Contact Gold Corp.
(formerly Winwell Ventures Inc.)
(an exploration-stage company)

Management's Discussion and Analysis
For the three and six months ended June 30, 2018

This MD&A contains forward-looking statements that involve numerous risks and uncertainties. The Company continually seeks to minimize its exposure to business risks, but by the nature of its business, activities, and size, will always have some risk. These risks are not always quantifiable due to their uncertain nature. Should one or more of these risks and uncertainties, or those described under the heading "*Risk Factors*" in the Company's Annual Information Form for the year ended December 31, 2017, dated April 26, 2018, and those set forth in this MD&A under the heading "*Industry and Economic Factors that May Affect our Business*" materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described in forward-looking statements.

Management's Discussion and Analysis
Three and six months ended June 30, 2018

This Management's Discussion and Analysis ("**MD&A**") of Contact Gold Corp. (formerly Winwell Ventures Inc., "**Winwell**") (the "**Company**", or "**Contact Gold**", or "**We**", or "**Our**", or "**Us**") is dated August 21, 2018, and provides an analysis of, and should be read in conjunction with, our unaudited condensed interim consolidated financial statements as at and for the three and six months ended June 30, 2018, and the related notes thereto (together, the "**Interim Financial Statements**"), and other corporate filings, including the Company's Annual Information Form for the year ended December 31, 2017, dated April 26, 2018 (the "**AIF**"), and the consolidated financial statements for the year ended December 31, 2017 (the "**AFS**") each of which is available under the Company's profile on SEDAR at www.sedar.com.

Quarterly highlights and recent developments

- Announced results for the initial 3 holes at the new 2 kilometre ("**km**") long West Target at Pony Creek, including 0.42 g/t Au over 33.53 metres oxide from 4.57 metres ("**m**") in discovery hole PC18-018. The West Target is 1 km from the property's "Bowl Zone".
- Reported initial 10 drill holes at the Bowl Zone from the ongoing 2018 program at Pony Creek.

  Selected results from the Bowl Zone to date include:
  - 0.91 g/t Au over 27.43 metres from 28.96 m in drill hole PC18-01
  - 0.53 g/t Au over 59.44 metres from 1.52 m in drill hole PC18-02
  - 2.51 g/t Au over 47.24 metres from 86.87 m in drill hole PC18-03
  - 1.00 g/t Au over 92.97 metres from 50.29 m in drill hole PC18-04
  - 0.18 g/t Au over 25.91 metres oxide from surface in drill hole PC18-07
  - 0.61 g/t Au over 21.34 metres from 103.63 in drill hole PC18-012
- Reported positive results of initial metallurgical test work completed on samples from Pony Creek.
- Drill pad building at the previously undrilled Moleen and Elliot Dome targets at Pony Creek, and at the Company's nearby North Star property have been completed.

Outlook

Exploration activities and the related budget for 2018 will continue to create value at Pony Creek with an aggressive and systematic exploration program. The 2018 drill program is focusing on several priority target areas at Pony Creek: the new discovery at the West Target, the North Zone, the historical resource area at the Bowl Zone, and the never-before drilled Elliot Dome and Moleen targets.

The 2018 program objectives have been designed to:

- Increase the footprint of oxidized gold mineralization at the Bowl Zone, and the North Zone
- Discover new zones of gold mineralization at West Target, and the Moleen and Elliot Dome targets
- Continue to generate and drill test additional targets

There is currently one reverse circulation (RC) drill rig operating on a 24-hour shift, and the Company plans to add another drill rig in the Fall. The planned program includes drilling 70 holes (16,000 metres) on newly-generated, previously undrilled targets.

An additional 12 holes will be dedicated to West Target as follow-up to the recently announced new discovery.

Results for 15 RC drill holes (approximately 3,000 metres) are pending as of the date of this MD&A, with continued drilling anticipated through the remainder of the year.

The approved 2018 exploration budget is approximately $4.7 million; the Company is fully-funded from existing treasury to complete the planned program.

The Company also expects to complete a separate drill program at the North Star property (6-8 drill holes), which is immediately north of Gold Standard Ventures' North Dark Star deposit.

Financial statement information presented herein was prepared using accounting policies in compliance with International Financial Reporting Standards ("**IFRS**"), as issued by the International Accounting Standards Board. Our reporting currency is the Canadian dollar ("**CAD**"), and all amounts in this MD&A are expressed in Canadian dollars unless otherwise stated. Amounts in United States dollars are expressed as "**USD**". As at June 30, 2018, the indicative rate of exchange, per $1.00 as published by the Bank of Canada, was USD 0.7594 (USD 0.7971 at December 31, 2017).

About Contact Gold Corp.

Contact Gold is a gold exploration company focused on making district-scale gold discoveries in Nevada.

Contact Gold's extensive land holdings are on the prolific Carlin, Independence, and North Nevada Rift gold trends which host numerous gold deposits and mines. Contact Gold controls a significant land position comprising target-rich mineral tenure which hosts numerous known gold occurrences, ranging from early- to advanced-exploration and resource definition stage.

None of the Company's properties have any known body of commercial ore or any established economic deposit; all are currently in the exploration stage.

The Company was incorporated under the Yukon Business Corporations Act on May 26, 2000 and was continued under the *Business Corporations Act (British Columbia)* (the "**Act**") on June 14, 2006. On June 7, 2017, upon closing of the Transactions (as defined herein), the Company completed a legal continuance into the State of Nevada and changed its name to "Contact Gold Corp.". The Company is domiciled in Canada and maintains a head office in Vancouver, British Columbia, Canada. Contact Gold's common shares began trading on the TSX Venture Exchange (the "**TSXV**") under the symbol "C" on June 15, 2017.

The Transactions

On June 7, 2017, the following transactions closed (together, the "**Transactions**"), pursuant to a court approved plan of arrangement:

a) <u>Reverse Take-over ("**RTO**") and financing</u>

Carlin Opportunities Inc. ("**Carlin**"), a company incorporated in British Columbia on November 23, 2016, closed financings (the "**Financings**") during the first half of 2017, to raise gross proceeds of $21,157,500, by issuing 23,815,000 common shares ("**Carlin Shares**"). A total of $0.95 million in agent and financial advisory fees were paid, and a further $0.61 million in expenditures were incurred, in connection with the Financings.

On June 7, 2017, the Company completed a share consolidation on the basis of one common share of Winwell (a "**New Winwell Share**") for every eight existing common shares of Winwell (the "**Consolidation**"). Pursuant to a post-consolidation adjustment, whereby New Winwell Shares were issued for each whole, consolidated common share held, with fractional shares rounded-down, there were 2,769,486 New Winwell Shares issued and outstanding following the Consolidation.

All of the issued and outstanding Carlin Shares, including 5,000,000 Carlin Shares issued in 2016, were then exchanged for all of the New Winwell Shares (becoming "**Contact Shares**"), and Carlin became a legal subsidiary of Contact Gold.

Immediately following closing of the Share Exchange, there were 31,584,486 Contact Shares issued and outstanding; 91.2% of which were issued to shareholders of Carlin, yielding them control of the Company.

The nature of the transaction constituted an RTO; for accounting and financial reporting purposes, and pursuant to IFRS 3, *Business Combinations* ("**IFRS 3**"), Carlin was identified as the accounting acquirer and is presented in the Company's financial statements as the parent entity. The comparative financial information presented in the Interim Financial Statements thus reflects only the assets, liabilities and operations of Carlin since its incorporation.

Value of consideration in the RTO was determined by reference to financings completed by Carlin in two tranches, on March 17, 2017, and March 22, 2017 at a price of $1.00 per Contact Share (the "**SubReceipts Financing**"). The value of the share capital (2,769,486 Contact Shares) owned by the former shareholders of Winwell at the time of the Transactions was thus $2,769,486.

The values of the net assets of the Company acquired in exchange for all of the issued and outstanding Carlin Shares are set out as follows:

Cash	$	361,658
Receivables		14,305
Loan receivable from Carlin		200,000
Payables and accrued obligations		(7,224)
Net assets acquired	$	568,739

b) Acquisition of Clover (the "**Asset Acquisition**")

Pursuant to a securities exchange agreement, dated December 8, 2016, amended on January 31, 2017, and with effect of June 7, 2017 (the "**Exchange Agreement**"), Contact Gold also acquired Clover Nevada II LLC ("**Clover**"), the entity that holds the Contact Gold Properties from Waterton Nevada Splitter, LLC ("**Waterton Nevada**"), a limited liability company of which Waterton Precious Metals Fund II Cayman, LP ("**Waterton**") is the sole member. The Contact Gold Properties are located on Nevada's Carlin, Independence, and Northern Nevada Rift gold trends. The land package acquired on closing of the Transactions hosts numerous known gold occurrences in Carlin-type gold systems, over several properties, ranging from early- to advanced exploration and resource definition stage.

Consideration paid, and the values thereof, has been accounted for as follows:

- $7 million in cash (the "**Cash Payment**");
- $14,987,020 in non-voting preferred shares of Contact Gold ("**Contact Preferred Shares**"); and
- 18,550,000 (valued at $18,550,000) Contact Shares.

The Asset Acquisition did not meet the IFRS 3 definition of a business combination; Clover was accordingly accounted for as the acquisition of an asset.

The total of consideration paid of $40,537,020, and transaction costs incurred ("**Acquisition Costs**") of $586,073, was allocated to the assets acquired based on relative fair values.

An aggregate of $40,973,369 was allocated to the Contact Gold Properties, with the remaining $149,724 attributed to the value of the prepaid Claims Maintenance fees[1]. Owing to the passage of time, the balance of prepaid Claims Maintenance fees had been completely drawn down by December 31, 2017. The attribution of value to the respective Contact Gold Properties was considered to be reflective of each property's relative size and anticipated priority of Company focus.

Mineral Properties

Subsequent to closing the Asset Acquisition, the Company acquired additional mineral property claims contiguous to the original tenure (the "**Additions**"). Expenditures directly attributable to the acquisition of the Additions have been capitalized; staking costs and related land claims fees paid have been expensed.

As at the date of this MD&A, the Contact Gold Properties encompass approximately 275 km^2 of target-rich mineral tenure and hosts numerous known gold occurrences in Carlin-type gold systems, ranging from early to advanced exploration and resource definition stage. The Contact Gold Properties, and changes thereto, include:

	Pony Creek (a)	Dixie Flats (b)	North Star (c)	Cobb Creek (d)	Portfolio properties (e)	**Total**
January 1, 2017	$ -	$ -	$ -	$ -	$ -	$ -
Asset Acquisition	27,335,389	3,479,125	620,278	125,619	9,412,957	**40,973,369**
Additions/ (Write downs)	141,308	64,729	-	156,040	-	**362,077**
Foreign Exchange impact	(1,914,509)	(242,475)	(43,230)	(8,680)	(654,053)	**(2,862,947)**
December 31, 2017	**25,562,188**	**3,301,379**	**577,048**	**272,979**	**8,758,904**	**38,472,499**
Additions (Write downs)	151,482	-	-	-	(84,286)	**67,196**
Foreign Exchange impact	1,269,449	163,951	28,657	13,556	434,978	**1,910,591**
June 30, 2018	**$ 26,983,119**	**$ 3,465,330**	**$ 605,705**	**$ 286,535**	**$ 9,109,596**	**$ 40,450,286**

Balances presented as Portfolio properties include the nine Contact Gold Properties not separately identified.

[1] Land maintenance fees are those paid to the United States' Department of Interior's Bureau of Land Management (the "**BLM**") and similar fees paid to various Nevada Counties (together, "**Claims Maintenance fees**").

a) Pony Creek

Pony Creek is located within the Pinion Range, in western Elko County, Nevada, south of Gold Standard Ventures' ("**GSV**")'s Railroad-Pinion project ("**Pinion**"). Since acquisition, through to the date of this MD&A, Pony Creek has been the principal focus of the Company's exploration efforts. The Pony Creek property comprises 1,355 claims encompassing approximately 107 km^2 in the southern portion of the Carlin gold trend and hosts near surface oxide and deeper high-grade targets supported by extensive exploration databases.

Large areas of prospective geological setting at Pony Creek had never been sampled or explored, particularly where the newly-recognized host horizons at the nearby Pinion project are exposed. No drilling had been conducted at Pony Creek in 10 years.

Immediately upon closing the Transactions, we focused on developing high-priority drill targets and submitted a Notice of Intent ("**NOI**") to allow for the necessary disturbance of an initial drill program, including access roads and drill pad construction. Less than 44 days following acquisition of Pony Creek we commenced a 10,390 metre, 42-hole drill program, that comprised 31 confirmation and exploration holes at the Bowl Zone, and 11 exploration and confirmation holes at the North Zone. The 2017 program defined oxidized corridors at both the North Zone and western portion of the Bowl Zone with 40 of the 42 drill holes intersecting significant gold mineralization. The Bowl Zone and North Zone are both open for expansion in most directions. The 2017 exploration program also included: over 3,500 soil samples, geological mapping, 427 gravity stations, and 33 line-km of CSAMT geophysical surveys.

In May 2018, the Company commenced a 16,000-metre drill program, designed to advance several priority areas generated in 2017. Planned drilling will focus on the Bowl Zone, North Zone, and the never-before drilled West target, Moleen target, and Elliot Dome. Each of these areas is in the northern part of the property, with a significant area, believed to be on strike, yet to be explored toward the south.

Results generated to date by the 2018 drill program include a new oxide gold discovery at the West Target (0.42 g/t Au over 33.53m), and multiple mineralized holes on the western edge of the Bowl Zone, upgrading and expanding the mineralization to the west, including 2.51 g/t oxide gold over 47.24m.

Since closing the Transactions, the Company staked or acquired an additional 34 km^2 of prospective mineral tenure adjacent to Pony Creek, primarily to the east and south. The new claims, including those previously known as Pony Spur and East Bailey[2], cover prospective host rocks with significant exploration potential that have seen minimal exploration effort in the past.

Although the NOI, including subsequent amendments, is expected to provide the Company with sufficient allowable disturbance to undertake the 2018 drill program, management has begun to prepare a Plan of Operations for up to 60 acres of additional disturbance on the property. Studies underway include required cultural, biological and other environmental baseline surveys.

There is a 3% net smelter returns royalty ("**NSR**") on the claims that comprise Pony Creek acquired from Waterton Nevada, 1% of which can be bought-back prior to February 7, 2020 for USD 1,500,000. In addition to the NSR awarded on the acquisition of East Bailey, there is a 3% NSR over certain portions of the property, up to 2% of which can be bought-back for USD1,000,000 per 1% increment. Advanced royalty payments are due annually for certain East Bailey claims; the amount due for the forthcoming year is USD10,000.

For the six-month period ended June 30, 2018, expenditures, including non-cash items, incurred at Pony Creek were $1.60 million, including: Drilling, assaying & geochemistry ($0.66 million), Geological contractors/consultants & related crew care costs ($0.43 million), and wages and salaries ($0.18 million). Expenditures for the period June 7, 2017 (closing of the Asset Acquisition) to June 30, 2017 were $0.05 million.

The approved budget for 2018 at Pony Creek is $3.82 million. Through June 30, 2018 we had spent $1.47 million on exploration at the property (exclusive of Claims Maintenance fees).

Additional information about Pony Creek is summarized in the NI 43-101 Technical Report entitled "*Technical Report on the Pony Creek Gold Project, Elko County, Nevada, USA*" (the "**Technical Report**"), prepared for Contact Gold, with an effective date of March 15, 2017, and dated April 18, 2017, as prepared by Michael M. Gustin, C.P.G. of Mine Developments Associates of Reno, Nevada, and can be viewed under Contact Gold's issuer profile on SEDAR at www.sedar.com.

[2] In September 2017, Contact Gold acquired the Pony Spur property in exchange for 75,000 Contact Shares, USD 50,000 and the reimbursement of claims fees, with such costs capitalized to the carrying value of Pony Creek. On February 6, 2018, the Company acquired the East Bailey property in exchange for 250,000 Contact Shares and the award of a 2% NSR royalty to the vendor.

b) Dixie Flats

The Dixie Flats gold property ("**Dixie Flats**") sits approximately 2.5 km to the east and south of Newmont Mining's Emigrant Mine, in western Elko County, Nevada. The property boundary of Dixie Flats is 13 km north of Pony Creek, sitting along the Emigrant fault and sharing many of the same host rocks and much of the same stratigraphy as Pony Creek and the Emigrant mine. As of the date of this MD&A, Dixie Flats comprises 324 unpatented mining claims covering 27.1 km^2 of prospective ground.

Although there had been limited historic exploration activity at Dixie Flats, there are 17 historical drill holes on the property, several of which intersected significant gold mineralization.

During the first half of 2018, work consisted of data compilation, analysis, drill target selection and report preparation. The 2017 program included 26 line km of CSAMT geophysical surveys, and a 304-station gravity survey. Results reinforce management's belief in the prospectivity of the property. Interpretation of geophysical data indicates that the main Emigrant-Dark Star controlling structure projects southward through Dixie Flats from Newmont's Emigrant mine to GSV's Dark Star deposit. The Company expects to continue refining targets through 2018 in anticipation of a future drill program.

For the six-month period ended June 30, 2018, expenditures, including non-cash items, incurred at Dixie Flats were $0.05 million, an amount generally in line with the 2018 budget of $0.07 million. Expenditures including attributable non-cash amounts for the brief period from closing of the Asset Acquisition to June 30, 2017 were $4,345.

There is a 2% NSR on the Dixie Flats property, 1% of which can be bought-back prior to February 7, 2020 for USD 1,500,000.

c) North Star

The North Star property ("**North Star**") is located along the Emigrant fault, between Pony Creek and the Dixie Flats property. North Star is 1.5 kilometres north of GSV's Dark Star deposit in western Elko County, Nevada. As of the date this MD&A, North Star comprises 56 unpatented mining claims covering 4.68 km^2 of prospective ground. Although the footprint of the property is not as large as that of nearby Pony Creek, the Company believes the location to be a significant piece of the district. Data and interpretation from the 2017 exploration program, including the results of CSMAT and gravity surveys show compelling evidence that the extension of the Emigrant-Dark Star deposit's controlling structure projects through the North Star property.

There has been no historical drilling completed on the property. The Company expects to begin a drill program in Spring 2018, and has completed construction of necessary drill pads; the highest priority targets sit under or adjacent to main access road to GSV's Dark Star deposit.

For the six-month period ended June 30, 2018, expenditures, including non-cash items, incurred at North Star were $0.02 million, an amount generally in line with the 2018 budget of $0.39 million. Exploration activity during the first half of 2018 included geochemical surveys, data compilation from the 2017 program and completion of a NOI permit application for additional 2018 drilling. Expenditures, including attributable non-cash amounts, for the period from closing of the Asset Acquisition to June 30, 2017 were minimal.

There is a 3% NSR on the North Star property.

d) Cobb Creek

Although when acquired pursuant to the Transactions, the Company held only a 49% interest in the Cobb Creek property, the Company consolidated its interest on November 7, 2017 by agreeing to make six annual payments of USD 30,000 in cash to a private individual (the "**Cobb Counterparty**") with whom the original (dating back to 2002) partnership agreement had been made. As of the date of this MD&A, the first installment of this payment has been paid. Associated acquisition costs of $156,040 have been capitalized to Cobb Creek for this incremental 51% interest. The Company has recently staked an additional 116 unpatented mining claims covering an additional 8.25 km^2 of prospective ground. Data compilation, mapping, 3D modeling, and target refinement is ongoing.

Through December 31, 2017 there had been minimal expenditure at the property.

e) Portfolio

The remaining Contact Gold Properties, described herein as the "portfolio properties", are situated along the Carlin, Independence, and Northern Nevada Rift Trends, well known mining areas in the state of Nevada.

The Portfolio properties each carry an NSR of either 3% or 4%, some of which include buy-down options that expire on February 7, 2020.

During the six-month period ended June 30, 2018, the Company determined to abandon those mineral property claims that comprise the Woodruff property. Contact Gold's interest in the Woodruff property will lapse August 31, 2018, the date on which the annual BLM claims fees are next due. According, the carrying value of Woodruff has been written-down by $84,286 to $nil.

Exploration and evaluation expenditures incurred by Contact Gold, including Claims Maintenance fees, have been expensed in the statements of loss and comprehensive loss. None of the Company's properties have any known body of commercial ore or any established economic deposit; all are currently in the exploration stage.

Details of exploration and evaluation actives, and related expenditures incurred are as follows:

	For the period from January 1, 2018 to June 30, 2018	**For the period from June 7, 2017 to June 30, 2017**
Geological contractors/consultants & related crew care costs	$485,701	$7,134
Land claims fees	$387,969	38,215
Wages and salaries, including share-based compensation	$306,569	20,171
Drilling, assaying & geochemistry	$667,303	7,270
Permitting and environmental monitoring	$110,919	1,287
Expenditures for the period	**1,958,461**	**$74,077**
Cumulative balance	$6,175,277	$74,077

Wages and salaries include share-based compensation of $90,269 through June 30, 2018 (period from June 7, 2017 to June 30, 2017, $4,227). The Company has determined to account for Claims Maintenance fees each year as prepaid expenses, amortized evenly over the course of the year with an expense for amortization recorded to each of the Contact Gold Properties for the related period.

Details of exploration and evaluation expenditures incurred and expensed by Contact Gold on the, Contact Gold Properties are as follows:

	For the period from January 1, 2018 to June 30, 2018	**For the period from June 7, 2017 to June 30, 2017**
Pony Creek	$1,603,973	$48,134
Dixie Flats	$46,305	4,345
North Star	$16,010	775
Cobb Creek	$96,382	706
Portfolio properties	$195,791	20,117
Expenditures for the period	**1,958,461**	**$74,077**
Cumulative balance	$6,175,277	$74,077

As detailed in this MD&A in the discussion relating to the Contact Preferred Shares, and more specifically as part of the "Other Terms", Waterton Nevada was granted certain rights relating to the Contact Gold Properties, including a right of first offer ("**ROFO**"), and a right of first refusal ("**ROFO**"). A third-party holds a ROFO on certain of the Portfolio properties.

Selected Financial Information

Management is responsible for the financial statements referred to in this MD&A. The Board of Directors of Contact Gold (the "**Board**") approved the Interim Financial Statements and this MD&A.

Our significant accounting policies are presented in Note 2 of the AFS; with the exception of the adoption of amendments to IFRS 2, *Share-based Payments* ("**IFRS 2**"), and the adoption of IFRS 9, *Financial Instruments* ("**IFRS 9**") we followed these accounting policies consistently throughout the period. A summary of IFRS 2 and IFRS 9, and the adoption thereof, is detailed in the Interim Financial Statements at Note 3.

Management has determined that Contact Gold and Carlin have a CAD functional currency because the Company and Carlin finance activities and incur expenses primarily in CAD. Clover has a USD functional currency reflecting the primary currency in which it incurs expenditures, and in which is receives funding from Contact. The Company's presentation currency is Canadian dollars. Accordingly, and as the Company's most significant balances are assets held by Clover, each reporting period will likely include a foreign currency adjustment as part of accumulated other comprehensive loss. Reference to a significant portion of this foreign currency adjustment can be made in the table of values of the Contact Gold Properties in this MD&A.

The Company operates in one segment – the exploration of mineral property interests.

Results of Operations

The following table and discussion sets forth selected financial information with respect to Contact Gold, from which information has been derived, and should be read in conjunction with, the Interim Financial Statements.

Statements of Loss and Comprehensive Loss	**Three months ended June 30, 2018 $**	**Three months ended June 30, 2017 $**	**Six months ended June 30, 2018 $**	**Six months ended June 30, 2017 $**
Loss before income taxes	2,844,511	372,958	4,077,626	837,447
Income tax expense	-	-	-	-
Other comprehensive (income) loss	(811,019)	1,568,878	(1,900,828)	1,568,878
Loss and comprehensive loss	2,033,492	1,941,836	2,176,798	2,406,325

Discussion of Operations

Three months and nine months ended June 30, 2018 and June 30, 2017

Contact Gold incurred a loss and comprehensive loss for each of the three- and six-month periods ended June 30, 2018, of $2,844,511 and $4,077,626, respectively (three- and six-months ended June 30, 2017: $372,958 and $837,447). Other comprehensive income/loss in each period reflects the translation of the USD-denominated values of Clover's assets and liabilities for consolidation purposes.

Details of exploration and evaluation expenditures for the three- and six-months ended June 30, 2018 of $1,349,598 and $1,958,461, including non-cash share-based compensation of $57,126 and $90,269 in each period, have been summarized in this MD&A under heading "*Mineral Properties*". Balances for each of the comparative periods are also reflected in this MD&A under that same heading.

The Contact Preferred Shares were issued to Waterton Nevada as partial consideration for the Asset Acquisition. The value of the Contact Preferred Shares was bifurcated to a "host" instrument and to certain identified embedded derivatives (the "**Embedded Derivatives**"). There are no comparative period balances.

- At issuance, the "host" instrument was valued in USD at 6,033,480. The value of the "host", translated to CAD of $8,140,371 is accreted back to the full value of $15,262,500, including the value of the accumulated accrued dividends over five years. The non-cash accretion of the "host" value for the period from January 1, 2018 to June 30, 2018 was $878,741. A non-cash foreign exchange loss of $325,311, reflective of the depreciation of the CAD compared to the USD through that period, was recognized on the "host".
- The value of the Embedded Derivatives at issuance was USD 5,066,520 ($6,846,648). Each period the statements of loss and comprehensive loss include the impact of a revaluation of these Embedded Derivatives. Determination of the revaluation includes a considerable amount of judgment from management; the quantum from period to period is subject to a potentially significant amount of change and is generally inversely reflective of changes to the USD-denominated market price of the Contact Shares. During the period of January 1, 2018 to June 30, 2018 the Company recognised a gain of $592,688.

Stock-based compensation expense, as directly reflected in the statement of loss and comprehensive loss for the three- and six-months ended June 30, 2018 totaled $381,534 and $667,269 (three- and six-months ended June 30, 2017: $43,192 and $43,192, respectively). Stock-based compensation expense should be expected to vary from period-to-period depending on several factors, including whether Options are granted in a period, and the timing of vesting or cancellation of such equity instruments. The Company awarded Options during the first six months of the year.

In determining the fair market value of stock-based compensation granted to employees and non-employees, management makes significant assumptions and estimates. These assumptions and estimates have an effect on the stock-based compensation expense recognized and on the contributed surplus balance on our statements of financial position. Management has made estimates of the life of the Options, the expected volatility, and the expected dividend yields that could materially affect the fair market value of this type of security.

Wages and salaries of $220,781 and $412,935 for the three- and six-months ended June 30, 2018 ($80,107 and $80,107 for the three- and six-months ended June 30, 2017) reflects amounts earned by officers and employees of the Company. Beginning effective January 1, 2018, the amount includes fees payable to directors, where there was no amount in 2017.

Administrative, office and general expenses of $117,351 and $234,690 for the respective three- and six-months ended June 30, 2018 ($34,867 and $54,054 for the three- and six-months ended June 30, 2017), includes listing and filings fees, incorporation costs, banking charges, and head office-related costs.

Investor relations, promotion and advertising expenses of $108,364 and $202,384 through the three- and six-months ended June 30, 2018, include marketing activities (including related travel costs), website design and information technology related costs (($10,945 and $54,900 for the three- and six-months ended June 30, 2017).

The foreign exchange loss recorded for the three- and six-months ended June 30, 2018 of $67,996 and $108,337, respectively reflects primarily the impact of the rate of exchange on the value of the Contact Preferred Shares, net of a gain on the revaluation of our USD-denominated cash balance at period end. Depending on the volatility of the exchange rate from period to period the impact on the statement of loss and comprehensive loss could be significant. The foreign exchange loss in the comparative periods arises from these same changes, although the impact is less as a reflection of the short period from closing of the Transactions to June 30, 2017.

Professional, legal and advisory fees through the three- and six-months ended June 30, 2018 of $95,010 and $123,882, respectively reflect a normalization of corporate activities as compared to fees in the three- and six-months ended June 30, 2017: $48,249 and $449,596). Expenses for the periods ended June 30, 2017 include financial advisory fees incurred directly related to the Transactions, including structuring, financing, legal and tax advisory services, that were not otherwise eligible to record as part of the acquisition of Clover or as share issue costs.

Financial Position

The following financial data and discussion is derived from our Interim Statements, and the AFS.

	June 30, 2018	**December 31, 2017**
Current Assets	$ 4,099,162	$ 6,763,234
Total Assets	$ 44,781,211	$ 45,424,278
Total Current Liabilities	$ 564,272	$ 524,212
Total Liabilities	$ 10,739,741	$ 10,076,048
Shareholders' Equity	$ 34,041,470	$ 35,348,230
Number of Contact Shares outstanding	50,596,986	50,346,986
Basic and fully diluted loss per weighted average number of Contact Shares for the period ended	($0.08)	($0.10)

The increase in total assets reflects the net of an increase to the value attributable to the Contact Gold Properties and a decrease is the balance of cash and cash equivalents. The balance of total assets also includes the value of Prepaid Claims Maintenance fees, and other prepaid expenditures and the amount held on deposit for permitting and bonding purposes in the United States. The value of the Contact Gold Properties may vary period-over-period reflective of changes in the USD-CAD foreign exchange rate.

Current liabilities as at June 30, 2018 comprises payables of $527,369 (December 31, 2017: $491,960), accrued liabilities of $36,903 (December 31, 2017: $32,252) and the amount due to the Cobb Counterparty in the next 12-months. The balances of payables and accruals will generally vary dependent upon the level of activity at the Company, and the timing at period end of invoices and amounts we have actually paid. As of the date of this MD&A, the majority of the amount payable at June 30, 2018 has been paid.

The balance of total liabilities reflects the value of the "host" and Embedded Derivatives that comprise the Contact Preferred Shares. The Contact Preferred Shares were concluded to be a form of obligation and have been included as a non-current liability. The Contact Preferred Shares have a maturity date of five years from the date of issuance and a cumulative cash dividend payable upon redemption, at a fixed rate equal to 7.5% per annum. The terms and conditions of the Contact Preferred Shares with accounting impact are detailed in the Interim Financial Statements.

A summary of changes to the total value of the Contact Preferred Shares at June 30, 2018 of $10,078,111 is:

Host instrument:

Carrying value of the Contact Preferred Shares host instrument at December 31, 2017	$ 8,419,705
Change in carrying value from January 1 to June 30, 2018	
Accretion	878,741
Foreign exchange	325,311
Carrying value of the Contact Preferred Shares host instrument at June 30, 2018	**$ 9,623,757**

Embedded Derivatives:

Fair value of Embedded Derivatives at December 31, 2017	$ 1,047,042
Change in fair value of Embedded Derivatives for January 1 to June 30, 2018	(592,688)
Fair value of Embedded Derivatives at June 30, 2018	**$ 454,354**

The number of Contact Shares to be issued would be 10,827,022 if all of the outstanding Contact Preferred Shares had been converted into Contact Shares based on the rate of foreign exchange on June 30, 2018.

In addition to those rights, privileges, restrictions and conditions reflected in the value of the Embedded Derivatives, the Contact Preferred Shares include the following terms ("**Other Terms**") for which there is no accounting impact:

- So long as Waterton Nevada and/or its affiliates beneficially own or control 33⅓% or more of the Contact Preferred Shares issued on closing of the Asset Acquisition, and subject to the provisions of the Contact Preferred Shares:
  i. *ROFO*. Contact Gold will be obligated to inform Waterton Nevada of its intention to sell, lease, exchange, transfer or otherwise dispose of any of its interests in the Contact Gold Properties that is not a sale of all or substantially all of Contact Gold's assets and provide Waterton Nevada with a summary of the essential terms and conditions by which it is prepared to sell any specified interest in the Contact Gold Properties. Upon receipt of such divesting notice, Waterton Nevada will have the right to elect to accept the offer to sell by Contact Gold on the terms contained on the divesting notice. If Waterton Nevada does not elect to accept the offer for such specified terms, Contact Gold shall be permitted to sell its specified interest in the Contact Gold Properties to a third party for a period of 180 days from the date of the original divesting notice on terms and conditions no less favourable to Contact Gold than those contained in the divesting notice.
  ii. *ROFR*. If Contact Gold shall have obtained an offer from one or more third party buyers in respect of the sale, lease, exchange, transfer or other disposition of any of the Contact Gold Properties, in whole or in part, in any single transaction or series of related transactions, which offer Contact Gold proposes to accept, Contact Gold shall promptly provide written notice of such fact to Waterton Nevada and offer to enter into such a transaction with Waterton Nevada.
  iii. *Sale of Substantially All of Contact Gold's Assets*. Contact Gold shall not sell, lease, exchange, transfer or otherwise dispose of all or substantially all of its assets without Waterton Nevada's prior written consent, which will not be unreasonably withheld or delayed.
- In the event of a liquidation, dissolution or winding-up of Contact Gold or other distribution of assets of Contact Gold among its shareholders for the purpose of winding up its affairs or any steps taken by Contact Gold in furtherance of any of the foregoing, the holders of Contact Preferred Shares shall be entitled to receive from the assets of the Contact Gold in priority to any distribution to the holders of Contact Shares or any other class of stock of Contact Gold, the Liquidation Value (as such term is defined in the articles of incorporation of Contact Gold) per Contact Preferred Share held by them respectively, but such holders of Contact Preferred Shares shall not be entitled to participate any further in the property of Contact Gold.

Liquidity and Capital Resources

The properties in which we currently have an interest are in the exploration stage. We have no revenue-producing operations and earn only minimal income through investment income on treasury. Accordingly, we are dependent on external financing, including the proceeds of future equity issuances or debt financing, to fund our activities. Circumstances that could impair our ability to raise additional funds, or our ability to undertake transactions, are discussed in the AIF under the heading "Risk Factors". There is no assurance that we will be able to raise the necessary funds through capital raisings in the future. In particular, the Company's access to capital and its liquidity will be impacted by global macroeconomic trends, fluctuating commodity prices and general investor sentiment for the mining and metals industry. There are no known restrictions on the ability of our affiliates to transfer or return funds amongst the group. See also *Liquidity Risk* in this MD&A.

As at the date of this MD&A, the Company has approximately $2.8 million available in cash, and working capital of approximately $2.65 million. Our budget, including exploration, land holding costs for the Contact Gold Properties, and administration for the remainder of 2018, is approximately $2.0 million). Our primary obligations relate to (i) the terms and various covenants in and to the Contact Preferred Shares, and (ii) the annual payment of USD 30,000 as consideration for the acquisition of the Cobb Creek property.

To facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. On an ongoing basis, management evaluates and adjusts its planned level of activities, including planned exploration, development, permitting activities, and committed administrative costs, to ensure that adequate levels of working capital are maintained. We believe that this approach, given the relative size and stage of Contact Gold, is reasonable.

There may be circumstances where, for sound business reasons, funds may be re-allocated at the discretion of the board of directors or management of Contact Gold. While we remain focused on our plans to continue exploration and development on the Contact Gold Properties, we may (i) conclude to curtail certain operations; or (ii) should we enter into agreements in the future on new properties we may be required to make cash payments and complete work expenditure commitments under those agreements, which would change our planned expenditures.

Recent Financings and issuances of Contact Shares

On February 6, 2018 the Company issued 250,000 Contact Shares ($112,500) to acquire East Bailey.

As at June 30, 2018, 14,046,148 (December 31, 2017 – 17,557,685) Contact Shares were held in escrow and restricted from trading, pursuant to the rules of the TSXV. These trading restrictions expire as follows:

December 14, 2018	3,511,537
June 14, 2019	3,511,537
December 14, 2019	3,511,537
June 14, 2020	3,511,537
	14,046,148

As a condition to the completion of the Transactions, and in addition to escrow provisions imposed by the TSXV, Waterton Nevada's shareholdings in Contact Gold (18,500,000 Contact Shares) are subject to a lock-up whereby it shall not sell or otherwise dispose of its security holdings in Contact Gold for a period of 24 months, other than in limited circumstances. These same restrictions apply to Contact Shares held by certain officers and directors of the Company.

Contractual Obligations

Other than those disclosed herein, including those associated with the Cobb Creek acquisition, and with the Contact Preferred Shares, Contact Gold has certain additional contractual obligations arising from the RTO, Financings and Asset Acquisition, including those associated with the Contact Preferred Shares.

1. Contact Gold, Waterton Nevada and certain of the post-Transaction significant shareholders of Contact Gold ("**Shareholders**") entered into a governance and investor rights agreement which includes, among other things, a standstill, lock-up and resale restrictions placed on their respective shareholdings in Contact Gold for a period of two years, participation rights in favour of Waterton to maintain its pro rata interest in Contact Gold and registration rights in favour of Waterton. In addition, Waterton agreed to support recommendations of management of Contact Gold in respect of future meetings of shareholders of the Company for a period of two years, subject to certain limitations.

2. Upon closing of the Financings, Contact Gold and Goldcorp USA, Inc. ("**Goldcorp**"), an entity holding 7,500,000 Contact Shares, entered into an investor rights agreement whereby as long as Goldcorp maintains a 7.5% or greater equity ownership interest in Contact Gold:
   - Goldcorp will have the right to maintain its pro rata ownership percentage of Contact Gold during future financings;
   - Goldcorp will have a "top up" right to increase its equity ownership percentage to a maximum of 19.9% of the issued and outstanding Contact Shares until the earlier of the date on which it elects not to exercise its participation right in any future financing or it disposes of any Contact Shares other than to its affiliates;
   - Goldcorp shall have the right to receive regular updates of technical information about Contact Gold;
   - Contact Gold will form, at Goldcorp's request, a technical committee and Goldcorp will have the right to appoint not less than 25% of the members of the technical committee; and
   - If Goldcorp elects to sell a block of more than 5% of the Contact Shares, Contact Gold will have the right to designate buyers.

Transactions with Related Parties

Key management includes members of the Board, the President and Chief Executive Officer, the Chief Financial Officer & VP Strategy, the Company's Executive Vice-President, and the VP Exploration. The aggregate total compensation paid, or payable to key management for employee services is shown below:

	June 30, 2018	June 30, 2017
Salaries and other short-term employee benefits	$ 402,534	$ 80,107
Share-based payments and Restricted Shares	688,462	48,808
Total	**$ 1,090,996**	**$ 128,915**

During the six-months ended June 30, 2018, an amount of $30,000 (six-months ended June 30, 2017: $16,250) was also paid to a corporation controlled by an officer of the Company relating to management services rendered. At June 30, 2018, $15,000 remained payable in regard to such services (December 31, 2017: $-nil). During the six-months ended June 30, 2018 an amount of $97,500 was paid ($nil payable at June 30, 2018) to the directors of the Company as directors' fees (December 31, 2017: $-nil)

In addition to the above, the Contact Gold's related parties include its subsidiaries, and Waterton Nevada as a reflection of its 37% ownership interest in the Company, its preferred shareholding and the right Waterton Nevada holds to place two nominees (one of which who must be independent from Waterton) to the Board.

With the exception of the Transactions, Options granted to the non-independent Waterton Nevada Board appointee, and director fees paid of $17,500, there were no transactions amongst the Company and Waterton Nevada.

Summary of Quarterly Results and Fourth Quarter

Carlin was established during the fourth quarter of 2016, and accordingly the discussion in this MD&A relating to the Company's business, operations and cash flows captures periods only through each successive quarter subsequent to that date.

The following table sets out selected quarterly financial information of Contact Gold and is derived from unaudited quarterly financial statements prepared by management.

Period	Revenues	Net loss for the period	Net loss per share for the period
Three months ended June 30, 2018	$ Nil	$ 2,844,511	$ 0.06
Three months ended March 31, 2018	$ Nil	$ 1,248,596	$ 0.02
Three months ended December 31, 2017	$ Nil	$ 2,237,579	$ 0.04
Three months ended September 30, 2017	$ Nil	$ 163,165	$ 0.01
Three months ended June 30, 2017	$ Nil	$ 372,958	$ 0.01
Three months ended March 31, 2017	$ Nil	$ 464,488	$ 0.06
Period from incorporation on November 23, 2016 to December 31, 2016	$ Nil	$ 274,048	$ 0.05

The Company's quarterly results may be affected by many factors such as seasonal fluctuations, the write-down of capitalized amounts, fair value and foreign exchange impacts recognized on the Contact Preferred Shares, share-based payment costs, tax recoveries and other factors that affect Company's exploration and financing activities.

The Company and its business are relatively new, and the Company's expenditures and cash requirements may fluctuate and lack some degree of comparability from period to period as activities are normalized and strategies are refined and executed. In addition, the non-cash related impact of fair value fluctuations arising on the Embedded Derivatives may give rise to significant results from one period to the next.

Furthermore, the Company's expenditures may also be affected by the capital markets for exploration-stage companies. The Company's primary source of funding is through the issuance of share capital. When the capital markets are depressed, the Company's activity level may decline as a result of difficulties raising funds. When capital markets strengthen, and the Company is able to secure equity financing with favourable terms, the Company's activity levels and the size and scope of planned exploration projects may increase.

The Company's loss and comprehensive loss for the second quarter of 2018 reflects (i) $811,019 recognized in other comprehensive income from the revaluation of the Company's USD-denominated Contact Gold Properties; (ii) exploration and evaluation expenditures of $1,349,598, (iii) the non-cash accretion of the host amount of $449,558, (iv) write-off (non-cash) of the Woodruff property of $84,286, and (vi) general office & administrative costs, investor relations and other costs to administer the Company.

The Company's loss and comprehensive loss for the first quarter of 2018 reflects (i) $1,089,809 recognized in other comprehensive income from the revaluation of the Company's USD-denominated Contact Gold Properties; (ii) the impact of a $564,605 non-cash fair value adjustment (gain) on the value of the Embedded Derivatives, (iii) exploration and evaluation expenditures of $614,479, (iv) the non-cash accretion of the host amount of $429,183, and (v) general office & administrative costs, investor relations and other costs to administer the Company.

The Company's loss and comprehensive loss for the fourth quarter of 2017 is reflective of $2,247,647 in expenditures at the Contact Gold Properties at which an active drilling and exploration program was underway, and the non-cash fair value gain of $1,321,685 on the Contact Preferred Shares. Other activities and expenditures in the fourth quarter include the normalization of investor relations and marking activities, administrative operations and the cost of maintaining a public listing. The amount of the comprehensive loss recorded for the period reflects the non-cash effect of exchange differences on the translation of Clover's assets.

The Company's loss and comprehensive loss of $1,663,222 for the third quarter of 2017 reflects the significant impact of a $2,611,802 non-cash fair value adjustment (gain) and a non-cash $284,735 foreign exchange gain on the Embedded Derivatives. Activities and expenditures in the third quarter include the commencement of active exploration programs in the United States, the normalization of investor relations and marking activities, administrative operations and the cost of maintaining a public listing. The amount of the comprehensive loss recorded for the period reflects the non-cash effect of exchange differences on the translation of Clover's assets.

The Company's loss and comprehensive loss for the second quarter of 2017 includes those costs arising from the closing of the Transactions and the listing of Contact Gold's shares on the TSXV, offset by the impact of a non-cash fair value adjustment on the Embedded Derivatives (gain). The amount of the comprehensive loss recorded for the period reflects the non-cash effect of exchange differences on the translation of Clover and its assets. The closing of the Transactions included the closing of $18.5 million raised through the SubReceipts Financing, of which $7 million was immediately conveyed as the Cash Payment for the acquisition of Clover. Cash outflows included settlement of the accumulated payables arising over multiple periods.

The Company's loss and comprehensive loss of $464,489 for the first quarter of 2017 is comprised primarily of expenditures for legal and advisory services made relating to the Transactions and the Financings. The receipt of proceeds from the Financings in June allowed the Company to begin to settle payables incurred through to that point; most of which were unsettled as at June 30, 2017.

The Company's loss and comprehensive loss of $274,048 for the fourth quarter of 2016 reflects incorporation costs, and expenditures for legal and advisory services made relating to the Transactions. Reflecting the Company's then financial status, there were no reportable cash flows for the period.

Disclosure of Outstanding Share Data

There were 50,596,986 Contact Shares issued and outstanding as at June 30, 2018 (50,346,986 at December 31, 2017), including 100,000 restricted shares (December 31, 2017: 100,000). As of the date of this MD&A, including the restricted shares, there are 50,596,986 Contact Shares issued and outstanding.

As at June 30, 2018 and as at the date of this MD&A, there were 11,111,111 Contact Preferred Shares outstanding, as described elsewhere in this MD&A.

As at June 30, 2018 there were 8,198,000 Options outstanding to purchase Contact Shares; 8,198,000 as of the date of this MD&A. None of these Options had vested at either date.

Changes in Accounting Policies and New Accounting Pronouncements

For a summary of new accounting pronouncements, including those adopted by the Company beginning January 1, 2018, please refer to our disclosures in the Interim Financial Statements at Note 3.

Off Balance Sheet Arrangements and Legal Matters

Contact Gold has no off-balance sheet arrangements, and there are no outstanding legal matters of which management is aware.

Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates, and assumptions that affect the reported amounts of assets, liabilities, and expenses. Factors that could affect these estimates are discussed in the AIF, under the heading, "*Risk Factors*". Subject to the impact of such risks, the carrying value of Contact Gold’s financial assets and liabilities approximates their estimated fair value.

Judgments

In the process of applying accounting policies for Contact Gold, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements.

i) Exploration property acquisition and transaction costs

The application of the Company’s accounting policy for exploration property acquisition and transaction costs requires judgment to determine the type and amount of such costs to be deferred. Furthermore, judgment is required to determine whether future economic benefits are likely, from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves.

Relatively significant costs may be incurred when evaluating, pursuing and completing an acquisition, with such costs often included amongst legal and advisory fees incurred as part of more general consultation and advisory services. Pursuant to IFRS, only those direct, incremental costs of any such acquisition can be deferred; accordingly, judgment is required in determining which of the expenditures are eligible for deferral.

The Company determined the price at which Contact Shares were issued in the SubReceipts Financing to be the most appropriate indicator of value in the acquisition of Clover and the portfolio of exploration properties held by that entity as the $1.00 per Subscription Receipt price reflected the understanding of market participants of the Transaction, and particularly the planned Asset Acquisition.

The $40.97 million value of Consideration reflects the aggregate value of the Cash Payment, and the fair value of the Contact Preferred Shares, with the remaining value attributed to the Contact Shares. Consideration was allocated to the respective exploration property interests acquired principally on the basis of a value-per-hectare of each individual property acquired (based on that of a group of peer companies and their respective exploration property interests), along with management-assess quantitative and qualitative judgments relating to the prospectivity and marketability of each.

Resource exploration is a speculative business and involves a high degree of risk. There is no certainty that the expenditures made by Contact Gold in the exploration of its property interests will result in discoveries of commercial quantities of minerals. Exploration for mineral deposits involves risks which even a combination of professional evaluation and management experience may not eliminate. Significant expenditures are required to locate and estimate mineral resources, and further the development of a property.

Capital expenditures to bring a property to a commercial production stage are also significant. There is no assurance the Company has, or will have, commercially viable ore bodies. There is no assurance that the management will be able to arrange sufficient financing to bring ore bodies into production.

ii) Review of asset carrying values and impairment assessment

Individual assets are evaluated every reporting period to determine whether there are any indications of impairment. If any such indication exists, a formal estimate of recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset is measured at the higher of value in use and fair value less costs to sell. The most significant assets assessed for impairment include the carrying value of the Company's exploration property interests, and capitalized exploration property acquisition costs.

iii) Embedded Derivatives

In determining the fair value of the Embedded Derivatives on the date of issue it was necessary for the Company to make certain judgments relating to the probability and timing of a change of control. The nature of this judgment, and the factors management considered in determining the resultant calculation is inherently uncertain, and subject to change from period to period. Such changes could materially affect the fair value estimate of the Embedded Derivatives and the change from period to period.

Estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the carve-out financial statements and the reported amounts of expenses during the reporting period. Management of Contact Gold have evaluated estimates and assumptions related to asset valuations, asset impairment, and loss contingencies. Management bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the other sources. The actual results experienced by the Company may differ materially and adversely from the estimates presented in these financial statements. To the extent there are material differences between estimates and the actual results, future results of operations will be affected. The key assumption concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is as follows:

i) Exploration and evaluation expenditures

Exploration property acquisition costs are capitalized. Development costs are capitalized only when it has been established that a mineral deposit can be commercially mined, and a decision has been made to formulate a mining plan. In addition to applying judgment to determine whether future economic benefits are likely to arise from the Company's exploration and evaluation assets or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves, management must apply a number of estimates and assumptions.

The publication of a resource pursuant to National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") is itself an estimation process that involves varying degrees of uncertainty depending on how the resources are classified (i.e., measured, indicated or inferred). The estimates and related determination of potential project economics directly impact when the Company capitalizes exploration acquisition costs and development expenditures. Any such estimates and assumptions may change as new information becomes available. If, after development expenditures are capitalised, information becomes available suggesting that the recovery of such expenditure is unlikely, the relevant capitalised amount is written off in the statement of loss and other comprehensive loss in the period when the new information becomes available.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

ii) Fair Value of Share Based Payments

The Company follows IFRS 2 in determining the fair value of share-based payments and as noted in this MD&A, adopted the amendments to IFRS effective January 1, 2018.

As it relates to equity remuneration, this calculated amount is not based on historical cost, but is derived based on assumptions (such as the expected volatility of the price of the underlying security, expected hold period before exercise, dividend yield and the risk-free rate of return) input into a pricing model. The model requires that management make forecasts as to future events, including estimates of: the average future hold period of issued stock options before exercise, expiry or cancellation; future volatility of the Company's share price in the expected hold period; dividend yield; and the appropriate risk-free rate of interest. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 9 to the Interim Financial Statements. The resulting value calculated is not necessarily the value that the holder of the equity compensation could receive in an arm's length transaction, given that there is no market for the options and they are not transferable. The assumptions used in these calculations are inherently uncertain. Changes in these assumptions could materially affect the related fair value estimates.

iii) Embedded Derivatives

In determining the fair value of the Embedded Derivatives on the date of issue of USD 5,066,520 ($6,846,649), it was necessary for the Company to make certain assumptions to derive the effective interest rate used in calculating the Company's credit spread, as well as assumptions relating to the probability and timing of a change of control, share price volatility, and future fluctuations in the rate of foreign exchange between the CAD and USD.

The Company based its assumptions and estimates on parameters relevant to the June 7, 2017 issue date of the Contact Preferred Shares, and then again as at June 30, 2018. The assumptions used in these calculations are inherently uncertain. Existing circumstances and assumptions about future developments, may change due to market change or circumstances arising beyond the control of the Company. Such changes could materially affect the related fair value estimate, and are reflected in the assumptions when they occur.

Financial Instruments and Other Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

At initial recognition, Contact Gold classifies its financial instruments in the following categories depending on the purpose for which the instruments were acquired:

(i) Financial assets and liabilities at fair value through profit or loss ("**FVTPL**"): A financial asset or liability is classified in this category if acquired principally for the purpose of selling or repurchasing in the short-term. Derivatives are also included in this category unless they are designated as hedges. The Embedded Derivatives classified as liabilities, which are interconnected and relate to similar risk exposures are valued together as one Embedded Derivatives.

    Financial instruments in this category are recognized initially and subsequently at fair value. Transaction costs are expensed in the statement of loss. Gains and losses arising from changes in fair value are presented in the statement of loss within other gains and losses in the period in which they arise. Financial assets and liabilities, and Embedded Derivatives at FVTPL are classified as current except for the portion expected to be realized or paid beyond twelve months of the balance sheet date, which is classified as non-current.

(ii) Available-for-sale investments: Available-for-sale investments are non-derivatives that are either designated in this category or not classified in any of the other categories.

    Available-for-sale investments are recognized initially at fair value plus transaction costs and are subsequently carried at fair value. Gains or losses arising from changes in fair value are recognized in other comprehensive (loss) income. Available-for-sale investments are classified as non-current, unless the investment matures within twelve months, or management expects to dispose of them within twelve months. When an available-for-sale investment is sold or impaired, the accumulated gains or losses are moved from accumulated other comprehensive (loss) income to the statement of loss and included in other gains and losses. As at June 30, 2018, the Company has no financial assets in this category.

(iii) Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables of Contact Gold are comprised of 'Receivables', and are classified as appropriate in current or non-current assets according to their nature. Loans and receivables are initially recognized at the amount expected to be received less, when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are measured at amortized cost using the effective interest method less a provision for impairment.

(iv) Held to maturity: Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that management of the Company has the positive intention and ability to hold to maturity. They are measured at amortized cost less any allowance for impairment. Amortization of premiums or discounts and losses due to impairment are included in current period loss. As at June 30, 2018, the Company has no financial assets in this category.

(v) Financial liabilities at amortized cost: Financial liabilities at amortized cost include account payables and accrued liabilities. Accounts payables and accrued liabilities are initially recognized at the amount required to be paid less, when material, a discount to reduce the payables to fair value. Subsequently, accounts payables are measured at amortized cost using the effective interest method.

Financial liabilities and the Contact Preferred Shares are classified as current liabilities if payment is due within twelve months. Otherwise, they are presented as non-current liabilities.

In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets. Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset or liability, and included situations where there is little, if any, market activity for the asset.

The carrying value of prepaids, payables and accrued liabilities (including amounts payable to related parties), and promissory notes payable (comparative period) approximate their fair value due to their short-term nature. The fair value of cash is determined through market, observable and corroborated sources. Certain inputs to the calculation of the valued of the Contact Preferred Shares and the Cobb Creek obligation use Level 2 and Level 3 inputs. Otherwise, they are presented as non-current liabilities. No amount of the Contact Preferred Shares is due within 12 months; one USD 30,000 payment of the Cobb Creek obligation is due in November 2018.

Risks Associated With Financial Instruments

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities, the Contact Preferred Shares and the Embedded Derivatives. It is management's opinion that with the exception of the Contact Preferred Shares and the Embedded Derivatives: (i) the Company is not exposed to significant interest, currency or credit risks arising from its financial instruments, and (ii) the fair values of these financial instruments approximate their carrying values unless otherwise noted in these Interim Statements.

Contact Preferred Shares and the Embedded Derivatives are both considered to Level 3 type financial liabilities, with each determined by observable data points, in particular the Company's share price, the rate of CAD/USD foreign and the Company's credit spread, with reference to current interest rates and yield curves.

The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Contact Gold's credit risk is primarily attributable to its liquid financial assets. The Company limits exposure to credit risk and liquid financial assets through maintaining its cash with high credit quality banking institutions in Canada and the USA. The Company mitigates credit risk on these financial instruments by adhering to its investment policy that outlines credit risk parameters and concentration limits. As at June 30, 2018, the balance of cash held with Canadian and Untied States banks was $3.73 million (December 31, 2017: $6.18 million). Deposits held, including those with the United States' government were $0.19 million and $0.19 million at those same dates. The Company has not experienced any losses in such amounts and believes it is not exposed to any significant risks on its cash in bank accounts.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages its capital in order to meet short term business requirements, after taking into account cash flows from operations, expected capital expenditures and the Company's holdings of cash. The Company's most significant area of potential liquidity risk relates to the obligation to satisfy the Contact Preferred Shares upon redemption. There will be significant equity dilution upon satisfaction of the Redemption Amount; there is no certainty that the Company would be able to raise sufficient capital to meet this obligation. In general, the Company will have to issue additional Contact Shares to ensure there is sufficient capital to meet long term objectives. The Company's financial liabilities of payables and accrued liabilities are payable within a 90-day period and are to be funded from cash on hand.

Interest Rate Risk

Contact Gold is subject to interest rate risk with respect to its investments in cash. The Company's current policy is to invest cash at floating rates of interest, and cash reserves are to be maintained in cash and cash equivalents in order to maintain liquidity, while achieving a satisfactory return for shareholders. Fluctuations in interest rates when cash and cash equivalents mature impact interest income earned.

Market Risk - Foreign Exchange

The significant market risk to which the Company is exposed is foreign exchange risk. The results of the Company's operations are exposed to currency fluctuations. To date, the Company has raised funds entirely in CAD. The majority of the Company's mineral property expenditures will be incurred in USD. The fluctuation of the CAD in relation to the USD will consequently have an impact upon the financial results of the Company.

A 1% increase or decrease in the exchange rate of the USD against the CAD would result in a $16,967 increase or decrease respectively, in the Company's cash balance. The Company has not entered into any derivative contracts to manage foreign exchange risk at this time.

Fair Value Estimation

The carrying value of the Company's financial assets and liabilities approximates their estimated fair value due to their short-term nature.

Proposed Transactions

There are no proposed material transactions. However, as is typical of the mineral exploration and development industry, management of Contact Gold continually review potential merger, acquisition, investment, and joint venture transactions and opportunities that could enhance shareholder value. There is no guarantee that any contemplated transaction will be concluded.

Subsequent Events Not Otherwise Described Herein

With the exception of transactions and activities described in this MD&A, there were no subsequent events.

Industry and economic factors that may affect our business

Economic and industry risk factors that may affect our business, in particular those that could affect our liquidity and capital resources, are as described under the heading "Risk Factors" in the AIF. In particular, there are currently significant uncertainties in capital markets impacting the availability of equity financing for the purposes of mineral exploration and development. We anticipate having to rely on financing undertaken by Contact Gold in order to continue to fund activities.

Certain uncertainties relating to the global economy, political uncertainties and increasing geopolitical risk, increased volatility in the prices of gold, copper, other precious and base metals and other minerals, as well as increasing volatility in the foreign currency exchange markets may impact Contact Gold's business and accordingly, may impact our ability to remain a going concern.

A comprehensive discussion of the Company's risks and uncertainties is set out in the AIF. The reader is directed to carefully review this discussion for a proper understanding of these risks and uncertainties.

Scientific and Technical Disclosure

The Contact Gold Properties are all early stage and do not contain any mineral resource estimates as defined by NI 43-101. There are no assurances that the geological similarities to projects mentioned herein operated by GSV or Newmont Mining, or other project along the Carlin Trend, will result in the establishment of any resource estimates at any of the Company's property interests including Pony Creek, or that the Pony Creek can be advanced in a similar timeframe. The potential quantities and grades disclosed herein are conceptual in nature and there has been insufficient exploration to define a mineral resource for the targets disclosed herein. It is uncertain if further exploration will result in targets on any of the Contact Gold Properties being delineated as a mineral resource.

The scientific and technical information contained in this MD&A has been reviewed and approved by Vance Spalding, CPG, VP Exploration, Contact Gold, who is a "qualified person" within the meaning of NI 43-101.

Additional disclosure for Venture Issuers without Significant Revenue

Additional disclosure concerning Contact Gold's general and administrative expenses and mineral exploration property costs are provided in the interim statement of loss and comprehensive loss and notes to the Interim Financial Statements. These statements are available on Contact Gold's website at www.contactgold.com or on its SEDAR profile accessed through www.sedar.com.

Additional Information

For further information regarding Contact Gold, refer to those continuous disclosure filings made with the Canadian securities regulatory authorities available under Contact Gold's profile on SEDAR at www.sedar.com.

Approval

The Board has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it of us, and will be posted to Contact Gold's website at www.contactgold.com.

(signed) "*Matthew Lennox-King*"	(signed) "*John Wenger*"
Matthew Lennox-King	John Wenger
President & Chief Executive Officer	Chief Financial Officer & VP Strategy

August 21, 2018

Cautionary Notes Regarding Forward-Looking Statements

This MD&A, contains “forward-looking information” and “forward-looking statements” (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this MD&A, forward-looking statements relate, among other things, to the anticipated exploration activities of the Company on the Contact Gold Properties, and the timing and settlement of the Company’s current obligations.

These forward-looking statements are based on reasonable assumptions and estimates of management of the Company at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: the synergies expected from the Transactions not being realized; business integration risks; fluctuations in general macroeconomic conditions; fluctuations in securities markets; fluctuations in spot and forward prices of gold, silver, base metals or certain other commodities; fluctuations in currency markets (such as the Canadian dollar to United States dollar exchange rate); change in national and local government, legislation, taxation, controls, regulations and political or economic developments; risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected formations pressures, cave-ins and flooding); inability to obtain adequate insurance to cover risks and hazards; the presence of laws and regulations that may impose restrictions on mining; employee relations; relationships with and claims by local communities and indigenous populations; availability of increasing costs associated with mining inputs and labour; the speculative nature of mineral exploration and development (including the risks of obtaining necessary licenses, permits and approvals from government authorities); and title to properties. Although the forward-looking statements contained in this news release are based upon what management of the Company believes, or believed at the time, to be reasonable assumptions, the Company cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended. Readers should not place undue reliance on the forward-looking statements and information contained in this news release. The Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy of the MD&A. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.