MANAGEMENT'S DISCUSSION AND ANALYSIS

OF CONSOLIDATED FINANCIAL POSITION AND CONSOLIDATED RESULTS OF OPERATIONS

For the three and six months ended June 30, 2018

CONTINENTAL GOLD

TSX:CNL OTCQX:CGOOF

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis ("MD&A") of the activities, consolidated financial condition and consolidated results of the operations of Continental Gold Inc. (the "Company" or "Continental Gold") constitutes management's review of the factors that affected the Company's consolidated financial and operating performance for the three and six months ended June 30, 2018. This MD&A should be read in conjunction with the unaudited interim consolidated financial statements of the Company for the three and six months ended June 30, 2018, together with the notes thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts in this MD&A are in United States ("U.S.") dollars ("US$"), unless stated otherwise. References to C$ and COP are to Canadian dollars and Colombian pesos, respectively. This MD&A is dated August 8, 2018 and information contained herein is presented as of such date, unless otherwise indicated.

Further information about the Company and its operations is available on SEDAR at www.sedar.com and on the U.S. Over-the-Counter market, OTCQX® International ("OTCQX"), at www.otcmarkets.com.

FORWARD-LOOKING INFORMATION

Except for statements of historical fact relating to the Company, certain information contained in this MD&A constitutes "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements within the meaning of applicable U.S. securities laws. Forward-looking information includes, but is not limited to: statements with respect to the potential of the Company's properties; the estimation of mineral resources and mineral reserves; exploration results; potential mineralization; exploration and mine development plans; obtaining necessary permits; timing of the commencement of operations; the future price of gold and other mineral commodities; the realization of mineral resource and mineral reserve estimates; success of exploration activities; cost and timing of future exploration and development; continued advancement of the Company's Corporate Social Responsibility ("CSR") program; conclusion of economic evaluations; requirements for additional capital; other statements relating to the financial and business prospects of the Company; and other future events and information as to the Company's strategy, plans or future financial or operating performance.

Generally, forward-looking information is characterized by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "is projected", "anticipates" or "does not anticipate", "believes", "targets", or variations of such words and phrases. Forward-looking information may also be identified in statements where certain actions, events or results "may", "could", "should", "would", "might", "will be taken", "occur" or "be achieved".

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management considered reasonable at the date the statements are made in light of management's experience and its perception of historical trends, current conditions and expected future developments, as well as other factors that it believes to be relevant and reasonable in the circumstances at the date that such statements are made. Forward-looking information is inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks related to: the actual results of exploration activities; the inherent risks involved in the exploration and development of mineral properties; changes in project parameters as plans continue to be refined; delays in obtaining government approvals; the uncertainties of project cost overruns or unanticipated costs and expenses; uncertainties inherent in conducting operations in a foreign country; title risks related to the ownership of the Company's projects and the related surface rights and to the boundaries of the Company's projects; risks relating to the Company's pending concession applications; the Company's limited operating history; uncertainties related to the availability and costs of financing needed in the future; fluctuations in mineral prices; uninsurable risks related to exploration, development and production; reliance on economic studies to determine the potential economic viability of the mineral resources comprising the Buriticá Project; uncertainties of construction and operating cost overruns; the risk that the conclusion of pre-production studies may not be accurate; unexpected adverse changes that may result in failure to comply with environmental and other regulatory requirements; differing interpretations of tax regimes in foreign jurisdictions; the loss of Canadian tax resident status; uncertainties inherent in competition with other exploration companies; non-governmental organization intervention and the creation of adverse sentiment among the inhabitants of areas of mineral development; uncertainties related to conflicts of interest of directors and officers of the Company; dependence on key management employees; reliance on outside contractors in certain mining operations; labour and employment matters; the presence of artisanal/illegal miners; the reliability of mineral resource estimates; the ability to fund operations through foreign subsidiaries; the residency of directors, officers and others; uncertainties related to holding minority interests in other companies; foreign currency fluctuations; unreliable historical data for projects; reliance on adequate infrastructure for mining activities; health and safety risks; compliance with government regulation; the market price of shares of the Company; the payment of future dividends; future sales of shares of the Company; accounting policies and internal controls; impairment of mineral properties; and Bermuda legal matters. See “Risks and Uncertainties” in this MD&A for further discussion regarding risk factors.

Although management of 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 information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated. Accordingly, readers are cautioned not to place undue reliance on forward-looking information. The forward-looking information contained herein is presented for the purpose of assisting shareholders in understanding the Company’s expected financial and operational performance and the Company’s plans and objectives and may not be appropriate for other purposes. The Company does not undertake to update any forward-looking information contained herein or incorporated by reference herein, except in accordance with applicable securities laws.

Differences in Reporting of Mineral Resource Estimates

This MD&A was prepared in accordance with Canadian standards for reporting of mineral resource estimates, which differ in some respects from U.S. standards. In particular, and without limiting the generality of the foregoing, the terms “inferred mineral resources,” “indicated mineral resources,” “measured mineral resources” and “mineral resources” used or referenced in this MD&A are Canadian mineral disclosure terms as defined in accordance with Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”) under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the “CIM”) Standards on Mineral Resources and Mineral Reserves (the “CIM Standards”). The CIM Standards differ significantly from standards in the U.S. While the terms “mineral resource,” “measured mineral resources,” “indicated mineral resources,” and “inferred mineral resources” are recognized and required by Canadian regulations, they are not defined terms under standards in the U.S. “Inferred mineral resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their 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, except in limited circumstances. The term “resource” does not equate to the term “reserves”. Under U.S. 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 determination is made. Readers are cautioned not to assume that all or any part of measured or indicated mineral 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. Disclosure of “contained ounces” in a mineral resource is permitted disclosure under Canadian regulations; however, U.S. companies are only permitted to report mineralization that does not constitute “reserves” by standards in the U.S. as in place tonnage and grade without reference to unit measures. The requirements of NI 43-101 for identification of “reserves” are also not the same as those of the United States Securities and Exchange Commission (the “SEC”), and reserves reported by the Company in compliance with NI 43-101 may not qualify as “reserves” under SEC standards. Accordingly, information regarding mineral resources contained or referenced in this MD&A containing descriptions of our mineral deposits may not be comparable to similar information made public by U.S. companies.

DESCRIPTION OF BUSINESS

The Company is an advanced-stage development and exploration entity engaged in the development, acquisition, exploration and evaluation of principally gold resource properties in highly-prospective areas with known historical high-grade gold production in Colombia. The Company is led by an international management team with a successful track record of discovering and developing large high-grade gold deposits in Latin America.

The Company was incorporated under the provisions of the *Business Corporations Act* (Ontario) and is a reporting issuer in Canada under applicable securities legislation in each of the provinces of Canada (except Quebec). It carries on its operations through a corporate office in Toronto, Canada and a foreign company branch office in Medellín, Colombia. The Company's issued and outstanding common shares (the "Common Shares") trade on the Toronto Stock Exchange (the "TSX") and OTCQX under the symbols "CNL" and "CGOOF", respectively.

The Company currently holds the rights to develop and explore one advanced-stage gold project (the Buriticá Project) and explore three early-stage projects in Colombia (the "Colombia Projects") totaling approximately 76,565 hectares of exploration and exploitation rights and has pending concession applications totaling approximately 120,539 hectares of exploration rights. There is no guarantee that the Company will be granted the pending concession applications (see the "Risks and Uncertainties" section in this MD&A). Currently, the Company's primary focus is on its flagship high-grade Buriticá gold project located in Antioquia, Colombia.

The focus of the Company for 2018 is the continued advancement of construction, development and exploration programs for the Buriticá Project, with the goal of first gold pour in H1 2020. Major objectives and milestones for 2018 include: advancing construction and development activities in the Higabra valley; continuing exploration and definition drilling; and ongoing cooperation and collaboration with the communities in which the Company explores and develops to create opportunities and improve living conditions.

The Company requires equity capital and other financing to fund working capital and the development and exploration of its properties. The Company's ability to continue as an active mineral property developer and explorer is dependent upon its ability to obtain adequate financing and to reach profitable levels of operation. There is no assurance that financing efforts will be successful or sufficient, or if the Company will attain profitable levels of operation in the future.

Q2 2018 Highlights

- Advancement of the exploration program at the Buriticá Project:
    - On April 16, 2018, the Company announced results from 14 diamond drill holes from the 2018 drilling program which discovered a new high-grade gold shoot in the Yaraguá system. Assay results included: BUUY370D01, which intersected 0.55 metres @ 606 g/t gold and 97 g/t silver; and BUUY370D, which intersected 1.95 metres @ 110.21 g/t gold and 100 g/t silver.
    - On May 2, 2018, the Company announced results from seven diamond drill holes into the Veta Sur system and the greenfield Laurel target. Scout drilling in the Laurel target intersected mineralization, including: BUSY374D03, which intersected 1.65 metres @ 14.05 g/t gold and 11.4 g/t silver. Drilling in the Veta Sur system successfully extended high-grade gold 300 metres below the deepest part of the inferred mineral resource estimate and results included: BUUY349D02, which intersected 3.10 metres @ 38.38 g/t gold and 57.3 g/t silver and 3.75 metres @ 51.39 g/t gold and 35 g/t silver.
- Development activities at the Buriticá Project during the second quarter of 2018:
    - On April 10, 2018, the Company provided a Buriticá Project construction update, announcing that the project is approximately 25% complete with more than 40% of the total project cost committed to date.

- On May 30, 2018, the Company provided another Buriticá Project construction update, announcing that the project is approximately 30% complete with more than 50% of the total project cost committed to date.

- Management and director resignations and appointments:
  - On May 2, 2018, the Company announced the appointment of Luis German Meneses as Colombia Country Manager.

- Subsequent to quarter-end:
  - On July 4, 2018, the Company entered into an option agreement with a third party to earn up to a 75 percent ownership interest in six early stage projects located in southern Colombia over a period of six-and-a-half years.
  - On August 7, 2018, RK Mine Finance Master Fund I Limited (the "Red Kite") agreed to waive the conditions precedents in respect of the final $50 million tranche of the Credit Facility (see "Loans Payable" in this MD&A) in exchange for the acceleration of draws for the remaining $125 million of the Credit Facility, resulting in the utilization of the full Credit Facility of $275 million by the end of 2018.

DEVELOPMENT AND EXPLORATION SUMMARY

Capitalized construction, development and exploration expenditures, net of gold sales, are summarized as follows:

	Three months ended June 30		Six months ended June 30	
In thousands of U.S. dollars	**2018**	2017	**2018**	2017
	$	$	**$**	$
Capitalized:				
Construction in progress – Buriticá project	**53,540**	21,212	**100,550**	27,778
Exploration and evaluation assets – Gran Buriticá project *	**855**	65	**905**	74
	54,395	21,277	**101,455**	27,852

Buriticá Project

The Buriticá Project encompasses an aggregate area of 75,023 hectares of exploration and exploitation rights and is located approximately 75 kilometres northwest of Medellín in the Antioquia Department in north-western Colombia. The project area is comprised of 23 concessions covering 29,465 hectares and 60 concession applications totalling 45,558 hectares. As in the case of all the Company's properties, concession applications in process give the Company priority on the properties in question during the application process; however, there is no guarantee that the Company will be granted the pending concession applications (see "Risks and Uncertainties" in this MD&A). The Buriticá Project includes the Yaraguá mine, which is under small-scale production by the Company.

The deposit-type of the Buriticá Project is a porphyry-related, carbonate base metal ("CBM") gold vein/breccia system. High-grade precious metal mineralization in CBM systems may occur over substantial vertical intervals well in excess of a kilometre, beginning from the porphyry level and ending just below the shallow epithermal range. Compared to low-sulfidation epithermal styles, CBM mineralization is sulphide-rich, with abundant pyrite, +/- pyrrhotite, sphalerite, galena, minor sulfosalts, chalcopyrite and with quartz-carbonate gangue mineralogy. Mineralization in CBM systems typically comprises sheeted veins, stockworks and breccias which include some fracture-related disseminations in associated wall-rocks.

On February 24, 2016, the Company announced results from an independent Feasibility Study ("FS") for the Buriticá Project. The FS, prepared in accordance with NI 43-101, utilized the 2015 mineral resource estimate and was managed by JDS Energy & Mining Inc. ("JDS"). JDS was also responsible for the mine plan and project execution planning, and M3 Engineering & Technology Corporation was responsible for the process engineering and infrastructure design work. The Company subsequently filed on SEDAR a technical report in respect of the FS entitled "Buriticá Project NI 43-101 Technical Report Feasibility Study, Antioquia, Colombia" dated March 29, 2016 with an effective date of February 24, 2016 (the "Technical Report") led by JDS. The Technical Report is available on the Company's website at www.continentalgold.com and under the Company's profile on SEDAR at www.sedar.com.

During the second quarter, the Company finalized scope changes of approximately $74 million, which include: an enhanced water treatment process plant and related infrastructure to meet new Colombian water discharge regulations totalling $50 million; a pipeline to discharge the treated water to the Cauca river totalling $3.5 million; a tailings tram totalling $12 million (transferred from sustaining capital); and the cost for a 110 kV power transmission line totalling $8.5 million (transferred from sustaining capital). The Company does not currently envision any additional major scope changes to the project infrastructure as detailed engineering is well advanced.

Initial capital costs in the FS were $389.2 million, including contingency but excluding working capital. The capital costs in the FS is a Class 3 cost estimate, which is considered accurate up to -10%/+20%. Management's current total project cost estimate (including scope changes), determined internally and subject to change, is in the range of $475-$515 million (including contingency but excluding working capital), which the Company believes is accurate within +/-10%. The Company is in the process of preparing an updated mineral resource estimate, mine plan and project budget to incorporate additional drilling, changes to the FS mine plan, adjustments in scope, cost escalation and timing. Once completed, the Company will update the Technical Report.

The Company intends to fund project funding shortfall identified from the project budget review process, working capital, corporate overhead costs, Yaraguá small-scale mining costs (net of gold sales), exploration and other costs relating to advancing other properties through equity financing, additional debt financing, a sale of a stream and/or royalty on the Buriticá Project or through the sale or joint venture of other non-core mineral properties. There is no assurance that the Company will be able to secure additional financing on terms acceptable to the Company or at all (see the "Risks and Uncertainties" section in this MD&A).

Development

During the second quarter of 2018, the Company advanced the development of the Buriticá Project with the following activities:

- Project Management – Continued with hiring of personnel for project and construction management and project controls.

- Engineering – Mill and surface infrastructure detail engineering and procurement advanced on schedule during the quarter; progress is more than 88% complete as of June 30, 2018.

- Site Construction Progress – Major earthworks continued, with completion scheduled for Q4 2018. Concrete pouring began in the second quarter for the grinding area and leach tanks. Fabrication of major mill components and the receipt of shipments in-country also continued during the quarter. Building fabrication and installation was ongoing during the quarter and structural steel fabrication commenced with erection expected to begin in Q3 2018.

- Mine Development – Underground development continued on schedule with advance rates increasing as development crews become more efficient through experience and additional training. As of June 30, 2018, 3,687 metres of underground lateral development had been completed with advance moving forward on three different fronts: the Yaraguá ramp, the Veta Sur ramp and the Higabra adit. Major mobile equipment required for development ramp-up continued to arrive on or ahead of schedule. Several trucks and a loader are anticipated to arrive in Q3 2018, completing the development fleet required for mine development prior to production.

Exploration

During the second quarter of 2018, the Company continued to execute on its drilling plan, finishing the quarter with 14 drill rigs. The Company drilled 17,568 metres during the quarter for a year-to-date total of

29,065 metres. The focus of the exploration program is to increase and upgrade mineral resources to higher classification categories by testing for high-grade and broad mineralized zones ("BMZ") within the mineral reserve and resource envelopes. In addition, high-impact targets along strike of existing mineral resources, as well as grassroots targets proximal to existing and proposed infrastructure, will be tested.

Drilling during the quarter successfully accomplished a number of objectives:

- Drilling results in the Yaraguá system identified potential new shoots of very high-grade gold on two different veins within the Murcielagos family, located a mere 150 metres to the north from the end of the Higabra tunnel. The intercepts are located within the measured and indicated mineral resource envelope and will be sequenced for early mining upon the anticipated production start-up in 2020.

- Scout drilling of the greenfield Laurel target has confirmed that the potential exists for it to evolve into a third major high-grade vein system. Laurel is fortuitously located directly south of the Veta Sur system and a short distance south of the planned location of the Veta Sur ramp, which is currently under construction.

- Drilling results from the Veta Sur system intersected mineralization at various elevations covering more than 1,100 vertical metres, once again proving that the system hosts excellent continuity of high-grade gold over large dimensions. Importantly, the system demonstrates clear metal zonation as depicted by the mineralogy with high-grades of gold and silver associated with zinc, lead and pyrite at shallow elevations, giving way at deeper elevations to gold, pyrrhotite and slightly-elevated copper. This type of metal zonation suggests that the system is more proximal to a porphyry source at depth and deep drilling is planned to search for a porphyry system.

Sustainability

Continental Gold is committed to conducting its operations in a safe and environmentally and socially responsible manner, while ensuring respect and transparency in any community in which it operates. The Company's sustainability model is aligned with international performance standards, aiming to protect the environment, deliver effective and sustainable community development and improve the quality of life for employees and contractors, their families and the immediate community.

The Company's responsibility to the sustainable development of Buriticá and surrounding communities is reflected in the following initiatives implemented or sustained during the six months ended June 30, 2018, aimed at strengthening the community and improving health, education, infrastructure and the environment:

- Continued promotion of education by sponsoring courses for adult basic training for various community members, including employees of the Company;

- Continued to support the progression of another round of training students through the National Vocational Training Agency ("SENA"); the new program is focusing on mill operations and plant maintenance;

- Ongoing construction of the Los Asientos aqueduct, which will provide safe drinking water to the local community;

- Provided training and funding to individuals for local entrepreneurship;

- Conducted information sessions to ensure the impacts of the project are understood by local communities and to ensure they have an opportunity to express their views and expectations;

- Conducted training programs to support future local procurement of goods and services from local suppliers;

- Ongoing support of the small-scale mining formalization process by helping to establish various procedures and controls focused on health and safety, environmental compliance, mine planning and compliance with laws and regulations;

- Continued to promote *Future Harvest*, a program to support the agricultural development of western Antioquia by encouraging the use of the best agricultural practices to help develop sustainable economic activity in the region, while protecting the environment;

- Supported several local business initiatives: purchase of uniforms and materials; community works and infrastructure; and accommodation of employees in local houses;

- Encouraged construction contractors to support several local business initiatives, maximizing the benefit to the local community;

- Provided training programs for skill development in environmental maintenance, agricultural and coffee farms, as well as training in leadership and values; and

- Through formal meetings, communicated with local communities about the formalization process, reconnaissance exploration and various other projects underway in local communities.

The Company plans to continue to support various sustainability programs in 2018 and bolster local employment and business opportunities by focusing on creating opportunities in construction and mining supply chains and initiatives in agriculture.

Berlin Project

The Berlin Project covers an aggregate area of 59,310 hectares of exploration rights. The project is comprised of 11 concessions totaling 22,893 hectares and 21 pending registration concessions totaling 36,417 hectares. The project area is located 90 kilometres north of Medellín in the Antioquia Department.

Due to historical security conditions in the area, the Berlin Project was written down to a value of $nil in prior years as management did not expect a change in circumstances in the foreseeable future and determined that the recoverability of the recorded value for the project was uncertain (see the “Risks and Uncertainties” section in this MD&A). All subsequent expenditures in respect of the Berlin Project are recognized as exploration expense.

In late 2016, the government of Colombia reached a peace agreement with Colombia’s largest rebel group. As part of this agreement, certain areas around the Berlin titles were designated to be a post-conflict settlement area which, combined with the continued advancement of a major infrastructure project in the immediate vicinity, resulted in conditions that provide the ability to begin exploration work. Reconnaissance exploration commenced in the first half of 2017 and continued throughout the first half of 2018. The Company continues to closely monitor the situation.

On December 29, 2017, the Company entered into an option agreement with a third party (the “Berlin Optionor”) to acquire by January 20, 2021, or earlier, a mining title for approximately 3,795 hectares within the Berlin Project for a total of $5 million plus the cost of maintaining the licences in good standing (the “Berlin Option Agreement”). The majority of the amounts payable to the Berlin Optionor are subject to the satisfaction of certain conditions precedent and/or at the option of the Company. For the three months and six months ended June 30, 2018, $0.3 million and $0.9 million, respectively, was paid in respect of the Berlin Option Agreement.

Exploration costs during the three and six months ended June 30, 2018 of $0.4 million and $1.1 million, respectively (three and six months ended June 30, 2017 - $0.02 million and $0.03 million, respectively), were incurred in respect of the Berlin Project and were expensed in the unaudited interim consolidated statement of operations and comprehensive loss, including payments relating to the Berlin Option Agreement.

Dojura Project

The Dojura Project covers an aggregate area of 39,321 hectares of exploration rights, comprised of five concessions totaling 18,617 hectares and 13 concession applications totaling 20,704 hectares. It is located in the western cordillera in the Choco Department, 30 kilometres southeast of the Departmental capital city of Quibdó.

Due to uncertainty as to whether the Company will be able to recover its costs or commence exploration for the project, the Dojura Project was written down to a value of $nil in prior years. Any costs incurred subsequently are recognized as exploration expense.

During the fourth quarter of 2017, the Company engaged the local community to gauge their acceptance of conducting exploration and drilling activities. Based on the positive feedback received, the Company maintained engagement with the local community in the first half of 2018 and continued planning early-stage reconnaissance exploration activities. The Company continues to closely monitor the situation.

Exploration costs during the three and six months ended June 30, 2018 of $0.1 million and $0.1 million, respectively (three and six months ended June 30, 2017 - $nil), were incurred in respect of the Dojura Project and were expensed in the unaudited interim consolidated statement of operations and comprehensive loss.

Dominical Project

The Dominical Project encompasses an aggregate area of 23,450 hectares of exploration rights and is located in southern Colombia in the Cauca Department. The Dominical Project area is comprised of four concessions totaling 5,590 hectares and 19 concession applications covering 17,860 hectares.

In prior years, the Dominical Project was written down to a value of $nil as a result of worsening security conditions in the Cauca Department (see the “Risks and Uncertainties” section in this MD&A). Any costs incurred subsequently are recognized as exploration expense.

No significant exploration activities were undertaken on the property during the first half of 2018.

Southern Colombia Projects

On July 4, 2018, the Company signed an option agreement with a third party to earn up to a 75 percent ownership interest in six early stage projects located in southern Colombia over six-and-a-half years. The agreement specifies that the Company must initially spend $1.0 million over an 18-month period on any of the six projects. Thereafter, the Company must specify which projects it wishes to earn a 51 percent ownership interest by spending an additional $1.0 million over an 18-month period on each identified project. Once the Company earns a 51 percent ownership interest in the selected project(s), it has the right to increase its ownership interest to 75 percent in such project(s) by completing a preliminary economic assessment on a minimum mineral resource of 1.0 million gold equivalent ounces over three-and-a-half years.

TRENDS AND RISKS THAT HAVE AFFECTED THE COMPANY’S FINANCIAL CONDITION

Please see the “Market Trends” and “Risks and Uncertainties” sections of this MD&A for information regarding known trends, demands, commitments, events or uncertainties that are reasonably likely to have an effect on the Company’s business and industry and economic factors affecting the Company’s performance.

SELECTED ANNUAL CONSOLIDATED FINANCIAL INFORMATION

The following financial data has been prepared in accordance with IFRS. The presentation currency and functional currency are U.S. dollars.

As at In thousands of U.S. dollars	**June 30 2018**	December 31 2017
	$	$
Consolidated Financial Position		
Cash and cash equivalents	**57,790**	91,382
Property, plant and equipment	**459,564**	359,981
Exploration and evaluation assets	**5,822**	4,917
Total assets	**555,457**	488,647
Loans payable	**120,148**	47,917
Shareholders' equity	**366,086**	371,926

	Three months ended June 30		**Six months ended June 30**	
In thousands of U.S. dollars	**2018**	2017	**2018**	2017
	$	$	**$**	$
Consolidated Operating Results				
Foreign exchange loss	**(177)**	(148)	**(854)**	(106)
Net loss	**(9,518)**	(5,315)	**(7,401)**	(3,164)
Consolidated Cash Flow				
Property, plant and equipment, net of gold sales	**(51,899)**	(10,364)	**(95,202)**	(15,909)
Cash flows from financing activities	**50,242**	157,445	**74,617**	174,630
Net cash (outflow) inflow	**(3,379)**	127,685	**(32,942)**	130,813

The Company's total assets of $555.5 million as at June 30, 2018 increased in comparison to total assets of $488.6 million as at December 31, 2017 and $510.8 million as at March 31, 2018. The increase in 2018 is a result of draws from the Credit Facility (see "Loans Payable" in this MD&A).

Cash and cash equivalents at June 30, 2018 was $57.8 million, compared to $91.4 million as at December 31, 2017 and $61.5 million at March 31, 2018. The decrease is a result of continued investment in construction, development and exploration for the Buriticá Project, net of draws from the Credit Facility during the quarter. Included in cash and cash equivalents as at June 30, 2018 were collateral deposits held in restricted bank accounts of $4.8 million (December 31, 2017 - $nil) in respect of non-deliverable foreign currency contracts, which are expected to be released within 12 months upon expiry of the contracts.

Property, plant and equipment of $459.6 million as at June 30, 2018 increased compared to $360.0 million as at December 31, 2017 due to continued construction activities at the Buriticá Project.

Exploration and evaluation assets at June 30, 2018 of $5.8 million has not changed significantly from the $4.9 million as at December 31, 2017.

As at June 30, 2018, the Company had a loans payable balance of $120.1 million and a production-linked liability of $8.3 million (December 31, 2017 - $47.9 million and $4.1 million, respectively), relating to draws from the Credit Facility (see the "Loans Payable" section in this MD&A). The Company also has $112.1 million in total capital purchase commitments relating to the construction and development of the Buriticá Project.

Excluding the impact of revaluations for financial assets and liabilities, foreign exchange on Canadian-dollar cash balances and the impact of foreign exchange on deferred taxes for Colombian peso-denominated tax balances, the Company expects to continue to incur losses until commercial mining operations from its development and exploration assets have commenced.

Net loss for the three and six months ended June 30, 2018 was $9.5 million and $7.4 million, respectively, compared to net loss of $5.3 million and $3.2 million for the same respective periods in 2017. The increase is a result of increased administration and exploration costs expensed in Colombia, the impact of foreign exchange on deferred tax and the revaluation of derivative financial instruments (see “Operating Results” in this MD&A).

Net cash outflow for the three and six months ended June 30, 2018 was $3.4 million and $32.9 million, respectively, compared to net cash inflow of $127.7 million and $130.8 for the same respective periods in 2017. The change is a result of an increase in construction activities in comparison to the comparative quarter.

CONSOLIDATED OPERATING RESULTS

The following is a summary of the Company’s consolidated operating the three and six months ended June 30, 2018 and 2017:

	Three months ended June 30		**Six months ended June 30**	
	2018	2017	**2018**	2017
Tonnes milled (tonnes)	**1,789**	2,491	**4,244**	4,581
Average grade (g/t)	**8.08**	20.95	**8.14**	22.90
Gold production (ounces)	**982**	1,504	**1,552**	2,999
Gold sales (ounces)	**503**	1,176	**1,173**	3,082
Realized gold price ($)	**1,310**	1,234	**1,321**	1,225

In thousands of U.S. dollars, except per Common Share amounts	**2018**	2017	**2018**	2017
	$	$	**$**	$
Net loss	**(9,518)**	(5,315)	**(7,401)**	(3,164)
Net (loss) income per share, basic and fully diluted	**(0.05)**	(0.03)	**(0.04)**	(0.02)

	Three months ended June 30		**Six months ended June 30**	
In thousands of U.S. dollars	**2018**	2017	**2018**	2017
	$	$	**$**	$
Capitalized development and exploration expenditures, net of gold sales and recoveries (see “Development and Exploration Summary”)	**54,395**	21,277	**101,455**	27,852
Operating activities	**(2,314)**	(2,266)	**(6,048)**	(4,945)
Investing activities	**(51,307)**	(27,494)	**(101,511)**	(38,602)
Financing activities	**50,242**	157,445	**74,617**	174,360
	(3,379)	127,685	**(32,942)**	130,813
Foreign exchange on cash and cash equivalents	**(365)**	(73)	**(650)**	139
Net change in cash and cash equivalents	**(3,744)**	127,612	**(33,592)**	130,952

Pre-Production and Development Planning Activities

For the three and six months ended June 30, 2018, the Company produced 982 ounces and 1,552 ounces of gold, respectively (three and six months ended June 30, 2017 – 1,504 and 2,999 ounces, respectively) and sold 503 and 1,173 ounces of gold, respectively (three and six months ended June 30, 2017 – 1,176 and 3,082 ounces, respectively) for an average realized price of $1,310 and $1,321 per ounce, respectively (three and six months ended June 30, 2017 – $1,234 and $1,225 per ounce, respectively).

As at June 30, 2018, the Company held 310 ounces (December 31, 2017 – 503 ounces) of gold doré in inventory with a net realizable value of $0.4 million based on a closing gold price of $1,252 per ounce (December 31, 2017 – $0.7 million based on a closing gold price of $1,291 per ounce) and was recorded at a cost of $1.3 million (December 31, 2017 - $1.4 million). Inventory is classified as part of construction in progress as the small-scale mine is necessary for development activities.

Operating Results

The Company's net loss for the three and six months ended June 30, 2018 amounted to $9.5 million ($0.05 per Common Share) and $7.4 million ($0.04 per Common Share), respectively, compared to net loss of $5.3 million ($0.03 per Common Share) and $3.2 million ($0.02 per Common Share) for the same respective periods in 2017. The change compared to the same respective periods in 2017 was primarily from the following:

- Corporate administration expenses for the three and six months ended June 30, 2018 was $3.6 million and $6.6 million, respectively (three and six months ended June 30, 2017 – $2.4 million and $5.4 million, respectively), including share-based payments.
- Compensation costs related to share-based payments during the three and six months ended June 30, 2018 were $1.1 million and $2.1 million, respectively (three and six months ended June 30, 2017 – $0.7 million and $1.4 million, respectively), of which $0.7 million and $1.2 million, respectively (three and six months ended June 30, 2017 – $0.4 million and $0.8 million, respectively) were expensed and $0.4 million and $0.8 million, respectively (three and six months ended June 30, 2017 – $0.3 million and $0.6 million, respectively) were capitalized to construction in progress.
- Changes related to share-based payments during the three and six months ended June 30, 2018 result from the issuance of 350,000 and 2,297,500 stock options, respectively, with average grant date fair values of $1.28 and $ 1.47 per Common Share, respectively, compared to 120,000 and 1,685,000 stock options, respectively, during the three and six months ended June 30, 2017, with average grant date fair values of $1.57 and $1.54 per Common Share, respectively. In addition, during the three and six months ended June 30, 2018, nil and 338,307 restricted share unit ("RSUs"), respectively (three and six months ended June 30, 2017 – 13,000 and 118,579 RSUs, respectively), and nil and 90,000 deferred share units ("DSUs"), respectively (three and six months ended June 30, 2017 – nil DSUs) were granted. The valuation of share-based payments relating to RSUs and DSUs are based on the share price on the grant date.
- Exploration expense for the three and six months ended June 30, 2018 was $0.6 million and $1.6 million, respectively, compared to $nil for the same respective periods in 2017. The increase is a result of the initiation of exploration activities at the Berlin and Dojura projects in late 2017, including $0.3 million and $0.9 million, respectively, incurred in respect of the Berlin Option Agreement.
- Foreign exchange for the three and six months ended June 30, 2018 was $0.2 million and $0.9 million, respectively, compared to $0.1 million and $0.1 million for the same respective periods in 2017.
- Deferred tax for the three and six months ended June 30, 2018 was a $4.7 million expense and a $2.3 million recovery, respectively, compared to $1.6 million expense and a $0.3 million recovery, respectively, for the same periods in 2017. Deferred tax recovery is mainly related to foreign exchange on the translation of foreign tax balances at current rates and the tax effect of accounting losses available.
- As part of the adoption of IFRS 9 on January 1, 2018, the Company has elected to present marketable securities in other comprehensive income ("OCI"). The adoption has been applied on a retrospective basis, without having to restate prior periods. Loss on marketable securities during the six months ended June 30, 2018 presented in the unaudited interim consolidated statement of operations was $nil, compared to a $0.1 million gain for the same period in 2017. The revaluation loss on securities held as at June 30, 2018 of $1.0 million, net of tax, was presented in OCI.

Excluding the effect of the revaluation of financial instruments and foreign exchange on cash balances, the Company will continue to incur losses until commercial mining operations from its development and exploration assets have commenced.

Cash Flow Items

Operating Activities

Operating activity expenditures for the three and six months ended June 30, 2018 were $2.3 million and $6.0 million, respectively, compared to $2.3 million and $4.9 million for the same respective periods in 2017. The increase in 2018 is mainly due to the $0.6 million and $1.6 million, respectively, of exploration expense for the three and six months ended June 30, 2018 compared to $nil for the same respective periods in 2017.

Investing Activities

Investing activity expenditures for the three and six months ended June 30, 2018 were $51.3 million and $101.5 million, respectively (three and six months ended June 30, 2016 – $27.5 million and $38.6 million, respectively) relate primarily to continued advancement and acceleration of the Buriticá exploration and development programs, net of capitalized gold sales revenues relating to such assets.

Financing Activities

Financing activity for the three and six months ended June 30, 2018 of $50.2 million $74.6 million, respectively (three and six months ended June 30, 2017 – $157.4 million $174.4 million, respectively) mainly relate to receipt of draws from the Credit Facility, net of transaction costs paid.

SUMMARY OF CONSOLIDATED QUARTERLY RESULTS

The Company currently capitalizes its development and exploration expenditures as deferred expenses included in property, plant and equipment or exploration and evaluation assets.

The following table sets forth selected consolidated financial information, prepared in accordance with IFRS, for each of the Company's eight most recently completed quarters. The presentation currency and functional currency are U.S. dollars:

In thousands of U.S. Dollars, except per share amounts	Q2–2018	Q1–2018	Q4–2017	Q3–2017	Q2–2017	Q1–2017	Q4–2016	Q3–2016
	$	$	$	$	$	$	$	$
Net income (loss)	**(9,518)**	2,117	(4,368)	(311)	(5,315)	2,151	(3,736)	(1,836)
Basic income (loss) per share	**(0.05)**	0.01	(0.02)	(0.002)	(0.03)	0.02	(0.03)	(0.01)
Diluted income (loss) per share	**(0.05)**	0.01	(0.02)	(0.002)	(0.03)	0.01	(0.03)	(0.01)

The Buriticá Project is the Company's most significant project and is expected to continue to be the focus of most of the exploration and development work undertaken by the Company in the current and future fiscal years.

As the Company is currently in the development stage, variations in the quarterly results are mainly due to the impact of fluctuation of exchange rates on deferred tax and cash balances and the revaluation of derivative instruments.

LOANS PAYABLE

In 2017, the Company entered into a $275 million credit facility arrangement (the "Credit Facility") with RK Mine Finance Master Fund I Limited ("Red Kite") for use in development, construction and working capital requirements for the Buriticá Project.

The Credit Facility is structured in tranches that are subject to certain conditions precedent. Conditions precedent for the drawdown of tranches totaling $225 million have been satisfied as of the date of this MD&A. The final tranche of $50 million will be available when certain customary conditions precedents are satisfied, including at least 65% completion of the project and sufficient capital (including the final $50 million tranche) to complete the project.

On August 7, 2018, Red Kite agreed to waive the conditions precedents for the final $50 million tranche of the Credit Facility in exchange for an immediate draw of $75 million and confirmed draws of $25 million on each of October 1, 2018 and December 1, 2018, resulting in the utilization of the full Credit Facility in 2018.

Interest on the Credit Facility is accrued and capitalized until April 30, 2020. Total principal and capitalized interest (“Fully Advanced Principal”) and interest on the Fully Advanced Principal are both payable quarterly over 16 consecutive quarters commencing July 31, 2020. The required quarterly repayments range from 4% to 10% of the Fully Advanced Principal.

The loan payable is measured at amortized cost on the date of each draw under the Credit Facility, net of attributable finance charges, and is accreted over the expected term to maturity using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts the estimated future cash payments through the expected life of the liability. Accrued interest prior to production is capitalized as borrowing costs as part of construction in progress.

In addition, production-linked payments (see “Production-Linked Liabilities” in this MD&A) of $20 per ounce of gold on the first 1.25 million ounces produced from the Buriticá project and 3,000,000 warrants (the “Private Warrants”) (see “Warrants” in this MD&A) were issued to Red Kite as part of the Credit Facility.

Transactions costs incurred are charged to deferred finance charges in the unaudited interim consolidated statement of financial position. The attributable portion of the deferred finance charges relating to draws are transferred from deferred finance charges as a reduction to loans payable.

For the three and six months ended June 30, 2018, draws from the Credit Facility resulted in cash receipts of $50.0 million and $74.4 million, net of transaction costs incurred (three and six months ended June 30, 2017 - $25.0 million and $41.7 million). As at June 30, 2018, the Fully Advanced Principal balance was $133.0 million (December 31, 2017 - $54.0 million).

The loans payable balance, using the effective interest rate method, is made up of:

As at In thousands of U.S. dollars	**June 30, 2018**	December 31, 2017
	$	$
Total draws from Credit Facility	**125,000**	50,000
Transaction costs attributable to draws	**(14,836)**	(6,671)
Total loan payable, net of attributable transaction costs	**110,164**	43,329
Accrued interest	**9,984**	4,588
Loan payable balance end of period	**120,148**	47,917

Total deferred finance charges of $23.1 million as at June 30, 2018 (December 31, 2017 - $18.5 million) include $5.7 million relating to the fair value on the date of issue of the Private Warrants and $7.9 million (December 31, 2017 – $3.9 million) of production-linked liabilities, resulting from the receipt of draws from the Credit Facility, in respect of 500,000 ounces (December 31, 2017 – 250,000 ounces) of production and determined at fair value on the date of each draw.

The attributable portion of the deferred finance charges relating to draws received as at June 30, 2018 was $14.9 million (December 31, 2017 - $6.7 million) and was transferred from deferred finance charges as a reduction to loans payable. The remaining deferred finance charges balance as at June 30, 2018 of $8.3 million (December 31, 2017 - $11.8 million) will be reclassified to loans payable upon receipt of future draws from the Credit Facility based on the attributable portion of the draw.

In July and August 2018, the Company received total additional draws of $100 million, including the $75 million draw required by Red Kite to waive the conditions precedent for the third tranche, resulting in the recognition of additional production-linked liabilities for 500,000 ounces, valued at $7,394,000, as part of transaction costs. Total attributable transaction costs in respect of the draws were $12,929,000, resulting in a net increase to loans payable of $87,071,000 upon receipt of the draws.

PRODUCTION-LINKED LIABILITY

Each draw from $250 million of the Credit Facility will result in a required payment of $20 per ounce of gold production to a maximum 1.25 million ounces, determined based on a pro-rated basis. The production-linked payments are to be financially settled and can be terminated at any time by the Company by payment of an early termination fee, calculated as the then present value of the outstanding obligation using a 7.5% discount rate.

As at June 30, 2018 and December 31, 2017, the Company is required to pay $20 per ounce of gold for the Company's first 500,000 ounces and 250,000 ounces, respectively, of production from the Buriticá Project as a result of draws received from the Credit Facility. The total fair value of the production-linked liability, determined on the date of each draw, of $7.9 million was calculated as the present value of the future payments using a discount rate of 7.5%, in accordance with the Credit Facility. As at June 30, 2018, the liability was revalued to $8.3 million (December 31, 2017 - $4.1 million), resulting in an accretion expense recognized in the unaudited interim consolidated statement of operations and comprehensive loss of $0.1 million and $0.2 million, respectively, for the three and six months ended June 30, 2018 (three and six months ended June 30, 2017 - $0.06 and $0.09 million, respectively).

$25 million of draws received in 2018 in respect of the Credit Facility does not apply to the production-linked payments.

As at August 8, 2018, the Company recognized additional production-linked liabilities for 500,000 ounces, valued at $7,394,000, upon receipt of additional draws from the Credit Facility.

PRIVATE PLACEMENT

On May 18, 2017, the Company completed a private placement transaction (the "Private Placement") whereby the Company issued 37,383,844 Common Shares to Newmont Mining Corporation ("Newmont") in a non-brokered private placement at a price of C$4.00 per share, for total gross proceeds of $108.9 million. Concurrently, Red Kite also purchased 8,589,375 Common Shares of the Company on a private placement basis at a price of C$4.00 per share for total gross proceeds of $25.0 million, as contemplated in the Credit Facility. Transaction costs in respect of the Private Placement were $1.5 million. The closing of the Private Placement satisfied an equity financing condition under the Credit Facility in order to access the second $100 million tranche of the Credit Facility.

In connection with the Private Placement, Newmont and the Company entered into a binding Investment Agreement (the "Investment Agreement"), the provisions of which include (subject to certain exceptions and qualifications):

- A standstill until the earlier of June 30, 2020 and the date the Buriticá Project goes into commercial production;
- A twelve-month lock-up on share dispositions;
- Participation rights in any future equity financings to maintain pro rata ownership interest;
- 'Backstop rights' to subscribe for any unsold portion of future equity financings;
- A right of first offer for any non-equity financing greater than $30 million;
- The formation of joint management technical, exploration, and sustainability committees; and
- One seat for a Newmont nominee on the Board (and a second seat if Newmont's ownership percentage increases to 25% in accordance with the Investment Agreement).

Newmont and the Company will also form a strategic alliance to evaluate opportunities to partner on exploration of Continental's other properties in Colombia.

The Company intends to use the proceeds of the Private Placement to develop the Buriticá Project.

CONTINGENCIES

The Company's exploration, development and small-scale mining activities are subject to various government laws and regulations relating to the protection of the environment. These environmental regulations are subject to change and may generally become more restrictive. Effective January 1, 2018, the Company became subject to new regulations in respect of water discharge limits. The Company is currently in the process of evaluating the impact to the rehabilitation provision in its consolidated financial statements. As of June 30, 2018, the Company did not believe that there were any other significant environmental obligations requiring material capital outlays in the near-term and anticipates that such obligations, if any, will only arise when mine development commences.

During 2018, the Company received correspondence from the Government of Antioquia regarding the fair value used to calculate the registry tax on the mortgage resulting from the Credit Facility. Despite using the maximum mortgage value agreed to by the parties, equivalent to the land's fair market value to register the mortgages, the Government of Antioquia has issued a letter stating that they believe the correct value should have been the gross value of the loan. The Company intends to dispute this interpretation. Should the Company be unsuccessful, the incremental charge would be approximately $2.5 million

LIQUIDITY, CAPITAL RESOURCES AND BUSINESS PROSPECTS

The adequacy of the Company's capital structure is assessed on an ongoing basis and adjusted as necessary after taking into consideration the Company's strategy, forward gold prices, the mining industry, economic conditions and associated risks. To maintain or adjust its capital structure, the Company may adjust project capital spending, issue new Common Shares, purchase Common Shares for cancellation pursuant to normal course issuer bids or issue new debt.

Historically, the Company's sole source of funding has been the issuance of equity-based securities for cash and sales resulting from pre-production activities at the small-scale Yaraguá mine. However, in 2017, the Company entered into the Credit Facility, including the issuance of the 3,000,000 Private Warrants to acquire Common Shares at an exercise price of $3.67. The Private Warrants expire on January 10, 2021. In addition, on May 18, 2017, the Company closed the Private Placement for gross proceeds of approximately $132.5 million, net of share issue costs, resulting from the issuance of a total of 45,973,219 Common Shares.

For the three and six months ended June 30, 2018, the Company received $0.7 million and $1.6 million, respectively (three and six months ended June 30, 2017 – $1.5 million and $3.8 million, respectively) relating to the sale of gold.

As at In thousands of U.S. dollars	**June 30** **2018**	December 31 2017
	$	$
Cash and cash equivalents	**57,790**	**91,382**

The Company's financial position at June 30, 2018 included $57.8 million in cash and cash equivalents, compared to $91.4 million at December 31, 2017. As at June 30, 2018, the Company had undrawn credit available of $150 million for the development of the Buriticá Project and for working capital purposes. The Company expects the Credit Facility to be fully drawn by the end of 2018 as a result of the waiver by Red Kite of the conditions precedents for the final $50 million tranche of the Credit Facility. The Company plans to fund additional capital and working capital requirements through equity financing, additional debt financing, a sale of a stream and/or royalty on the Buriticá Project or through the sale or joint venture of other non-core mineral properties. There is no assurance that the Company will be able to secure additional financing on terms acceptable to the Company, if at all (see the "Risks and Uncertainties" section in this MD&A).

The Company maintains its surplus funds in cash with two major banks in Canada, one in Bermuda and certain Colombian banks. As at August 8, 2018, cash and cash equivalents amounted to approximately $138.8 million, including additional draws received of $100 million from the Credit Facility. In addition, as at August 8, 2018, the Company held 380 ounces of gold doré in inventory with a net realizable value of $0.5 million based on a closing gold price of $1,212 per ounce.

The Company had working capital of $40.7 million as of June 30, 2018 (December 31, 2017 – $68.8 million). The change in working capital during the quarter 2018 is a result of continued expenditures for the construction and development of the Buriticá Project.

The Company has lease agreements expiring between 2018 and 2020 for office and warehouse facilities in Toronto and Colombia. The Company's estimated annual rent is approximately $0.5 million, depending upon the actual annual operating costs for the Company's premises. In addition, as at June 30, 2018, the Company has $112.1 million of capital commitments relating to open contracts and purchase orders expiring or expected for delivery between 2018 and 2019 for the construction and development of the Buriticá Project. The Company's working capital, future draws from the Credit Facility and future gold sales from the Company's small-scale mining operation will be used to meet these commitments.

As at June 30, 2018, 8,773,034 options were outstanding at an average exercise price of C$3.24 per Common Share and 3,000,000 Private Warrants were outstanding with an exercise price of $3.67 and an expiry date of January 10, 2021. The exercise in full of the outstanding Private Warrants and stock options would raise a total of approximately $33 million. Management does not know when and how much will be collected from the exercise of such securities, as this is dependent on the determination of the security holder and the market price of the Common Shares.

In 2017, the Company secured the Credit Facility for a total of $275 million for the construction of the Buriticá Project. As at June 30, 2018, the loans payable balance, based on the effective interest method, was $120.1 million (December 31, 2017 - $47.9 million) and the Fully Advanced Principal balance, being total draws from the Credit Facility plus accrued interest, was $133.0 million (December 31, 2017 - $54.0 million).

As at June 30, 2018, the Company's production-linked liability was $8.3 million (December 31, 2017 - $4.1 million) in respect of the first 500,000 ounces (December 31, 2017 – 250,000 ounces) of production at the Buriticá Project.

The Company's liquidity risk with financial instruments is minimal as excess cash is invested in interest-bearing accounts with two major Canadian banks. In addition, amounts receivable are comprised mainly of value-added-tax receivables, which are expected to be received within one year, and interest receivable on cash and cash equivalents.

The Company has no operating cash flow from a producing mine and therefore must utilize its current cash reserves, income from short-term investments, funds obtained from the exercise of convertible securities, draws from the Credit Facility and other financing transactions to maintain its capacity to meet working capital requirements and planned expenditures, or to fund any further development activities. It is not possible to predict whether future financing efforts will be available on reasonable terms, or at all (see "Risks and Uncertainties" in this MD&A).

The Company's Buriticá Project includes gold production from its small-scale mining operation from development work and drifting in ore. Aggregate gold sales received for the three and six months ended June 30, 2018 was $0.7 million and $1.6 million, respectively (three and six months ended June 30, 2017 – $1.5 million and $3.8 million, respectively). Gold sales are used as another source of funding the Company's development and exploration program and are viewed as a recovery of expenses. Therefore, gold sales and advances, net of costs, are treated as a capital credit and netted against deferred expenses that have been incurred, to date, on the Buriticá Project.

The Company does not have any other unused and undisclosed sources of financing.

For the three and six months ended June 30, 2018, the Company capitalized costs net of gold sales credits related to mineral properties in the amount of $53.8 million and $100.8 million, respectively (three and six months ended June 30, 2017 – $21.2 million and $27.9 million, respectively). See “Development and Exploration Summary” in this MD&A.

MANAGEMENT OF CAPITAL

The Company defines capital that it manages as its shareholders’ equity and debt. When managing capital, the Company’s objectives are to ensure the entity continues as a going concern and to achieve optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary to support the acquisition, exploration and development of mineral properties. The Board does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company’s management team to sustain the future development of the business. As at June 30, 2018, the Company’s managed capital was made up of total shareholders’ equity of $366.1 million (December 31, 2017 – $371.9 million) and loans payable of $120.1 million (December 31, 2017 – $47.9 million).

The Buriticá Project is currently in the development stage and the remaining properties in which the Company currently has an interest are primarily in the exploration stage. As such, the Company is dependent on external financing to fund its activities. The Company plans to fund the additional capital and working capital requirements through equity financing, additional debt financing, a sale of a stream and/or royalty on the Buriticá Project or through the sale or joint venture of other non-core mineral properties. There is no assurance that the Company will be able to secure additional financing on terms acceptable to the Company, if at all.

During 2017, the Company completed the Private Placement for total gross proceeds of approximately $132.5 million (net of share issue costs) and entered into the Credit Facility, providing the Company access to a total of $275 million for the Buriticá Project, subject to the satisfaction of certain conditions precedent. To carry out its planned construction, development and, corporate overhead costs, Yaraguá small scale mining costs (net of gold sales), exploration programs and pay for administrative costs and other costs relating to advancing other properties, the Company will spend its existing working capital, draw from the Credit Facility and intends to raise additional amounts as needed.

In light of the above, the Company will continue to assess new properties and seek to acquire an interest in additional properties if it believes there is sufficient potential, if it has adequate financial resources to do so and if it fits within the Company’s overall strategic plan.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no changes in the Company’s approach to capital management during the quarter ended June 30, 2018.

The Company is not subject to any externally-imposed capital requirements other than the minimum working capital requirement of $15 million under the Credit Facility. The Company believes that its current capital resources were sufficient to discharge its liabilities and capital commitments relating to open contracts and purchase orders as at June 30, 2018. As at June 30, 2018, the Company’s working capital was $40.7 million (December 31, 2017 - $68.8 million).

SHARE CAPITAL

Fully Diluted Shares

As at (In thousands)	**June 30 2018**	June 30 2017
Shares issued	**188,457**	187,859
Stock options outstanding(1)	**8,773**	8,203
RSUs outstanding(1)	**263**	13
DSUs outstanding(1)	**80**	–
Public Warrants outstanding(1)	**–**	5,750
Private Warrants outstanding(1)	**3,000**	3,000
	200,573	204,825

(1) Each stock option, RSU, DSU or warrant is exercisable for one Common Share

As at June 30, 2018, the exercise in full of outstanding Private Warrants and stock options would raise a total of approximately $33 million, of which in-the-money stock options would raise approximately $10 million. Management does not know when and how much will be collected from the exercise of such securities, as this is dependent on the determination of the option holder and the market price of the Common Shares.

As at August 8, 2018, there were 188,556,821 Common Shares outstanding.

Warrants

In January 2017, the Company issued 3,000,000 Private Warrants in connection with the Credit Facility. The Private Warrants have a four-year term, an exercise price of $3.67 and can be accelerated by the Company in the event the share price of the Common Shares on the TSX exceed 200% of the exercise price for a period of not less than 40 consecutive trading days. The Private Warrants are not listed for trading on any stock exchanges.

As at June 30, 2018, the exercise in full of the outstanding Private Warrants would raise a total of approximately $11 million. Management does not know when and how much will be collected from the exercise of such securities as this is dependent on the determination of the holders of the Private Warrants and the market price of the Common Shares. As at June 30, 2018, the closing share price of the Common Shares on the TSX was C$3.79.

As at August 8, 2018, 3,000,000 Private Warrants were outstanding.

Share-Based Compensation

The Company has a stock option and bonus share plan (the "Option Plan"), a deferred share unit plan (the "DSU Plan") and a restricted share unit plan (the "RSU Plan") in place. The maximum number of Common Shares issuable under all share-based compensation arrangements of the Company is equal to 10% of the issued and outstanding Common Shares from time to time. The Option Plan, the DSU Plan and the RSU plan are rolling plans as the number of shares reserved for issuance pursuant to the grant of stock options, RSU and DSUs will increase as the Company's issued and outstanding share capital increases.

Under the Option Plan, directors, officers, employees and consultants may be granted stock options to purchase Common Shares; in addition, the Board may issue up to 250,000 Shares annually for bonus compensation in lieu of cash for annual or long-term bonus plans. The DSU Plan provides that employees and directors of the Company may elect to receive up to 100% of their annual compensation in DSUs. In addition, DSUs may be awarded to an employee or director as deemed appropriate by the Company. Under the RSU Plan, RSUs may be awarded to an employee or consultant as a discretionary payment in consideration of past or futures services to the Company. Limits have also been set in respect of the maximum number of stock options or DSUs that may be issued to a non-employee director in any one-year period.

During the six months ended June 30, 2018, 338,307 RSUs and 90,000 DSUs were granted (six months ended June 30, 2017 – 118,579 RSUs and nil DSUs), of which 88,307 RSUs vested and 10,000 DSUs were redeemed (six months ended June 30, 2017 – 105,579 RSUs vested and nil DSUs redeemed).

As at June 30, 2018, 8,773,034 stock options were outstanding at an average exercise price of C$3.24 (December 31, 2017 – 7,923,034 stock options at an average exercise price of C$3.74), of which 5,609,034 stock options were exercisable (December 31, 2017 – 6,145,784 stock options). The exercise in full of the outstanding stock options would raise a total of approximately $22 million. Management does not know when and how much will be collected from the exercise of such securities as this is dependent on the determination of the option holders and the market price of the Common Shares. As at June 30, 2018, there were 263,000 RSUs and 80,000 DSUs outstanding.

As at August 8, 2018, there were 8,693,034 stock options, 80,000 DSUs and 263,000 RSUs outstanding.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, without limitation, such considerations as liquidity and capital resources.

RELATED PARTY TRANSACTIONS

Transactions with related parties are in the normal course of business and are recorded at the exchange amount, being the price agreed between the parties. The following is a summary of related party transactions for the three and six months ended June 30, 2018:

(a) During the three and six months ended June 30, 2018, legal fees relating to the closure of the Credit Facility of $nil and $0.01 million, respectively (three and six months ended June 30, 2017 - $nil and $0.01 million, respectively) were charged from a law firm in which a director of the Company is a partner and are included in deferred financing charges.

(b) During the three and six months ended June 30, 2018, $0.4 million and $0.6 million, respectively (three and six months ended June 30, 2017 – $0.1 million and $0.2 million, respectively) was paid to a public utility company in which a director of the Company is also a director and are included in capitalized expenditures in construction in progress.

CONTRACTUAL OBLIGATIONS

As at June 30, 2018, the Company had the following payments due on its contractual obligations and commitments:

Contractual Obligations In thousands of U.S. dollars	**Total**	**< 1 year**	**2-3 years**	**4-5 years**	**>5 years**
	$	**$**	**$**	**$**	**$**
Operating lease obligations (1)	**564**	**309**	**255**	**–**	**–**
Rehabilitation obligations(2)	**32,907**	**1,784**	**5,458**	**1,821**	**23,844**
Capital commitments(3)	**112,127**	**99,779**	**12,348**	**–**	**–**
Credit Facility principal and interest payments(4)	**195,955**	**–**	**62,206**	**89,019**	**44,730**
Production-linked payments(5)	**10,000**	**–**	**7,956**	**2,044**	**–**
Value-added tax on major equipment (e)	**2,553**	**22**	**6**	**2,525**	**–**
Total	**354,106**	**101,894**	**88,229**	**95,409**	**68,574**

(1) Represents lease agreements for office, warehouse and housing facilities in Toronto and Colombia.
(2) Represents undiscounted cash flows.
(3) Represents open contracts and purchase orders for the construction and development of the Buriticá Project and exploration activities.
(4) Represents draws received under the Credit Facility, capitalized interest to June 30, 2018 and contractual interest payable over future periods based on the LIBOR rate in effect on June 30, 2018.
(5) Represents payments of $20 per ounce of production resulting from draws received under the Credit Facility.

As at June 30, 2018, a rehabilitation provision of $17.8 million (December 31, 2017 – $17.5 million) was recorded, representing the discounted value of the expected future cash flows, of which $1.7 million (December 31, 2017 - $2.9 million) was classified as current and presented within accounts payable and accrued liabilities in the unaudited interim consolidated statement of financial position.

Construction activities have resulted in contractual obligations and commitments in respect of capital commitments, rehabilitation obligations and value-added tax on major equipment.

Draws from the Credit Facility have resulted in contractual obligations, including the production-linked payments.

FINANCIAL INSTRUMENTS AND RELATED RISKS

The Company manages capital and its exposure to financial risks by ensuring it has sufficient financial capacity to support exploration and development plans and long-term growth strategy.

The Company is subject to various financial risks that could have a significant impact on financial conditions and the Company's ability to advance its exploration projects. These risks include liquidity risk, credit risk and financial market conditions relating to interest rates, gold price and currency rates.

Fair value estimates are made at the balance sheet date, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment, and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

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

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity. The Company has treasury policies designed to support managing liquidity risk by proactively mitigating exposure through cash management, including forecasting its liquidity requirements with available funds and anticipated cash flows. As at June 30, 2018, the Company had cash and cash equivalents of $57.8 million (December 31, 2017 – $91.4 million) to settle current liabilities of $21.3 million (December 31, 2017 – $27.4 million). The majority of the Company's current financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company has begun to examine its options to secure additional sources of funds including public issuances, private placements and the exercise of outstanding stock options and warrants.

Market Risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates and equity prices. In the normal course of business, the Company is not exposed to market risk as a result of its investments being held in cash or short-term investment certificates.

Currency Risk

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company's functional currency is the U.S. dollar and major purchases are transacted primarily in U.S. dollars and Colombian pesos. The Company funds certain construction, operations, exploration and administrative expenditures in Colombia on a cash-call basis using Colombian pesos converted from its Canadian and/or U.S. dollar bank accounts held in Canada. The Company maintains Canadian and U.S. dollar bank accounts in Canada and Colombian peso bank accounts in Medellín, Colombia. The Company is subject to gains and losses due to fluctuations in the Colombian peso and the Canadian dollar against the Company's U.S. dollar functional currency. Sensitivity to a plus or minus 20% change in all foreign currencies (Colombian pesos and Canadian dollars) against the U.S. dollar, with all other variables held constant as at June 30, 2018, would affect net loss and comprehensive loss by approximately $1.5 million.

As at June 30, 2018, the Company held non-deliverable put and call option contracts totaling $21 million (December 31, 2017 - $nil) with expiry dates in H2 2018 and a COP:USD collar range of 2,725:1 to 3,000:1 to mitigate the exposure to the appreciation of the Colombian peso in respect of expenditures incurred in Colombia. During the three and six months ended June 30, 2018, changes in fair value in respect of the foreign currency contracts of $0.3 million and $0.3 million, respectively (three and six months ended June

30, 2017 - $nil) have been recognized within derivative loss in the unaudited interim consolidated statement of operations and comprehensive loss. On July 31, 2018, $3.5 million of the Company's put and call option contracts expired.

As at June 30, 2018, the Company held $4.8 million (December 31, 2017 - $nil) in restricted bank accounts as collateral deposits in respect of the foreign currency contracts, which will be released within 12 months upon expiry of the contracts. Additional collateral payments will be required for any fair value losses on outstanding currency contracts in excess of 60% of the related outstanding collateral deposits at any time. Future collateral cash requirements may also increase or decrease based on the extent of additional foreign currency contracts.

Interest Rate Risk

Interest rate risk is the impact that changes in interest rates could have on the Company's earnings and assets. In the normal course of business, the Company is exposed to interest rate fluctuations as a result of cash and cash equivalents being invested in interest-bearing instruments and loans payable balances being subject to variable interest rates. Interest rate risk is minimal in respect of the Company's interest-bearing instruments as balances are held on a short-term basis. However, significant changes in variable interest rates can have a significant impact on the Company's consolidated statements of financial position and/or consolidated statements of operations and comprehensive loss.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and amounts receivable. The Company has no significant concentration of credit risk arising from its properties. The Company's cash and cash equivalents are held with banks in Colombia and Canada. The Company limits material counterparty credit risk on these assets by dealing with financial institutions with credit ratings of at least A or equivalent, or those which have been otherwise approved. The majority of amounts receivable are current and consist of receivables from unrelated parties as of June 30, 2018. Management believes that the credit risk concentration with respect to amounts receivable is minimal based on the Company's history with these unrelated parties.

Fair Value

As at June 30, 2018, the carrying and fair value amounts of the Company's financial instruments were approximately equivalent. The fair value of the majority of the Company's financial instruments at June 30, 2018 was determined using quoted market prices.

MARKET TRENDS

Global Financial Market Conditions

Events and conditions in the global financial markets, particularly over the last two years, continue to impact gold prices, commodity prices, interest rates and currency rates. These conditions, as well as market volatility, may have a positive or negative impact on the Company's operating costs, project exploration and development expenditures and planning of the Company's projects.

Gold Market

The Company's economic assessment of its gold projects is impacted by the market-driven gold price. The gold market is affected by negative real interest rates over the near-to-medium term, continued sovereign debt risks, elevated geo-political risks, mine production and substantial above-ground reserves that can affect the price should a portion of these reserves be brought to market.

While many factors impact the valuation of gold, traditionally the key factors are actual and expected U.S. dollar value, global inflation rates, oil prices and interest rates.

The global financial market crisis affected the volatility of gold and other commodity prices, oil prices, currencies and the availability of credit. The gold price has displayed considerable volatility in the last few years. The daily closing spot gold price during the six months ended June 30, 2018 was between $1,250 and $1,335 per ounce ($1,151 and $1,284 per ounce during the six months ended June 30, 2017) for an average price for the six months ended June 30, 2018 of $1,316 per ounce (six months ended June 30, 2017: $1,237 per ounce). Continued uncertainties in major markets, specifically in the U.S. and European countries, and increased investments from Asia (namely India and China) were the main driving forces in the demand for gold.

($/ounce of gold)	**2018**	2017
Average market gold price for the six months ended June 30	**1,316**	1,237
Closing market gold price as at June 30	**1,250**	1,242

Currency

The Company's functional and reporting currency is the U.S. dollar. Fluctuation of the Canadian dollar against the U.S. dollar has a direct impact on the Company's corporate office cost base and cash balances. Fluctuation of the Colombian peso has a direct impact on the Company's construction, development and exploration activities. Currencies continued to experience volatility relative to the U.S. dollar in 2018. The key currencies to which the Company is exposed are the Canadian dollar and the Colombian peso.

	Closing Rate as at		**Average Rate six months ended**	
	June 30 2018	June 30 2017	**June 30 2018**	June 30 2017
Canadian dollar/US$	**0.7594**	0.7706	**0.7827**	0.7496
Colombian peso/US$	**0.00035**	0.00034	**0.00035**	0.00034

During 2018, the Company will have significant U.S. dollar and Colombian peso requirements due mainly to construction, development and exploration activities in relation to the Buriticá Project. As at June 30, 2018, the Company held $53.1 million in U.S. dollars, which represents approximately 92% of total cash balances, to protect against currency volatility in 2018 and which the Company believes is sufficient to fund remaining planned construction, development and exploration expenditures for 2018.

As at August 8, 2018, the Company held approximately $138.8 million in cash and cash equivalents, of which $133.3 million was in U.S. dollars, representing approximately 96% of total cash balances. In addition, the Company held 380 ounces of gold doré in inventory as at August 8, 2018 with a net realizable value of $0.5 million based on a closing gold price of $1,212 per ounce.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's annual consolidated financial statements under IFRS requires management to make certain estimates and assumptions that affect the amounts reported in the annual consolidated financial statements. The accounting estimates considered to be significant are the valuation of the Company's mineral resource assets and equity instruments, the factors considered in determining the Company's functional currency, and the inputs used in determining the balances recorded for the rehabilitation provision, commitments and contingencies. While management believes that these estimates and assumptions are reasonable, actual results could vary significantly.

The policy of capitalizing exploration costs to date does not necessarily relate to the future economic value of the exploration properties. The valuation of mineral resource properties is dependent entirely upon the discovery of economic mineral deposits.

The Company uses the Black-Scholes model to determine the fair value of stock options and warrant investments. The main factor affecting the estimates of stock-based compensation is the stock price volatility used. The Company uses historical price data in the estimate of the stock price volatility.

Changes in the accounting estimates in the items discussed above may have a material impact on the consolidated financial position of the Company.

Other items requiring estimates are accounts receivable, accounts payable and accrued liabilities, asset retirement obligations and future income taxes. Changes in the accounting estimates in these items may have a material impact on the financial position of the Company.

CHANGES IN ACCOUNTING POLICIES

New Accounting Standards and Interpretations adopted

IFRS 9 – Financial Instruments

IFRS 9, Financial Instruments ("IFRS 9") replaces IAS 39, Financial Instruments – Recognition and Measurement and some of the requirements of IFRS 7, Financial Instruments: Disclosures. The objective of IFRS 9 is to establish principles for reporting of financial assets and financial liabilities in respect of the assessment of the amounts, timing and uncertainty of an entity's future cash flows. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted and applied retrospectively. The Company adopted IFRS 9 in its consolidated financial statements on January 1, 2018 on a retrospective basis and was not required to restate prior periods.

The Company has made the irrevocable election to change the classification of its marketable securities from fair value through profit and loss ("FVTPL") to fair value through other comprehensive income ("FVOCI"), which has been applied retrospectively, without having to restate prior periods. Upon adoption of IFRS 9, the Company recorded a change to its opening January 1, 2018 deficit and accumulated other comprehensive income of $2.7 million to reflect the impact of reclassifying marketable securities designated as FVTPL under IAS 39 to FVOCI under IFRS 9. Cumulative gains and losses previously recognized in the consolidated statements of operations on the marketable securities which existed on January 1, 2018 have been reclassified to OCI.

Other than change in the accounting policy for marketable securities, the adoption of this standard did not have a material impact on the Company's consolidated financial statements, but did result in additional disclosures being provided. For the disclosures and impact of the adoption of IFRS 9, refer to Note 14(a) and Note 3(a)(i) under "Financial Instruments" in the unaudited interim consolidated financial statements for the three and six months ended June 30, 2018.

IFRS 15 – Revenue from Contracts with Customers

IFRS 15, Revenue from Contracts with Customers ('IFRS 15") replaces IAS 11, Construction Contracts, IAS 18, Revenue and some revenue-related interpretations. The objective of IFRS 15 is to provide a single comprehensive revenue recognition model that applies to contracts with customers using two approaches to recognizing revenue – at one point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of the revenue recognized. IFRS 15 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company adopted IFRS 15 on a prospective basis in its Financial Statements on January 1, 2018. The adoption of this standard did not have a material impact on the Company's consolidated financial statements as the Company's properties have not yet achieved commercial production.

Future Accounting Changes

The following revised standards and amendments have not been applied in preparing the interim consolidated financial statements. Management does not plan to adopt these standards in advance of their respective effective dates.

IFRS 16 – Leases

IFRS 16, Leases ("IFRS 16"), replaces IAS 17, Leases, and requires the recognition of almost all lease contracts on a lessee's statement of financial position as a lease liability reflecting future lease payments and a 'right-of-use asset'.

IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted.

The Company is in the process of completing the analysis of the impact of the current standard. However, the Company does not expect that the adoption of this standard to have a significant impact on its consolidated financial statements as preliminary analysis indicates that the Company does not currently have any significant contracts that are both subject to this standard and greater than one year, other than its lease contract for its office premises. Any new lease contracts in 2018 will require additional assessment of the impact on adoption.

INTERNAL CONTROL OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS AND PROCEDURES

The Company's Chief Executive Officer and Chief Financial Officer are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal controls over financial reporting, as those terms are defined in National Instrument 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings* for the Company. The Company's controls are based on the Committee of Sponsoring Organizations of the Treadway Commission (2013) framework.

There were no significant changes in the Company's disclosure controls and procedures and internal control over financial reporting, or in other factors that could significantly affect those controls subsequent to the date the Chief Executive Officer and Chief Financial Officer completed their evaluation as of June 30, 2018, nor were there any significant deficiencies or material weaknesses in the Company's internal controls identified requiring corrective actions.

The Company's management, with the participation of its Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures. Based on such evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2018, the Company's disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by the Company in reports it files is recorded, processed, summarized and reported, within the appropriate time periods.

The Company's management, including the Chief Executive Officer and the Chief Financial Officer, does not expect that its disclosure controls and internal controls over financial reporting will prevent or detect all errors and fraud. A cost-effective system of internal controls, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the internal controls over financial reporting are achieved.

QUALIFIED PERSON

Donald P. Gray, Chief Operating Officer of the Company, is a qualified person within the meaning of NI 43-101 and has reviewed and approved the scientific and technical information contained in this MD&A.

For additional information on the Buriticá Project, please refer to the Technical Report, available on the Company's website at www.continentalgold.com and under the Company's profile on SEDAR at www.sedar.com.

RISKS AND UNCERTAINTIES

The business of the Company is subject to a variety of risks and uncertainties. Investment in Common Shares should be considered highly speculative and involves a high degree of risk due to the nature of the Company's business and the present stage of development, production and exploration and the location of its properties in Colombia. Readers should carefully consider the risks disclosed in this MD&A, the

Company’s annual information form (“AIF”) for the year ended December 31, 2017, audited annual consolidated financial statements and related management’s discussion and analysis for the year ended December 31, 2017 and other publicly-filed documentation regarding the Company available under the Company’s profile on SEDAR at www.sedar.com and on the OTCQX at www.otcmarkets.com. In addition, the AIF is available upon request from the Company. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or relating to the Company’s operations and any of these risk elements could have a material adverse effect on the business of the Company.

ADDITIONAL INFORMATION

Additional information relating to the Company, including the Company’s AIF, is available under the Company’s profile on SEDAR at www.sedar.com and on the OTCQX at www.otcmarkets.com, and is available upon request from the Company.

CONTINENTAL GOLD INC
155 Wellington Street West, Suite 2920
Toronto, Ontario, Canada M5V 3H1
Telephone: +1 416 583 5610
Toll Free: +1-877-273-8228
Fax: +1 416 595 9918

COLOMBIA BRANCH OFFICE
Continental Gold Limited Sucursal Colombia
Calle 7 No 39-215, #1208, El Poblado, Medellin, Antioquia, Colombia
Teléfono: +57 4 3121026
Fax: +57 4 312 1093

www.continentalgold.com