Battle Mountain Gold Inc.

FORM 51-102F1

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE SIX MONTHS ENDED APRIL 30, 2016

INTERIM MD&A – QUARTERLY HIGHLIGHTS[1]

Introduction

Battle Mountain Gold Inc. is a junior mineral exploration company listed on the TSX Venture Exchange under the trading symbol "BMG" and on the U.S. OTC Pink Sheet market under the symbol "BMTNF". Battle Mountain's current exploration focus is the Lewis Gold Project in the Battle Mountain District of Nevada. This management discussion and analysis related to the Company's financial statements as at April 30, 2016 and for the three and six months then ended (the "Interim Financial Statements") and should be read together with those statements.

This MD&A is dated June 23, 2016 and discloses specified information up to that date. Battle Mountain is classified as a "venture issuer" for the purposes of National Instrument 51-102. The Company's financial statements are expressed in Canadian dollars. Throughout this report we refer from time to time to "Battle Mountain", "the Company", "we", "us", "our" or "its". All these terms are used in respect of Battle Mountain Gold Inc. which is the reporting issuer in this document. ***We recommend that users read the "Cautionary Statements" on the last page of this document.***

Battle Mountain is in the business of the acquisition, exploration, exploration management and sale of mineral properties, with the primary aim of advancing them to a stage where they can be exploited at a profit. We do not currently have any producing properties and our current operations are exploratory searches for mineable deposits of minerals. Our focus and sole property is the Lewis Gold Project.

Quarterly Highlights

Private placement and discharge of liabilities subsequent to April 30, 2016

Notes 9(a) and 9(b) set out a highly material private placement transaction which closed on May 6, 2016 with gross cash proceeds of $5.768 million, proceeds which then allowed the discharge of virtually all of the Company's liabilities. The analyses of our financial condition, financial performance and cash flows which follow below should be read in the context of this very large addition to our cash resources and reduction in our liabilities.

Analysis of Financial Condition

The Company ended the fiscal year to date period with total assets of $3.513 million compared to $3.463 million at the beginning of the fiscal year This increase of approximately $50,000 was made up of an increase of $145,000 in our investment in the Lewis Gold Project as set out in Note 4(b) to the Interim Financial Statements and a reduction in current assets of $95,000. The principal element in the reduction in current assets was a $70,000 reduction in cash as set out in the Statement of Cash Flows.

We increased our current liabilities by some $307,000, made up of a $154,000 increase in trade and other payables – which include accrued amounts – and $150,000 in new short term loans as set out in Note 7(c). At the period end we had a working capital deficiency of approximately $370,000, compared to positive working capital of $32,000 at the beginning of the fiscal year. Our trade and other payables are set out in Note 5 which shows the $154,000 increase to be made up of $70,000 in trade AP and $84,000 in accrued liabilities. Clearly, however, the cash proceeds from the May 2016 private placement has allowed the complete payment of all liabilities due and payable.

At the date of this report we are very strongly funded in cash resources (including short term investment instruments which are cash equivalents) sufficient to fully fund our planned drilling programs scheduled for late summer, as set out in with our most recent technical news release dated June 18, 2016[2].

Analysis of Financial Performance

Our expenses in the fiscal quarter totaled some $168,000 compared to $106,000 in the corresponding quarter in the prior fiscal year – an increase of some $62,000 or 59%. The principal cost centres showing increases are those of Consulting and Salaries and benefits, and the principal decrease was in Legal fees. Consulting was a $31,000 cost in the 2016 second

[1] This filing is made using the option provided by Part 2.2.1 of NI51-102-F1 to provide Quarterly Highlights. This is the Company's first filing of an interim MD&A using the Part 2.2.1 option.

[2] This technical news release is viewable on SEDAR and on our website www.battlemtngold.com in the section INVESTOR INFO/PRESS RELEASES.

fiscal quarter which did not occur at all in the 2015 second quarter. Salaries and benefits were $85,000 in the 2016 second quarter versus $45,000 in the 2015 quarter. This increase is predominantly based on a $30,000 accrual made in the second quarter but covering the first and the second quarters for the salary of the CEO who was unpaid in the prior year. Legal fees diminished with much reduced need for outside legal advice in the current fiscal year.

Our expenses in the fiscal year-to-date totaled some $260,000 compared to $190,000 in the corresponding period in the prior fiscal year – an increase of some $70,000 or 37%. The principal cost centres showing increases are those of Consulting and Salaries and benefits, and the principal decreases were in Legal fees and in Accounting and audit expense. Consulting was a $60,000 cost in the 2016 year-to-date period which did not occur at all in the corresponding 2015 period. Salaries and benefits were $116,000 in the 2016 year-to-date period versus $77,000 in the corresponding 2015 period. This increase is predominantly based on the same $30,000 accrual made in the second quarter but covering the first and the second quarters for the salary of the CEO who was unpaid in the prior year. Legal fees diminished with much reduced need for outside legal advice in the current fiscal year and Accounting and audit expense was lower arising from reductions in our accrual for estimated audit costs and in third party accounting and bookkeeping costs.

Analysis of Cash Flows

The statement of cash flows sets out a net drawdown of cash in the year-to-date period of some $70,000. Cash resources were increased by the December 2015 and March 2016 loans totaling $150,000 set out in Note 7(c), and were diminished by expenditures on the Lewis Gold Project of some $146,000 and by cash consumed for operations – essentially our general and administrative activities – of some $73,000. The drawdown of cash from our operating activities was significantly diminished by an increase in our trade and other payables of some $155,000.

Major Operating Milestones

During the first fiscal quarter, in December 2015 we made the annual advance royalty payment due to an underlying vendor of the Lewis Gold Project in the amount of USD $81,146 (translated as CAD $113,208). This payment covers the advance royalty until December 2016 when a similar payment will be required. The next major property maintenance payment is due in August 2016 in the amount of approximately USD $55,000.

We are ready to undertake a significant exploration program, including a planned 4,500 meters of diamond drilling, as set out in our June 2016 technical news release. The large private placement financing completed in May 2016 and set out in Note 9(a) to the Interim Financial Statements has provided us with abundant funding for this program and for the August 2016 tenure maintenance costs and the December 2016 advance royalty payment.

Comment on the nature of and presumption of continuance of our operations

As set out in Note 1 to the Interim Financial Statements, the private placement financing with gross proceeds of $5,768,502 set out in Note 9 *Subsequent events* removes any current doubts about the Company's ability to continue as a going concern.

Liquidity

The private placement financing with gross proceeds of $5,768,502 set out in Note 9 *Subsequent events* has provided the Company with abundant liquidity for the fiscal year currently in progress and for the subsequent fiscal year.

Related Party Transactions

During the three months ended April 30, 2016, Battle Mountain paid or accrued salaries and benefits of $30,000 to Chet Idziszek, President, representing an accrual for the six month year-to-date period, and $30,550 to Ian Brown, Chief Financial Officer, for management services, and AUD $5,790 (recorded as CAD $5,974) to Steven Garwin, a director of the Company, for exploration consulting services. All amounts other than a total of $4,000 were deferred and constitute a portion of the Company's accrued payables set out in Note 5. These amounts were paid out in May 2016. The Company also accrued at total of $6,000 for directors' fees, being $3,000 to each of directors Garwin and Kornze, and representing six months November to April.

During the six months ended April 30, 2016, Battle Mountain paid or accrued salaries and benefits of $32,000 to Chet Idziszek, President, of which $30,000 was accrued in the second quarter, and $46,400 to Ian Brown, Chief Financial Officer, for management services, and AUD $13,100 (recorded as CAD $12,796) to Steven Garwin, a director of the Company, for exploration consulting services. All amounts other than a total of $4,000 were deferred and constitute a portion of the Company's accrued payables set out in Note 5. These amounts were paid out in May 2016. The Company accrued a total of $6,000 for directors' fees, being $3,000 to each of directors Garwin and Kornze, as set out in the preceding paragraph.

Risk Factors

Our Annual Management Discussion and Analysis, filed on SEDAR on February 26, 2016, sets out a brief summary of certain risk factors for which adverse occurrences may have a material impact on the Company's future financial performance. We draw our readers' attention to that disclosure of risk factors.

Statutory Disclosure

Important additional information about Battle Mountain, including prior financial statements, news releases, technical reports and material change reports, is available on the SEDAR website – www.sedar.com – under the Company's profile.

Disclosure by venture issuer without significant revenue

The amount disclosed as "Field expenses" of $29,451 in Note 4(c) for the first fiscal quarter of 2016 consisted principally of geological consulting services. Analyses of the material components of Battle Mountain's general and administrative expenses for the current fiscal year to date are provided in the financial statements to which this MD&A relates and in the section *Analysis of Financial Performance* on pages 1 and 2.

Outstanding Share Data

The authorized share capital of the Company is an unlimited number of common shares without par value of which 36,189,096 were outstanding at April 30, 2016. At the date of this report 52,679,171 shares are outstanding, the increase being principally attributable to the private placement set out in Note 9(a).

At April 30, 2016 the Company had 2,260,000 incentive stock options outstanding as set out in Note 6(c) to the Interim Financial Statements. At the date of this report 4,214,000 options are outstanding, the increase arising from the grants set out on Note 9(d).

At April 30, 2016, as set out in Note 6(b) to the Interim Financial Statements, Battle Mountain had a total of 6,309,100 share purchase warrants outstanding. At the date of this report 11,541,177 warrants are outstanding, the increase being principally attributable to the private placement of units set out in Note 9(a).

Vancouver, British Columbia June 23, 2016

We recommend that users of this report read the Cautionary Statements following.

Cautionary Statements

This document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration plans, related financing plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, estimates of exploration investment, the scope of exploration programs, and statements about financings not yet arranged or completed. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, other than as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, the capital markets, price volatility in the mineral commodities we seek, and operational and political risks. Readers are advised not to place undue reliance on forward-looking statements.