Stripping of Cell 1 of heap leach pad completed;
- Mine fleet commissioned (six Komatsu 785 trucks, PC 3000 excavator, WA800 loader);
- Assembly of hard rock crusher is 4% complete; and

- Assembly of ADR plant structural steel has commenced.

All exploitation permits are in place to develop the initial five deposits (GG I, GG II, Rambo, Kao and Nami) in accordance with the Karma FS. In accordance with mining regulations, the Government of Burkina Faso retains a 10% free carried interest in the company holding the exploitation permit.

Community

In Q2 2015, the Company, Government of Burkina Faso and representatives of the community of Ramatoulaye signed an agreement in support of the mine. The tripartite agreement assures the operation of the mine in a peaceful climate and benefits all stakeholders. The parties are committed to ensuring the security of properties, people, and ongoing dialogue supporting the construction and operation of the mine. In August 2015, The Community Liaison Committee (CLC) was re-established with over 80 representatives from local villages. The CLC is a key forum for communications in connection with the Karma Mine throughout the local area. The first meeting since the recommencement of construction was held on August 15, 2015, with 80 members attending, including 2 appointed by the Cheik of Ramatoulaye.

Karma Mine: Expansion Potential - North Kao

In March 2014, the Company announced an initial Inferred resource estimate for North Kao at the Karma Mine, potentially adding 1.66 million ounces of gold (47.8 Mt at 1.08 g/t Au) at the Kao deposit - the largest of five deposits within the Karma Mine mine plan as set out in the Karma FS. The North Kao mineral resource estimate is separate from the mineral reserve and updated mineral resource estimate disclosed as part of the Karma FS.

On December 5, 2014 the Company filed a NI 43-101 technical report, entitled “*Technical Report, Updated Resource Estimate and Feasibility Study of the Karma Gold Project, Burkina Faso, West Africa*” effective August 10, 2014, a copy of which is available under the Company’s profile on SEDAR at www.sedar.com (the “PEA”). The North Kao PEA demonstrates that the Karma Mine can potentially be expanded.

North Kao Inferred Mineral Resource Estimate from the PEA:

Deposit	Oxide			Transition			Sulphide			Total		
	Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
North Kao	14.2	0.79	360	2.2	0.89	63	31.4	1.23	1,239	47.8	1.08	1,662

- (1) The Mineral Resource estimate is quoted at the same cut-off grades and economic parameters for the constrained pit optimizations that were used for mineral resources in the updated Karma Technical Report: 0.20 grams per tonne (“g/t”) gold (“Au”) for Oxide, 0.22 g/t Au for Transition and 0.5 g/t Au for Sulphide, and a gold price of \$1,557/oz (refer to NI 43-101 technical report titled “Technical Report and Updated Resource Estimate on the Karma Gold Project, Burkina Faso, West Africa”, dated effective March 13, 2014 a copy of which was filed under the Company’s profile on SEDAR on April 28, 2014).
- (2) Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
- (3) The quantity and grade of reported Inferred mineral resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred mineral resources as an Indicated or Measured mineral resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured mineral resource category.
- (4) The mineral resources in this MD&A were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.

As North Kao results represent a significant new resource at the Karma Mine, True Gold completed a PEA to evaluate the potential economic impact of increasing the Karma mine life by processing the leachable (oxide) portion of North Kao at the end of the original mine life. The North Kao PEA confirms that North Kao has the potential to be economically viable. Further, the North Kao PEA demonstrates the potential to extend the 8.5 year mine life outlined in the Karma FS. North Kao will generate an additional \$118 million in after-tax free cash flow to the Karma Mine. As a result of its high gold grades, low capital costs, and synergies to be realized by utilizing infrastructure from the original development at the Karma Mine, North Kao yields an after-tax IRR of over 200%. North Kao adds approximately \$70 million to Karma’s after-tax net present value. If the North Kao Inferred resources are converted to a higher resource

category, the Company will optimize the Karma FS mine plan by mining North Kao concurrently with Kao. However, there is no certainty that the North Kao inferred resources will be converted to reserves.

North Kao PEA highlights Include¹:

North Kao PEA – Highlights	
Gold price	\$1,250/oz Au
Inferred Resources	9.9 Mt @ 0.98 g/t containing 312,000 oz Au
Production	118,000 oz Au/year on average over 2.5-year mine life
Initial CAPEX	\$17.7M (including contingency)
Cumulative After-tax Cash Flows	\$118.6M
NPV @ 5% (after tax)	\$69.6M (discounted from 2022-2026)
IRR (after tax)	213%
Payback (after tax)	~ 5 months
All-in Sustaining Cash Costs²	\$652/oz

- 1) The economic highlights throughout this MD&A represent True Gold’s effective interest in the North Kao deposit, after allowing for the Burkina Faso Government’s carried interest and all government and third-party royalties. It is presented on an unlevered basis. The PEA is preliminary in nature and is based on Inferred resources which are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty the results of the PEA will be realized. *Refer to Inferred resources captured in PEA.
- 2) Includes operating costs, refining and royalties, plus sustaining capital.

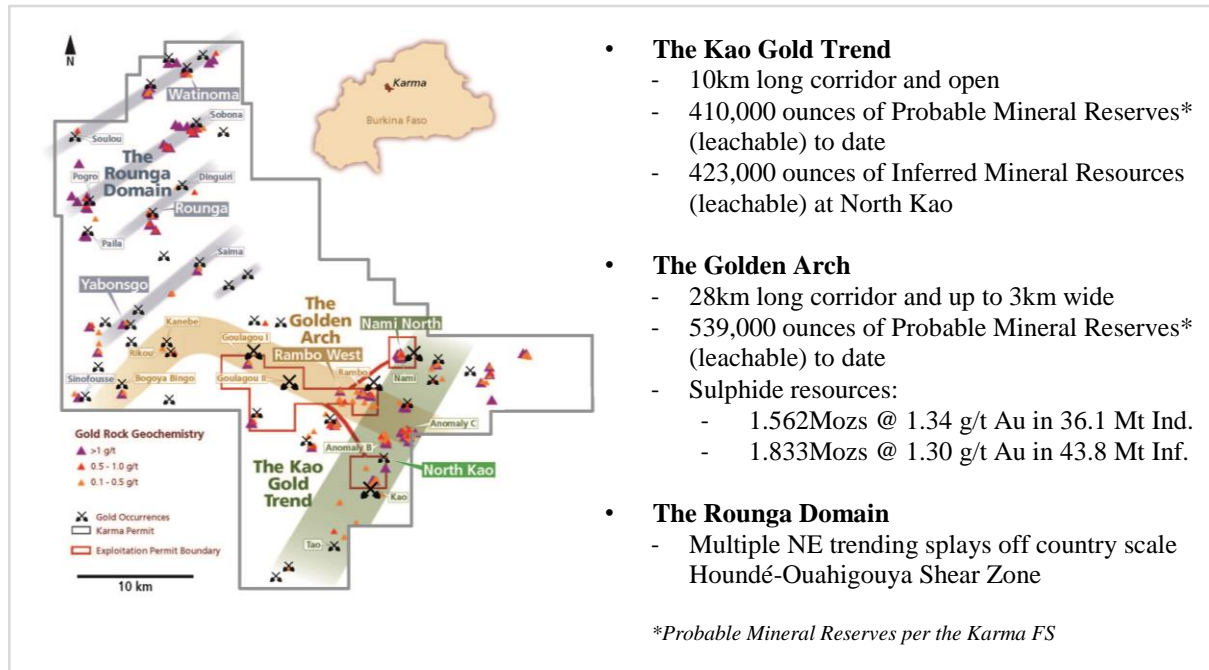
More information on the North Kao PEA can be found in our October 21, 2014 press release available on SEDAR at www.sedar.com and our website www.truegoldmining.com.

Karma Mine: Exploration Potential

True Gold’s exploration successes in recent discoveries demonstrates the potential to add additional open-pit leachable material at the Karma Mine for potential mine life extensions or incremental throughput expansions. North Kao represents just one of the six new discoveries made since 2013 (Refer to ‘Karma Mine: Expansion Potential - North Kao’ section above for further details).

Over the past two years, True Gold has identified new targets and expanded existing targets. Fieldwork has provided further guidance on prioritizing an additional 35 drill-ready targets within three major gold trends (refer to Figure 2) with an aggregate strike length in excess of 100 kilometres.

Figure 2. Karma Mine – Gold Trends & Camp Potential



Kao Gold Trend Targets

In 2014 True Gold tested proximal extensions of the Nami deposit, as well as more distal gold occurrences within the Kao Gold Trend. At Nami, a 20 line-km IP survey defined numerous chargeability and resistivity anomalies coincident with the existing intrusive-hosted resource and outlying geochemistry from soil, rock and RAB sampling. These anomalies were tested with 1,800 metres of RC drilling (9 holes) and 1,990 metres of core drilling (13 holes). The results, including 29.5 g/t Au over 6.0 metres (hole RMB14RC-115), have outlined a 250 metre extension, along a north trending corridor 150 metres wide.

Golden Arch Targets

The strong continuity of the Golden Arch structure, mineralization style, and known gold occurrences within the trend identify it as a key target area. An 82 line-km IP survey completed in 2013 (see NI43-101 dated Dec 17, 2013) along the trend has provided valuable insight into the internal architecture of the deformation corridor and highlighted key target areas internal to the deformation corridor, including extensions to GG2 and Rambo.

Rounga Domain Targets

Due to the past focus on the Karma development area to the south, less attention has been paid to this area, which has higher grade occurrences. Previous investigations were limited to rock and soil sampling, along with RAB drilling and local RC and core drill testing. In 2014, detailed mapping and structural analysis together with several broad swaths of soil and IP surveys were used to further refine drill targets in key areas.

Liguidi Project

The Liguidi Project is located in east-central Burkina Faso, near the village of Liguidi-Malguem, approximately 125 kilometres south-east of the capital city, Ouagadougou and approximately 250 kilometres southeast of the Karma Mine. The Liguidi project is comprised of one exploration permit that covers 168 square kilometres. Cumulative exploration results indicate a widespread, in-situ near-surface gold system.

Since the first drilling program on the property in 2005, cumulative drilling totals more than 6,200 metres in 47 RC holes.

SELECTED FINANCIAL INFORMATION

Management is responsible for the Interim Financial Statements referred to in this MD&A, and provides officers' disclosure certifications filed with the Canadian provincial securities commissions. The Audit Committee of the Company's Board of Directors (the "Board") has reviewed and approved the Interim Financial Statements and MD&A.

The Interim Financial Statements have been prepared in accordance with International Accounting Standards ("IAS 34"), 'Interim financial reporting', and should be read in conjunction with True Gold's audited consolidated financial statements for the year ended December 31, 2014 (the "Annual Financial Statements"), which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Our significant accounting policies are presented in Note 4 of the Annual Financial Statements. The presentation currency of the Annual Financial Statements is Canadian dollars ("C\$"). Effective January 1, 2015, the Company changed its presentation currency to the United States dollar. The change in presentation currency is to better reflect the Company's business activities and to improve investors' ability to compare the Company's financial results with other publicly traded businesses in the mining industry. Prior to January 1, 2015, True Gold presented its consolidated statements of financial position and related consolidated statements of loss and comprehensive loss, statements of changes in shareholders' equity and cash flows in Canadian dollars. Refer to Note 4 of the Interim Financial Statements for further details.

The financial data presented below for the current and comparative periods was prepared in accordance with IFRS.

The Company's operations are in one industry, the exploration for and development of gold projects; and was in the development stage at June 30, 2015. True Gold has two geographic locations: Canada and Burkina Faso, where the majority of spending, activity and employees are based. Information discussed herein reflects the Company as a consolidated entity, consistent with our determination that the one industry in which we operate provides the most meaningful information to a user.

The selected period information and summary of financial results in this MD&A should be read in conjunction with the Interim Financial Statements and Annual Financial Statements.

Results of Operations

The following financial data (in millions, except per share data) are derived from our condensed interim consolidated financial statements for the three and six months ended June 30, 2015 and 2014 respectively.

	Three months ended		Six months ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Total revenues	\$ -	\$ -	\$ -	\$ -
Net loss for the period	\$ (4.2)	\$ (6.1)	\$ (11.1)	\$ (10.0)
Basic and diluted loss per share	\$ (0.01)	\$ (0.02)	\$ (0.03)	\$ (0.03)

Three months ended June 30, 2015 vs. three months ended June 30, 2014

At June 30, 2015, the Company was in the development stage and therefore, does not have revenues from operations. For the three months ended June 30, 2015, we reported a net loss of \$4.2 million, compared to a net loss of \$6.1 million for the three months ended June 30, 2014. Operating expenses totalled \$1.8 million for the three months ended June 30, 2015 down 70% from \$6.3 million a year earlier. The principle reason for the change was a decrease in exploration and evaluation expenditures in the amount of \$4.3 million as the Company was focused on development work on the Karma Mine.

Salaries and benefits and Office and general

In the 3 month period ended June 30, 2015, True Gold recorded \$0.6 million (2014: \$0.5 million) to salaries and benefits. In the 3 month period ended June 30, 2015, True Gold recorded \$0.4 million (2014: \$0.4 million) as office and general expenses. There was no significant change in these expenses in comparison with the comparative period.

Exploration and evaluation expenditures

In the 3 month period ended June 30, 2015, True Gold recorded \$0.2 million (2014: \$4.5 million) to exploration and evaluation expenditures. The decrease over the comparative period was due to reduced exploration activity in the current period as the Company focused on development work at the Karma Mine.

Stock-based compensation

In the 3 month period ended June 30, 2015, True Gold recorded \$0.3 million (2014: \$0.1 million) to stock-based compensation. The increase over the comparative period was due to the timing of the vesting and granting of stock options, as well as the vesting of Share Appreciation Rights (“SAR”) and Restricted Share Units (“RSU”) which were not issued in the comparative period.

Professional fees and Travel and accommodation

In the 3 month period ended June 30, 2015, True Gold recorded \$0.1 million (2014: \$0.4 million) to professional fees. In the 3 month period ended June 30, 2015, True Gold recorded \$0.1 million (2014: \$0.2 million) to travel and accommodation. The decrease over the comparative period of these items was due to cost-saving measures and resulted in decreases in advisory fees, travel related to investor relations activity and general corporate business travel to Burkina Faso.

Non-recurring costs during suspension of operations

In the 3 month period ended June 30, 2015, True Gold recorded \$0.5 million (2014: \$nil) in non-recurring charges related to certain activity during the temporary suspension of operations at the Karma Mine. As this activity was not directly attributable to bringing the Karma Mine into commercial production, the related costs have been expensed.

Gain on foreign exchange

The gain on foreign exchange consists of the impact of direct foreign exchange on translation of foreign denominated monetary items and timing differences on recording and payment of foreign denominated transactions. For the three months ended June 30, 2015 the impact of foreign exchange were gains of \$0.3 million (2014: \$0.0 million).

Change in fair value of financial liability

In the 3 month period ended June 30, 2015, True Gold recorded a \$2.2 million (2014: \$nil) loss to change in fair value of financial liability. This loss occurred predominately as a result of a slight delay in timing of funding draws in the fair value calculation of the financial liability portion of the Gold Purchase and Sale Agreement with Franco-Nevada and Sandstorm (the “Agreement”).

Six months ended June 30, 2015 vs. six months ended June 30, 2014

At June 30, 2015, the Company was in the development stage and therefore, does not have revenues from operations. For the six months ended June 30, 2015, we reported a net loss of \$11.1 million, compared to a net loss of \$10.0 million for the six months ended June 30, 2014. Operating expenses totalled \$4.2 million for the six months ended June 30, 2015 down 61% from \$10.6 million a year earlier. The principle reason for the change was a decrease in exploration and evaluation expenditures in the amount of \$5.4 million as the Company was focused on development work on the Karma Mine.

Salaries and benefits

In the six month period ended June 30, 2015, True Gold recorded \$1.6 million (2014: \$1.2 million) to salaries and benefits. The increase over the comparative period was primarily a result of \$0.3 million in severance costs incurred in the current period.

Office and general, Professional fees, and Travel and accommodation

In the six month period ended June 30, 2015, True Gold recorded \$0.8 million (2014: \$1.3 million) as office and general expenses. In the six month period ended June 30, 2015, True Gold recorded \$0.3 million (2014: \$0.5 million) to professional fees. In the six month period ended June 30, 2015, True Gold recorded \$0.3 million (2014: \$0.5 million) to travel and accommodation. The decrease over the comparative period of these items was due to cost-saving measures including a decrease in consulting fees and in travel related to investor relations activity and general corporate business travel to Burkina Faso.

Exploration and evaluation expenditures

In the six month period ended June 30, 2015, True Gold recorded \$0.7 million (2014: \$6.1 million) to exploration and evaluation expenditures. The decrease over the comparative period was due to significantly reduced exploration activity in the current period as the Company was focused on development work on the Karma Mine.

Impairment

In the six month period ended June 30, 2015, True Gold recorded \$5.1 million (2014: \$nil) in impairment charges related to equipment and site infrastructure damaged during a demonstration at the Karma Mine in January 2015.

Non-recurring costs during suspension of operations

In the six month period ended June 30, 2015, True Gold recorded \$1.2 million (2014: \$nil) in non-recurring charges related to certain activity during the temporary suspension of operations at the Karma Mine. As this activity was not directly attributable to bringing the Karma Mine into commercial production, the related costs have been expensed.

Recovery of insurance proceeds

In the six month period ended June 30, 2015, True Gold accrued \$1.5 million (2014: \$nil) in insurance proceeds receivable related to the equipment and site infrastructure damaged during a demonstration at the Karma Mine.

Gain on foreign exchange

The gain on foreign exchange consists of the impact of direct foreign exchange on translation of foreign denominated monetary items, the impact of direct foreign exchange on translation of USD treasury balances of our operations with a non-USD functional currency during the quarter ended March 31, 2015 and timing differences on recording and payment of foreign denominated transactions. For the six months ended June 30, 2015 the impact of foreign exchange were gains of \$1.2 million (2014: \$0.3 million).

Change in fair value of financial liability

In the six month period ended June 30, 2015, True Gold recorded a \$2.9 million (2014: \$nil) loss to change in fair value of financial liability. This loss occurred predominately as a result of a slight delay in timing of funding draws and reduced future gold price inputs in the fair value calculation of the financial liability portion of the Gold Purchase and Sale Agreement with Franco-Nevada and Sandstorm (the "Agreement").

Change in fair value of financial assets

In the six month period ended June 30, 2015, True Gold recorded \$0.5 million (2014: \$0.0 million) in reduction in fair value of financial assets related to common shares the Company holds in Paget Minerals Corp. ("Paget"). At March 31, 2015, management assessed the Paget common shares to be impaired and as such has written off the book value. The \$0.5 million loss on fair value of financial assets includes \$0.5 million of prior year losses that were re-classified from accumulated other comprehensive loss to the statement of loss.

Other comprehensive loss

In the six month period ended June 30, 2015, the Company recorded \$5.1 million (2014 - \$1.1 million other comprehensive income) to other comprehensive loss comprised of: (i) currency translation adjustments; and (ii) reclassification of fair value losses on impairment of the Paget common shares (Refer to "Change in fair value of financial assets" section above). The loss from currency translation consists of the impact of exchange gains and losses from exchange differences on the translation of our operations with a non-USD functional currency during the quarter ended March 31, 2015. For the three months ended March 31, 2015 the impact of foreign exchange were losses of \$5.5 million. The impact from exchange differences will vary from period to period depending on the rate of exchange. As at June 30, 2015, all of the Company's legal entities have a USD functional currency. Therefore, there is no further impact of foreign exchange in other comprehensive loss subsequent to the quarter ended March 31, 2015.

Financial Position

The following financial data (in millions) are derived from our financial statements as at June 30, 2015, and as at December 31, 2014:

	June 30, 2015	December 31, 2014
Total assets	\$ 96.7	\$ 110.1
Non-current liabilities	\$ 37.4	\$ 42.0
Cash dividends declared	\$ -	\$ -

Total assets

Total assets as at June 30, 2015 have decreased since December 31, 2014 by \$13.4 million to \$96.7 million, mainly due to a decrease in total cash and short term investments reflecting cash outflows from operations through the six month period ended June 30, 2015. This was offset by the capitalization of development costs related to the Karma Mine net of an impairment charge related to assets damaged during the demonstration at the Karma Mine.

Non-current liabilities

In the year ending December 31, 2014 the Company entered into a \$100-million definitive Agreement with Franco-Nevada and Sandstorm to complete funding for the construction of the Karma Mine. In exchange for \$100-million in funding, True Gold is obligated to deliver 100,000 ounces of gold over five years, and thereafter 6.5% of equivalent production at the Karma Mine. In addition, True Gold holds sole option to increase funding by up to \$20-million during the first 18 months following the date of the execution of the Agreement. As at June 30, 2015, the Company has drawn down \$57.7M under the Agreement. At June 30, 2015, \$7.5 million of the fair value of the financial liability through profit and loss is classified as a current liability with the remaining balance of \$37.4 million classified as a non-current liability. During the period ended June 30, 2015 the Company recorded a loss on the change in fair value of the liability of \$2.9 million.

Shareholders' equity

During the six month period ended June 30, 2015, the Company granted 8,090,000 stock options. The weighted average fair value of the options granted was C\$0.10 per option, determined using the Black-Scholes option pricing model (refer to Note 15 of the Interim Financial Statements for the inputs used in the model).

During the six month period ended June 30, 2015, the Company granted under the terms of the DSU Plan and RSU Plan 170,000 DSUs to directors of the Company with a fair value of C\$0.20 per unit, and 680,000 RSUs to officers and employees of the Company, of which 35,000 have expired, with a weighted average fair value of C\$0.21 per unit. The DSUs and RSUs value is based on the market value of the underlying shares at the date of issuance.

Refer to the discussion in this MD&A under the heading "*Outstanding Share Data*". The Company has not declared any dividends since incorporation.

Summary of Quarterly Results

The following information (in thousands of \$, except per share amounts) is prepared in accordance with IFRS and is derived from and should be read in conjunction with, our unaudited condensed interim consolidated financial statements for each of the past eight quarters, as well as the Annual Financial Statements.

Condensed statements of income (loss) and comprehensive income (loss)	IFRS			
	June 30, 2015	Mar 31, 2015	Dec 31, 2014	Sept 30, 2014
Continuing Operations				
Total revenue	\$ -	\$ -	\$ -	\$ -
Net income (loss) for the period	(4,170)	(6,947)	(2,785)	(2,748)
Other comprehensive income (loss)				
Other comprehensive income (loss) for the period	-	(5,058)	(2,307)	(3,371)
Income (loss) per share from continuing operations				
Basic and diluted	\$ (0.01)	\$ (0.02)	\$ (0.01)	\$ (0.01)
Condensed statements of income (loss) and comprehensive income (loss)	June 30, 2014	Mar 31, 2014	Dec 31, 2013	Sept 30, 2013
Continuing Operations				
Total revenue	\$ -	\$ -	\$ -	\$ -
Net income (loss) for the period	(6,078)	(3,899)	(9,600)	(7,555)
Other comprehensive income (loss)				
Other comprehensive income (loss) for the period	2,544	(1,471)	(1,331)	2,149
Income (loss) per share from continuing operations				
Basic and diluted	\$ (0.02)	\$ (0.01)	\$ (0.04)	\$ (0.03)

LIQUIDITY AND CAPITAL RESOURCES

At June 30, 2015, True Gold had cash of \$23.0 million, \$0.2 million of short term investments and \$1.4 million in restricted cash. Total working capital as at June 30, 2015 was \$14.2 million. At June 30, 2015, the Company had drawn down \$57.7 million of its \$100.0 million stream financing provided by Franco-Nevada and Sandstorm. Subsequent to June 30, 2015, the Company had drawn down an additional \$14.0 million of its \$100.0 million stream financing, bringing the total drawn under the stream financing to \$71.6 million. The Company does not generate any cash flows from operations and earns minimal investment income on surplus funds and on the occasional disposition of an exploration asset.

On an ongoing basis, management evaluates and adjusts its planned level of activities, including planned exploration, development, permitting activities, and committed administrative costs, to ensure that adequate levels of working capital are maintained. Management believes that this approach, given the relative size of True Gold, is reasonable. At the date of this MD&A, we have approximately \$30.5 million in cash and short term investments and \$48.4 million in undrawn available funds under the Agreement.

The properties in which we currently have interests are in the exploration and development stages; accordingly, we are dependent on external financing to fund our activities. In order to carry out planned exploration, planned development, permitting activities, and pay for administrative costs, we will spend our existing working capital, draw down on current facilities, and raise additional amounts as needed. Circumstances that could impair our ability to raise additional funds, or our ability to undertake transactions are discussed in our current AIF under the heading “*Risk Factors*” therein. The AIF has been filed with the applicable Canadian securities regulatory authorities and is available under the Company’s profile on SEDAR at www.sedar.com. There is no assurance that we will be able to raise the necessary funds through capital raisings in the future.

We have not declared or paid any dividends and management does not expect this will change in the near future.

Contractual Obligations

Gold Purchase and Sale Agreement

On August 11, 2014, the Company entered into the \$100-million Agreement to complete funding for the construction of the Karma Mine. Key terms, conditions and commitments under this facility are disclosed in Note 12 of the June 30, 2015 Interim Financial Statements.

The Company's obligation to deliver gold under the Agreement is secured by shares of True Gold's subsidiaries (excluding True Gold) and the material assets of its subsidiaries which are connected to the Karma Mine.

Karma Mine

True Gold has entered into a number of contractual commitments for items related to the development of the Karma Mine. At June 30, 2015, these commitments totalled \$11.2 million, \$6.6 million of which are expected to be incurred during 2015.

Management and Technical Services Agreement

The Company has entered into a Management and Technical Services Agreement (the "Oxygen Agreement") with Oxygen Capital Corp. ("Oxygen"), a private company owned by two directors and an officer of the Company as well as another individual. Refer to 'Related Party Transactions' section below for further details.

Indemnifications

As described in our AIF, True Gold is party to certain agreements giving rise to certain indemnifications for losses suffered or incurred by the counterparty to such agreements. There have been no claims or notices in regard to any such indemnifications.

Leases

The Company is party to operating leases for office premises in Canada. This includes an operating lease for shared office premises the Company occupies with Oxygen. Refer to Note 17 of the Interim Financial Statements for further details.

Total commitments, including for the Karma Mine and total future minimum lease payments, under non-cancellable operating leases as at June 30, 2015 are as follows:

Year		Karma Project		Net Lease Amounts		Total
2015	\$	6,594,129	\$	192,024	\$	6,786,153
2016		4,576,223		333,347		4,909,570
2017		-		240,598		240,598
2018		-		217,001		217,001
2019+		-		1,113,309		1,113,309
	\$	11,170,352	\$	2,096,279	\$	13,266,631

INDUSTRY AND ECONOMIC FACTORS THAT MAY AFFECT OUR BUSINESS

Industry and economic risk factors that may affect our business, in particular those that could affect our liquidity and capital resources, are substantially unchanged from those described under the heading "Risk Factors" in our AIF, available on True Gold's SEDAR profile at www.sedar.com. In particular, there remain significant uncertainties in capital markets impacting the availability of equity financing for the purposes of mineral exploration and development in addition to uncertainties with respect to operating in a foreign jurisdiction. There are also significant uncertainties and increased volatility in the prices of gold, copper, other precious and base metals and other minerals. Gold price declined by approximately 2% during the quarter. Economic headlines were dominated by the ongoing Greek crisis, although concerns were not sufficiently elevated to drive significant safe haven buying of gold. The strong U.S. dollar also acted as a headwind for commodities across the spectrum, and it is likely that gold has also been fulfilling its function as a source of liquidity for certain parties connected to the situation in Greece. According to certain market commentators, despite continuing tentative signs of a U.S recovery, aggregate global inflation and interest rates are likely to remain low for the foreseeable future. As an expected low cost producer, True

Gold believes it is well positioned both to operate in a lower gold price environment and to take advantage of higher prices in the gold market.

On October 30, 2014, civil unrest broke out in Ouagadougou and in another major city in Burkina Faso. On the following day, the incumbent president, Blaise Compaoré resigned, and both the national assembly and the government were dissolved. An interim leader has been appointed and a transitional government has been established and will remain in place until the next election in 2015. The Company continues to closely monitor the situation in Burkina Faso.

In early January 2015, True Gold suspended operations at Karma following a demonstration at the site. The demonstration, largely comprised of illegal miners, resulted in damage to equipment, supplies and one of the Company's office buildings. True Gold estimated the equipment and site damages to be approximately \$6.1 million, of which approximately \$1.5 million has been recovered through various insurance policies.

In May 2015, the Company resumed construction activity at the Karma Gold Project in Burkina Faso.

True Gold and the Government of Burkina Faso will continue extensive communication and discussion with community leaders through the recently reconstituted Community Liaison Committee. True Gold is engaged with diverse working groups that include leaders from government, traditional authorities, religious groups, and local business.

On April 20, 2015 the Governments of Canada and Burkina Faso signed a foreign investment promotion and protection agreement ("FIPA") that ensures fair treatment for investors and creates a more predictable and transparent business environment through reciprocal, legally binding provisions. The FIPA sets out clear rules governing investment relations, including in the areas of dispute resolution and protection against discriminatory and arbitrary practices, giving businesses greater confidence to invest.

While the decrease in the price of gold and ongoing uncertainties in capital markets do not have a direct impact on the Company's ability to carry out exploration and development, the Company may be impacted should it become more difficult to gain access to capital (e.g. possible debt or equity financing for the purposes of mineral exploration and development) when and if needed. Difficulty in accessing capital on favourable terms may limit the Company's ability to develop and/or further explore and develop the mineral properties in which we have an interest. Further, fluctuations in the CFA (the West African currency in which the Company incurs a portion of its operating costs) against the Canadian and US dollar will impact the rate at which the Company's treasury is expended.

The specific risks noted in our AIF, may limit the Company's ability to develop and/or further explore its mineral property interests.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Risks Associated with Financial Instruments

We are exposed in varying degrees to a variety of financial instrument related risks. The Board provides oversight of our 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 that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's credit risk is primarily attributable to its liquid financial assets. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The Company's secondary exposure to risk is on its receivables. The maximum exposure to the secondary risk is the value of the receivables account.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages its capital with planning and budgeting in order to meet short term business requirements, by taking into account cash flows from operations, expected capital expenditures and the Company's holdings of cash and cash equivalents. The Company may from time to time issue additional shares to ensure there is sufficient capital to meet long term objectives. The Company's current financial liabilities consisting of trade payables and accrued liabilities that are normally payable within a 30 day period and are expected to be funded from

cash held. True Gold’s non-current financial liabilities consist of the Agreement with Franco-Nevada and Sandstorm, which will be payable through the scheduled delivery of 100,000 ounces of gold. The Company is required to deliver 20,000 ounces of gold each year commencing March 31, 2016. The cash flows arising from the liability are forecasted at each reporting period based on management’s best estimates of the time of delivery of payable gold, the total amount of gold expected to be produced over the mine life, the timing of production, the forecasted gold prices and discount rate.

Currency Risk

The results of the Company’s operations are exposed to currency fluctuations. Historically, the Company has raised funds primarily in Canadian dollars. As at June 30, 2015, True Gold has drawn down \$57.7 million in US dollars of the Deposit from the Agreement with Franco-Nevada and Sandstorm. The Company’s exposure to the CFA relates to mineral property expenditures. The fluctuation of the US dollar in relation to the CFA and the Canadian dollar will consequently have an impact upon the financial results of the Company. A 1% increase or decrease in the exchange rate of the US dollar against the Canadian dollar would result in a \$124,000 increase or decrease respectively, in the Company’s cash balance. Management has not entered into any derivative contracts to manage foreign exchange risk at this time.

Interest Rate Risk

Interest rate risk refers to the risk that future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk with respect to its investments in cash, restricted cash, and short term investments which include deposits at variable interest rates. This risk is considered minimal.

Commodity Price Risk

Commodity Price risk is the risk that the fair value of future cash flows of the Company’s financial instruments will fluctuate because of changes in market prices. Future profitability of the Company will depend on gold prices. Metal prices are affected by numerous factors such as the sale or purchase of gold by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuations in the value of the US dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major producing countries throughout the world. Management has not entered into any derivative contracts to manage commodity price risk at this time.

OFF BALANCE SHEET ARRANGEMENTS

True Gold has no off balance sheet arrangements other than as disclosed in the “*Contractual Obligations*” section herein.

RELATED PARTY TRANSACTIONS

Details of transactions between the Company and its related parties are disclosed below.

Compensation of key management personnel

Key management includes members of the Board and executive officers of the Company. The aggregate compensation paid, or payable to key management for employee services is shown below:

	Six months ended	
	June 30, 2015	June 30, 2014
Salaries and other short-term employee benefits	\$ 1,520,384	\$ 1,324,675
Stock-based compensation	339,330	497,517
Total	\$ 1,859,714	\$ 1,822,192

Trade payables and accrued liabilities include vacation and director fees payable to certain officers and directors in the amount of \$130,141 at June 30, 2015 (December 31, 2014 - \$617,374).

The Company has committed to deferred compensation to certain officers, payment of which is conditional upon attaining certain future milestones.

Oxygen Capital Corp.

The Company is party to the Oxygen Agreement with Oxygen, a privately held management services company owned by certain directors of True Gold. Oxygen provides services to the Company at cost

including staffing, office rental and other administrative functions. The Oxygen Agreement calls for True Gold to reimburse Oxygen for its share of office costs and salaries and wages of Oxygen employees for time spent by Oxygen personnel on projects and activities of True Gold. As part of the Oxygen Agreement, the Company provided a long-term security deposit amounting to \$334,614 (December 31, 2014 - \$356,401), equal to an estimated three months of services. The long-term security deposit will be applied to the last invoice under the Oxygen Agreement, with any remaining amount being refunded to True Gold. The Company incurred expenses with Oxygen as follows:

	Note	Six months ended	
		June 30, 2015	June 30, 2014
Management services	(i)	\$ 812,974	\$ 853,024

(i) The total amount included in management services includes:

		Six months ended	
		June 30, 2015	June 30, 2014
Salaries and benefits	\$	421,475	\$ 291,283
Exploration and evaluation expenditures		122,186	292,723
Office and general		225,960	246,531
Other		43,353	22,487
Total	\$	812,974	\$ 853,024

Amounts due to Oxygen as at June 30, 2015 are \$103,206 (December 31, 2014 - \$294,442).

PROPOSED TRANSACTIONS

As is typical of the mineral exploration and development industry, we are continually reviewing potential merger, acquisition, investment and joint venture transactions and opportunities that could enhance shareholder value. We are also continually reviewing and discussing opportunities with third parties regarding the sale of nonstrategic properties in our portfolio. There is no guarantee that any contemplated transaction will be concluded.

With the exception of ongoing reviews of opportunities to expand our property portfolio in Burkina Faso, there are no proposed asset or business acquisitions or dispositions before the Board for consideration, other than those discussed in this MD&A and those in the ordinary course. While we remain focused on our plans to continue exploration and, if warranted, the development on our material properties, should we enter into agreements in the future on new properties, we may be required to make cash payments and complete work expenditure commitments under those agreements.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning True Gold's capitalized or expensed exploration costs and general and administration costs is provided in the Company's Annual Financial Statements.

CHANGES IN ACCOUNTING POLICIES & NEW ACCOUNTING PRONOUNCEMENTS

For information on the Company's accounting policies and new accounting pronouncements, please refer to our disclosure in our Annual Financial Statements, at Notes 4, 5, 7 and disclosure in our Interim Financial Statements, at Note 4.

LEGAL MATTERS

True Gold is not currently, and has not at any time during our most recently completed reporting period been a party to, nor has any of its property been the subject of, any material legal proceedings or regulatory actions. True Gold does respond to periodic queries from regulators and may incur professional fees in responding to such requests.

OUTSTANDING SHARE DATA

True Gold's authorized capital is unlimited common shares without par value. There are 398,841,229 common shares, 25,845,935 options to purchase common shares, 170,000 deferred share units, and 645,000 restricted share units outstanding as at the date of this MD&A.

SUBSEQUENT EVENTS NOT OTHERWISE DESCRIBED HEREIN

Subsequent to June 30, 2015, the Company granted 400,000 stock options to a director and an employee to purchase common shares at an exercise price of \$0.22 per option, expiring July 9, 2020. The Company also granted 200,000 SAR to an employee of the Company. The SAR expire on February 28, 2017.

APPROVAL

The Audit Committee has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it of us, and will be posted to our website at www.truegoldmining.com.

ADDITIONAL INFORMATION

For further information regarding True Gold, refer to True Gold's filings with the Canadian securities regulatory authorities available under True Gold's company profile on SEDAR at www.sedar.com.

CAUTIONARY NOTES REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking statements" and "forward-looking information" within the meaning of applicable securities legislation, concerning the business, operations and financial performance and condition of the Company. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may constitute forward-looking statements. Often, but not always, forward-looking statements and forward-looking information can be identified by words such as "pro forma", "plans", "expects", "may", "should", "could", "will", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", or variations including negative variations thereof of such words and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved.

Forward-looking statements contained in this MD&A include statements with respect to:

- expectations regarding the potential mineralization, geological merits and economics of the Karma Project;
- the Company's goals regarding development of the Karma Mine and regarding raising capital and conducting further exploration and development of its projects;
- the Company's proposed plans for advancing its projects, including drilling and other exploration work;
- expectations regarding the continuity of mineral deposits, including in relation to adjacent or other properties (including producing or past-producing properties) that are in the vicinity or same region as the Company's projects;
- expectations regarding any environmental issues that may affect planned or future exploration programs;
- mineral exploitation and exploration program cost estimates;
- statements with respect to the future price of gold and other metals;
- timing and completion of geological studies and reports;
- receipt and timing of the Karma Mine exploitation permits and other third party approvals; and
- government regulation of mineral exploration and development operations in Burkina Faso.

Estimates of mineral resources and mineral reserves may also constitute forward-looking statements and information in that they represent estimates of mineralization that may be encountered if mining is commenced, and/or economic viability of such mineralization.

Forward-looking statements and forward-looking information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements or forward-looking information, including but not limited to: (i) political

developments in Burkina Faso, whether generally or in respect of the mining industry specifically, which may not be consistent with the Company's current expectations, (ii) risks related to the potential spread of the Ebola virus into Burkina Faso, (iii) the Company's expectations in connection with the projects, exploration programs and development plans discussed herein being met, (iv) the impact of general business and economic conditions, global liquidity and credit availability on the timing of cash flows and the values of assets and liabilities based on projected future conditions, fluctuating metal prices and currency exchange rates (such as the West African CFA franc versus the Canadian Dollar), (v) the viability and development of the Karma Mine on a basis consistent with the Company's current expectations including variations in rates of anticipated recovery, (vi) changes in project parameters as plans continue to be refined, (vii) changes in project development, construction, production and commissioning time frames, (viii) the possibility of project cost overruns or unanticipated costs, expenses and delays, (ix) higher prices for fuel, steel, power, labour and other consumables contributing to higher costs, (x) general risks of the mining industry, (xi) failure of plant, equipment or processes to operate as anticipated, (xii) unanticipated results of future studies, (xiii) costs and timing of the development of new deposits, (xiv) success of exploration and drilling activities, (xv) risks and uncertainties relating to the interpretation of drill results and other exploration data, and the geology, grade and continuity of mineral deposits, (xvi) the possibility that future exploration results will not be consistent with the Company's expectations, (xvii) risks related to metallurgical characteristics of mineralization contained within the Company's properties which may not be fully determined, (xviii) potential delays in completion of geological reports (including preliminary economic assessments, pre-feasibility and feasibility studies), or that the contents of geological reports will not be consistent with the Company's expectations, (xix) permitting time lines, (xx) government regulation and the risk of government expropriation or nationalization of mining operations, (xxi) unanticipated environmental risks, (xxii) the continued employment of key employees, (xxiii) failure to raise adequate capital to meet obligations, (xxiv) insurance and tax risks, (xxv) uncertainties related to the Company's relationship with communities that surround its properties in Burkina Faso, (xxvi) risks related to the Funding Agreement, including the Company's ability to meet its scheduled delivery obligations, (xxvii) risks related to the impact of inclement weather and climate conditions on the Company's properties, and (xxviii) general risks and uncertainties related to the Company's prospects, properties and business strategy. Additional factors are discussed in the section entitled "Risk Factors" in the Company's AIF which is available under the Company's profile on the SEDAR website at www.sedar.com and those set forth in this MD&A under the heading "Industry and Economic Factors that May Affect Our Business". Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended.

These forward-looking statements are based on certain assumptions which the Company believes are reasonable, including that:

- that general business and economic conditions remain stable;
- continuing demand for, and stable or improving price of gold;
- receipt of regulatory and governmental approvals permits, and renewals in a timely manner;
- that the Company will receive additional drawdowns under the Funding Agreement;
- that the Company will meet its delivery obligations and other requirements under the Funding Agreement;
- the Company's ability to achieve production at any of the Company's mineral exploration and development properties;
- estimated capital costs, operating costs, production and economic returns will remain stable;
- estimated metal pricing, metallurgy, mineability, marketability and operating and capital costs, together with other assumptions underlying our resource and reserve estimates;
- assumptions made in the interpretation of drill results, the geology, grade and continuity of the Company's mineral deposits;
- that the Company will not experience any material accident, labour dispute or failure of plant or equipment or other material disruption in the Company's planned exploration programs;
- the availability of financing for development and exploration activities on reasonable terms;
- the Company's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the Company will be able to attract and retain skilled personnel and directors;
- the Company's ability to develop adequate infrastructure and that the cost of doing so will be reasonable;

- the Company's activities will not be adversely disrupted or impeded by development, operating or regulatory risks;
- that the mineral resource estimate as disclosed in the Karma FS will be realized;
- that there are no material unanticipated variations in the cost of energy or supplies, or in the pre-production capital and operating cost estimate as disclosed in the Karma FS; and
- the Company's ability to continue operating the Karma Mine.

Assumptions relating to the potential mineralization on the Company's Karma Mine are discussed in the Karma FS (defined below), in respect thereof which is available under the Company's profile on the SEDAR website at www.sedar.com.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems to be immaterial, may also materially and adversely affect the Company's business and prospects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update any of the forward-looking statements or forward-looking information on this MD&A, other than as may be required by applicable laws.

NATIONAL INSTRUMENT 43-101 COMPLIANCE

Unless otherwise indicated, information that is of a scientific or technical information regarding in this MD&A (the "Technical Information") the Karma Mine is derived from the Karma FS technical report entitled "*Technical Report, Updated Resource Estimate and Feasibility Study of the Karma Gold Project, Burkina Faso, West Africa*" effective December 17, 2013 and executed on January 27, 2014 prepared by independent consultants and 'qualified persons' under NI 43-101, Eugene Puritch, P.Eng., Richard Sutcliffe, Ph.D., P. Geo., Antoine Yassa, P.Geo., Ismail Mahomed Pr. Sci. Nat., Peter Terbrugge Pr. Sci. Nat., Duncan John, Grant-Stuart, Pr. Eng., Martin Stapinsky, Ph.D., P. Geo., Neil Senior, MSc Mech.Eng FSAIMM and all of P & E Mining Consultants Inc. The Karma FS is filed under the Company's profile on the SEDAR website at www.sedar.com.

In addition to the Karma Technical Report, certain Technical Information is derived from news releases (collectively, the "Disclosure Documents") available under the Company's profile at www.sedar.com. The Disclosure Documents are each intended to be read as a whole, and sections should not be read or relied upon out of context. The Technical Information is subject to the assumptions and qualifications contained in the Disclosure Documents.

Our Disclosure Documents were prepared by or under the supervision of an independent QP. Readers are encouraged to review the full text of the Disclosure Documents which qualifies the Technical Information. Readers are advised that mineral resources that are not mineral reserves do not have demonstrated economic viability.

Mr. David Laing, is a Qualified Person as defined by NI 43-101. Mr. Laing is True Gold's Chief Operating Officer, and, unless otherwise indicated, has prepared or supervised the preparation of the technical information related to development and engineering contained in this MD&A and/or reviewed, verified and approved such disclosure. For more information, see the individual technical reports and news releases available under the Company's profile at www.sedar.com and in this MD&A.

Mr. Scott Heffernan, M.Sc., P.Geo., is a Qualified Person as defined by NI 43-101. Mr. Heffernan is True Gold's Vice President Exploration, and, unless otherwise indicated, has prepared or supervised the preparation of other technical information, including that related to exploration, contained in this MD&A and/or reviewed, verified and approved such disclosure. For more information, see the individual technical reports and news releases available under the Company's profile at www.sedar.com and in this MD&A.

Note to United States Investors Concerning Estimates of Measured, Indicated and Inferred Resources

This MD&A uses the terms "Mineral Resource", "Measured Mineral Resource", "Indicated Mineral Resource" and "Inferred Mineral Resource", Canadian mining terms as defined in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") under guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Standards on Mineral Resources and

Mineral Reserves adopted by the CIM Council. While the use of such terms is recognized and required by Canadian regulators, the United States Securities and Exchange Commission does not recognize such terms. As such, information contained on this MD&A concerning descriptions of mineralization and resources under Canadian standards may not be comparable to information made public by United States companies subject to the reporting and disclosure requirements of the United States Securities and Exchange Commission.

Mineral resource estimates in this MD&A are only estimates and no assurance can be given that any particular level of recovery of minerals will be realized or that an identified resource will ever qualify as a commercially mineable or viable deposit which can be legally and economically exploited. In addition, the grade of mineralization ultimately mined may differ from the one indicated by drilling results and the difference may be material.

An "Inferred Mineral Resource" has a great amount of uncertainty as to its existence and as to its economic and legal feasibility. It cannot be assumed that all or any part of an "Inferred Mineral Resource" will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or other economic studies. Readers are cautioned not to assume that all or any part of Measured or Indicated Resources will ever be converted into Mineral Reserves. Readers are also cautioned not to assume that all or any part of an "Inferred Mineral Resource" exists, or is economically or legally mineable. In addition, the definitions of "Proven Mineral Reserves" and "Probable Mineral Reserves" under CIM standards differ in certain respects from the standards of the United States Securities and Exchange Commission. Under United States standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve calculation is made.