



MANAGEMENT'S DISCUSSION AND ANALYSIS

NINE MONTHS ENDED SEPTEMBER 30, 2017

LEGEND GOLD CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

GENERAL

This discussion and analysis ("MD&A") of financial position and results of operations is prepared as at November 7, 2017 and should be read in conjunction with the condensed consolidated interim financial statements of Legend Gold Corp. (the "Company" or "Legend") for the nine months ended September 30, 2017, and the related notes thereto. Those condensed consolidated interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Except where otherwise noted, all dollar figures included herein are quoted in Canadian dollars. Additional information on the Company's activities can be found on SEDAR at www.sedar.com and on the Company's website at www.legendgold.com.

DESCRIPTION OF BUSINESS

The Company (formed in 1997) is a public mineral exploration company exploring for gold in the Republic of Mali ("Mali"). The Company's common shares are listed on the TSX Venture Exchange under the symbol LGN. Currently the Company has four exploration licenses located in western Mali and two exploration licenses in southern Mali.

FORWARD LOOKING INFORMATION

This MD&A may contain "forward-looking statements" that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause Legend's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and factors may include, but are not limited to: unavailability of financing, failure to identify commercially viable mineral reserves, fluctuations in the market valuation for commodities, difficulties in obtaining required approvals for the development of a mineral project and other factors.

The operating plan is also dependent on being able to raise new equity funds as required to ensure there are sufficient capital resources to acquire and explore new properties. The Company has been relying on a company controlled by the CEO to provide sustaining capital for the past two years, but there has not been enough capital available to significantly advance Legend's projects except by way of option agreements to third parties. Other factors which affect Legend's operating plan are gaining access to exploration properties by concluding agreements with local communities, and commodity prices. If any of these factors are affected negatively, such as joint venture partners being unable to raise sufficient capital to complete option agreements or if the Company is unable to raise sufficient capital of its own, there will be a significant impact on the Company's operating plan and on any forward-looking statements contained herein.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether because of new information, future events or otherwise except as required by securities law.

HIGHLIGHTS FOR THE QUARTER

- The Company completed a share consolidation of 10 old common shares for one new common share in July 2017.
- In September 2017, the Company completed a private placement for gross proceeds of \$260,000 by the issuance of 1,300,000 units consisting of one common share and one-half of one common share purchase warrant.
- The Company reduced outstanding liabilities owed to management and consultants by \$1,790,104 by issuing 7,160,416 common shares to settle accounts and notes payable.
- In October 2017, the Company announced that it had signed a non-binding Letter of Intent (“LOI”) with Altus Strategies Plc, whereby Altus will acquire Legend.

EXPLORATION REVIEW

The Company continues to significantly restrict its exploration activities because of its weak working capital position. Legend has reduced exploration staff and expenditures and is using its technical capacity to evaluate potential exploration and corporate transactions.

Diba Project, Western Mali

The Korali Sud arrête (grant of permit) which hosts the Diba resource was issued on February 19, 2015. The Korali Sud exploration permit is valid for a period of three years with two additional renewals of two years before finally expiring in 2022.

Diba Geology, Mineralization & Resource

Most of the Diba Project is underlain by sediments of the Kéniébandi Formation. The mineralized host rocks can be grouped into an informal litho-stratigraphic succession from bottom to top, as the Lower Calcareous Sequence (“LCS”) and the Upper Calcareous Sequence (“UCS”). The weathering profile is deep and results in extensive surface oxidation of bedrock, to a depth of up to 70 m. The top of the UCS is capped by a complex lateritic regolith. Gold mineralization is strata-bound and constrained to the UCS. The sulphide content of the mineralized lenses is typically less than 10% by volume and commonly lower, even less than 1%. Disseminated sulphides are fine- to very fine-grained, and consist dominantly of pyrite, with a minor amount of arsenopyrite, chalcopyrite, tellurides and native gold.

AMEC completed a re-calculation of the mineral resource estimate for the Diba deposit in November 2013 to consider different mineralization types, namely oxide, transition and sulfide as well as sensitivity to the cut-off grade from 0.1 grams per ton (“g/t”) to 1.0 g/t gold. Parameters for recalculation of the resource estimate were identical to those used in the June 2013 AMEC NI 43-101 Technical Report. Over 50% of the resource reports to oxide and transition type mineralization within 70 m of the surface. The Diba resource extends over an area measuring 600 m long by 500 m wide. The table below provides the results of the AMEC analysis.

Mineral Type	Indicated at 0.5 g/t Au cut-off			Inferred at 0.5 g/t Au cut-off		
	kt	g/t Au	oz Au	kt	g/t Au	oz Au
Oxide	2,481	1.67	133,127	284	1.65	15,019
Transition	773	1.34	33,271	155	1.12	5,600
Sulfide	3,123	1.09	109,350	283	1.31	11,944
All	6,377	1.34	275,748	722	1.40	32,564

During 2016 the Company conducted a short auger drilling program on several second-order soil geochemical anomalies. During the first quarter of 2017 the Company embarked on a short mapping and review of the Korali Sud license particularly of second-order single point gold-in-soil geochemical anomalies. A 512 ppb gold anomaly was determined to be associated with a 5-10m wide NW trending sub-crop of tourmalinized greywacke breccia and

warrants more detailed soil geochemistry and trenching.

Lakanfla Project, Western Mali

The Lakanfla Project encompasses the Lakanfla exploration permit totaling 24 sq. km. adjacent to the Sadiola Gold mine. Re-evaluation of the geological setting and all the historical work has resulted in a new exploration strategy, which seeks to follow the intersection of mineralized structures with carbonate lithologies where there is potential for significant gold accumulation and enrichment. Interpretation of the ground gravity and gradient array IP data outlined six drill targets coincident with gravity and apparent resistivity lows around the Kantela granodiorite. The interpretation indicates that the targets show potential for oxide gold, karst-hosted, deposits similar in size and geology to the FE3 and FE4 deposits mined by SEMOS some 5 kilometers to the north which yielded over 1.5 million ounces of gold. The Company is looking for a joint venture partner to advance Lakanfla.

Delimangara Project

The Company has embarked on a review of the Randgold JV results, together with a ground verification and field mapping program. The field mapping program identified a previously unmapped orpaillage on the Djelimangara license area which warrants further exploration. This work was completed and the Company has made the decision to relinquish the Djelimangara West license as well as to withdraw the Sebessoukoto renewal application. A field mapping program on Djelimangara and Sebessoukoto South licenses revealed extensive orpaillage activity at Manakoto in the north of the Djelimangara licence as well as in the Djelimangara South area and on the Sebessoukoto South licence. At Manakoto orpaillage activity is concentrated on a 2-5 m wide steeply dipping shear zone in fine-grained sediments. The strike extent of these workings is about 250 m.

In the Djelimangara south area, two separate areas are being worked by artisanal miners. The first, Sourokoto east covers an area of approximately 1,000 x 300 m appears to be a shallow alluvial working with most pits terminating in a quartz cobble layer 1-3 m below a laterite hard cap. The source of any gold in these workings appears to be a laterite plateau about 500 m to the southwest. An auger drill program is recommended to determine the source area of the alluvial gold.

The second artisanal workings at Sourokoto West on the Djelimangara license consist of closely spaced pits 7-10 m deep in saprolite over an area about 300 x 300 m. Abundant quartz fragments are associated with meta-sediments on the waste dumps, Randgold pits and trenches do not appear to have adequately tested these workings.

On the Sebessoukoto South, artisanal workings have exposed a 50-75 m wide, sheeted quartz vein zone in fine-grained sediments over a strike length of approximately 300 m and exposed in two large 5-10 m deep open cuts 200 m apart. Artisanal miners have recently brought in small mechanical crushers and are treating the sheeted stock-worked vein material in bulk rather than following individual quartz veins. A Randgold trench approximately 200 m from the artisanal workings returned 24 m of 0.87 g/t gold.

Pitiangoma Est, Southern Mali

The Pitiangoma Est exploration license (106 sq. km), which is adjacent to Resolute's Tabakoroni mine, was renewed by the Department of Mines effective October 15, 2015 for a period of two years.

In the second quarter of 2015, Legend entered into an agreement with Resolute to form a joint venture company whereby Resolute will have the right to earn 70% interest in a corporate entity ("JVCo") which will own the Pitiangoma Est Property in southern Mali. Under the terms of the JVCo Shareholder's Agreement, Resolute has the right to earn 70% in JVCo by spending US\$3,000,000 over four years. Of this amount, US\$500,000 is a required expenditure. When Resolute has earned 70% of JVCo, Legend will not be required to fund any expenditure until Resolute delivers a Feasibility Study or ceases to be a shareholder in JVCo.

During the second quarter of 2016 Resolute completed a 110-hole (4,869 meter) air core drill program on the Pitiangoma Est license. The air core drill program on seven east-west fences was completed over the volcanic stratigraphy of the Misséni area. The holes intersected the expected intermediate volcanic lithology, with intercalations of fine-grained sediments. The Air core drilling has defined an anomalous mineralized envelope approximately 200 m wide by 3 kilometers ("km") long that coincides with low resistivity and IP anomalies and shear zones interpreted from VTEM data. The results are sufficiently encouraging that Resolute continues exploration on

the license.

During the first quarter of 2017 Resolute drilled 7 RC holes (PGRC001 to 007) for 708 m and 88 air core holes (PGAC207 to PGAC 294) for 3,167 m to infill more widely-spaced drilling completed in 2016. In general, the results were disappointing, with many of the anomalies intercepted in the previous boreholes, not replicated in the RC or air core infill. The best RC results were returned on the northernmost RC fence, with PGRC006 returning 2 m of 7.76g/t from 27 m and PGRC007 4 m of 2.82g/t Au from 74 m. There appears to be room for limited mineralization between these holes and the best air core hole, PGAC269, which returned 16 m of 0.54 g/t gold, on a line 300 m to the north. Resolute plans to continue RC/air core drilling in the 3rd quarter after the rainy season.

Tabakorole Project, Southern Mali

The Company did not complete any work on the property during the quarter.

OUTLOOK

On October 10, 2017, Legend Gold Corp. announced that it had signed a non-binding Letter of Intent (“LOI”) with Altus Strategies Plc (“Altus”), a UK-based prospect generator listed on AIM (ALS), whereby Altus will acquire Legend. The LOI sets out the terms and conditions for Altus to acquire all the issued and outstanding Legend common shares, unexercised warrants and unexercised share purchase options through an all-stock transaction, which is anticipated to be completed by way of a Plan of Arrangement.

Pursuant to the terms of the proposed transaction Legend shareholders would receive three Altus Ordinary shares for each Legend share they hold and will own 27.6% of the undiluted share capital of Altus shares following the completion of the transaction. Based on the October 10, 2017, price of Altus Shares, the offer represents a 110% premium to the 20-day volume weighted average Legend share price with Legend being valued at approximately \$5.7 million. The transaction is subject to due diligence, Legend shareholder, regulatory and other approvals. A definitive agreement is to be completed by November 14, 2017. Altus will seek a dual listing on the TSX-V concurrently with the closing of the proposed transaction. There can be no assurance that the conditions precedent of the LOI will be satisfied, or that the proposed transaction will be completed as proposed or at all. For the remainder of 2017, the Company will focus on completing the Altus transaction.

The Company will have to raise capital in the next twelve months to fund its overhead and limited exploration programs and certain of its outstanding liabilities, if the Altus transaction does not close.

Qualified Person

Demetrius Pohl, Certified Professional Geoscientist (CPG), is the Company’s Qualified Person as defined by National Instrument 43-101, and is responsible for the accuracy of the technical information in this MD&A.

RESULTS OF OPERATIONS

Three Months Ended September 30, 2017

For the three months ended September 30, 2017 the Company had income of \$274,002 or \$0.04 per share compared to income of 565,508 or \$0.11 per share for the comparative period in 2016. The unfavorable variance was due to lower other income and slightly higher administrative expenses partially offset by lower exploration costs in 2017. Other income was lower in 2017 because the Company recognized \$720,382 of other income in 2016 when accrued bonuses relating to the possible sale of the Diba property were reversed and credited to other income. In 2017, the Company settled accounts payable and notes payable by issuing common shares with a stated value of \$0.25 per share, which had a market value of \$0.20 per share. As a result, the Company recognized a gain on the settlement of these debts of \$355,942. The Company also wrote-off an account payable for professional fees in the amount of \$70,480, which was also include in other income.

Administrative expenditures were higher in 2017 due to higher professional fees and higher transfer agent and regulatory fees. Professional fees were higher partly due to the timing of some legal costs pertaining to the annual general meeting and partly due to legal costs related to the settlement of payables and notes payable by the issuance of shares. Transfer agent and filing fees were higher due to the timing of costs for the annual general meeting and from extra fees for the issuance of shares for debt.

Exploration costs were lower in 2017 due to a staff reduction in Mali and a voluntary fee reduction by a senior manager. The overall level of expenditure in the quarter was also restricted by the Company's minimal capital resources.

Nine Months Ended September 30, 2017

For the nine months ended September 30, 2017, Legend had income of \$461,704 or \$0.08 per share compared to income of \$313,091 or \$0.06 per share in 2016. The favorable variance was due to lower exploration costs, a lower exchange loss and higher other income partially offset by a gain on the sale of equipment in 2016. The lower exploration costs were due to a staff reduction in Mali and a voluntary fee reduction by a senior manager. The lower exchange loss in 2017 was due to the general weakening of the US dollar against the Canadian dollar in 2017 compared to the opposite trend in 2016 and the resulting impact those trends had on the Company's significant USD denominated payables and notes payable.

Other income was somewhat higher in 2017 than 2016 and included \$478,636 from the forgiveness of debt, \$355,942 from the gain on settlement of debt by the issuance of common shares and \$70,480 from the write-off of a payable for professional fees. In 2016 other income was comprised of \$720,365 for the reversal of an accrual for Diba bonuses and \$88,479 for the retroactive reduction of the VP Exploration's consulting fees (refer to Note 6 of the September 30, 2017 condensed consolidated interim financial statements).

In 2016 there was a gain on sale of equipment of \$11,250 and there was no comparable gain in 2017.

LIQUIDITY AND CAPITAL RESOURCES

Cash at September 30, 2017 was \$113,491 compared to \$3,273 at December 31, 2016. The Company had a working capital deficit of \$301,535 at September 30, 2017 compared to working capital deficit of \$2,392,009 at December 31, 2016. The decrease in the working capital deficit was due to the issuance of common shares for debts owed, forgiveness of some debts owed to related parties, the write-off of an account payable for disputed professional fees and the completion of a private placement that raised gross proceeds of \$260,000. A total of \$478,636 of fees and expenses were forgiven by related parties and notes payable, consulting fees and expenses amounting to \$1,790,104 were settled by issuing common shares of the Company.

As at September 30, 2017 and to the date of this MD&A, the Company has had minimal cash resources and is relying on senior management to continue deferring the payment of some monthly consulting fees until Legend can sell its Diba Project. The Company has also been relying on short-term debt financing from the CEO and a company controlled by the CEO to sustain operations. The total current liabilities are \$417,315 and are categorized as follows:

As at September 30, 2017	Payables, notes and accrued liabilities
VP Exploration and senior managers	\$ 177,722
Seabord Services Corp.	139,418
CEO and Seabord Capital Corp.	1,050
Other payables	28,644
	\$ 346,834

The Company will have to raise additional capital to fund its exploration and administrative activities for the next

twelve months. The timing and ability to do so will depend on the liquidity of the financial markets as well as the acceptance of investors to finance junior resource based companies, and the results of the Company's exploration programs. There can be no certainty that the Company will be able to secure the required financing to carry out its programs. The Company has no long-term debt, capital lease obligations, operating leases nor any other long-term obligations other than the exploration expenditures required to maintain its exploration permits in good standing. Those exploration expenditures are not firm commitments and the Company can relinquish any permit at any time without further expenditure.

SUMMARY OF QUARTERLY RESULTS

	2017	2017	2017	2016
Quarter Ended	Sept. 30	Jun. 30	Mar. 31	Dec. 31
Exploration expenditures	\$ 91,910	\$ 110,505	\$ 86,160	\$ 207,925
Net income (loss) for the period	274,002	330,432	(142,730)	(588,647)
Net income (loss) per share (basic and diluted)	0.04	0.06	(0.03)	(0.11)

	2016	2016	2016	2015
Quarter Ended	Sept. 30	Jun. 30	Mar. 31	Dec. 31
Exploration expenditures	\$ 118,410	\$ 143,131	\$ 152,977	\$ 182,679
Share-based payments	-	-	-	587
Net income (loss) for the period	565,508	(202,664)	(49,753)	(303,973)
Net income (loss) per share (basic and diluted)	0.11	(0.04)	(0.01)	(0.06)

The net income (loss) per share (basic and diluted) reported in the above table has been restated for the periods from December 31, 2015 to March 31, 2017 to reflect the ten for one share consolidation that was completed on July 17, 2017.

The Company's level of activity and expenditures during a specific quarter are influenced by the availability of working capital, the availability of additional external financing, the time required to gather, analyze and report on geological data related to mineral properties and the amount of expenditure required to maintain its exploration permits in good standing and to advance its projects.

The Company had net income of \$274,202 for the quarter ended September 30, 2017, compared to net income of \$330,432 for the prior quarter. The lower income was due to decreased other income recognized in the current quarter. For 2017 the Company recorded approximately \$426,000 of other income which resulted from the gain on the settlement of debt and the write-off of an account payable. For 2016, Legend recorded other income of approximately \$479,000 from the forgiveness of debts.

Legend had income of \$330,432 for the quarter ended June 30, 2017 compared to a loss of \$142,730 for the prior quarter. The main reason for the favorable variance is due to other income of \$478,637 which was recognized as the result of debts forgiven by related parties.

Legend had a net loss of \$142,730 for the quarter ended March 31, 2017 compared to a loss of \$588,647 for the quarter ended December 31, 2016. The main reasons for the variance were the write-off of mineral properties in the amount of \$332,780 in the prior quarter and due to the lower exploration expense. The lower exploration expense was due to lower geological consulting costs because of staff reductions.

Legend had a net loss of \$588,647 for the quarter ended December 31, 2016 compared to net income of \$565,508 in the prior quarter. The main reasons for the variance were the write-off of mineral properties in the December 2016 quarter totaling \$332,780 and the prior quarter other income included a reversal of accruals of \$720,365 for contingent payments dependent on the sale of the Diba property. There was no comparable other income item in the December 2016 quarter.

Legend had net income of \$565,508 for the quarter ended September 30, 2016 compared to a loss of \$202,664 in

the prior quarter. The main reason for the variance was the reversal of accruals for contingent payments based originally on the expected sale of the Diba property. Management concluded that the sale of the Diba property by December 31, 2016 was no longer probable and reversed the accruals and recognized the amount as other income.

Legend's loss for the quarter ended June 30, 2016 was higher than for the prior quarter because the prior quarter's loss was reduced significantly by the retroactive reduction of outstanding fees to the VP Exploration and due to an exchange gain as the result of the decline in value of the USD against the Canadian dollar and the resulting reduction in the translated value of outstanding USD denominated payables.

For the quarter ended March 31, 2016 the net loss was lower than for the prior quarter due to lower exploration expenditures and management fees, an exchange gain compared to an exchange loss and due to other income recognized when the VP Exploration retroactively reduced his monthly fees for the last six months of 2015.

OFF-BALANCE SHEET ARRANGEMENTS

The Company had no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

The Company entered into several transactions with key management personnel. The remuneration of key management personnel includes those persons having the authority and responsibility for the planning, directing and controlling of the activities of the Company are as follows:

Nine months ended September 30, 2017	Salary or Fees
VP Exploration	\$ 54,000
VP Corporate Development	58,500
Seabord Services Corp.	90,000
	\$ 202,500
Nine months ended September 30, 2016	Salary or Fees
VP Exploration	\$ 54,000
VP Corporate Development	97,500
Seabord Services Corp.	90,000
	\$ 241,500

Seabord Services Corp. ("Seabord"), a company controlled by the CEO, provides the services of a Chief Financial Officer ("CFO"), Corporate Secretary, accounting and administrative staff and office space for the Company. The CFO and Corporate Secretary are employees of Seabord and are not paid directly by the Company. The contract with Seabord is an on-going monthly commitment which can be terminated by either party with sufficient notice.

The above payments for management compensation and administrative services are payments made in the normal course of business. The amounts paid for these services are negotiated in good faith by both parties and fall within normal market ranges. The Compensation Committee reviews executive compensation annually. The Board of Directors considers any changes recommended by the Compensation Committee and approves these changes if appropriate.

All balances due to related parties are included in accounts payable and accrued liabilities. The consulting contracts with senior management are ongoing monthly commitments which can be terminated by either party with sufficient

notice. The following are the related party liabilities at June 30, 2017 and December 31, 2016:

Related party liabilities	September 30 2017	December 31 2016
Note payable, President and CEO	\$ -	\$ 117,184
Management fees, VP Exploration	36,115	204,208
Management fees, VP Corporate Development	141,607	310,786
Management fees and note payable, Seabord Services Corp.	139,418	1,399,841
Expenses, Seabord Capital Corp.	1,050	12,773
	\$ 318,190	\$ 2,044,792

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the condensed consolidated interim financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The condensed consolidated interim financial statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the condensed consolidated interim financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods. Significant assumptions about the future and other sources of judgments and estimates that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, if actual results differ from assumptions made, relate to, but are not limited to, the following judgments and estimates:

Judgments

- the carrying amount of the exploration and evaluation assets which is recorded in the statement of financial position;
- the assessment of indications of impairment of each mineral property and related determination of the net realizable value and write-down of those properties where applicable;
- the determination of functional currency; and
- the going concern assumption;

Estimates

- the recovery of deferred tax assets;
- the recoverability of amounts receivable and prepayments which are included in the consolidated statement of financial position; and
- the estimated useful lives of equipment which are included in the consolidated statement of financial position and the related depreciation included in the consolidated statement of comprehensive loss.

FINANCIAL RISK MANAGEMENT

Legend's strategy with respect to cash is to safeguard this asset by investing any excess cash in very low risk financial instruments such as term deposits or by holding funds in the highest yielding savings accounts with major Canadian banks. By using this strategy, the Company preserves its cash resources and can marginally increase these resources through the yields on these investments. The Company's financial instruments are exposed to certain financial risks, which include currency risk, credit risk, liquidity risk and interest rate risk.

Currency Risk

The Company's functional currency is the Canadian dollar, and major purchases are transacted in Canadian and US dollars ("USD"). The Company funds its Mali operations with cash calls based in West African francs ("XOF"). Expenses incurred by the head office are incurred in both Canadian and US dollars. Several of the Company's North American consultants are paid in US dollars. Management believes the foreign exchange risk derived from currency conversions is not significant to its operations, and therefore does not hedge its foreign exchange risk. The Company is exposed to currency risk through the following assets and liabilities denominated in U.S. dollars and Western African francs as at September 30, 2017:

		USD	XOF	Total
Cash	\$	23,588	\$ 1,743,821	
Accounts payable and accrued liabilities		(845)	-	
Net exposure		(22,743)	1,743,821	
Canadian dollar equivalent	\$	28,350	\$ 3,920	\$ 32,270

Based on the above net exposures and if all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the U.S. dollar, Western African franc would result in an increase or decrease of approximately \$3,200 in the Company's pre-tax earnings or loss.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. When the Company has sufficient cash it is invested in term deposits which can be reinvested without penalty after thirty days should interest rates rise. As at September 30, 2017 the Company did not have any interest-bearing loans. Accordingly, the Company does not have significant interest rate risk.

Credit Risk

Credit risk is the risk that one party will cause a financial loss for another party by failing to discharge an obligation. The Company's credit risk is primarily attributable to receivables and committed transactions. The Company has no significant concentration of credit risk arising from operations. Financial instruments included in receivables consist of miscellaneous receivables. Management believes that the credit risk concentration with respect to financial instruments included in receivables is reasonable, and the amounts are not significant.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital resources as outlined in Note 10 of the condensed consolidated interim financial statements. The Company will have to raise additional capital to discharge its current liabilities. The Company's objective is to ensure that there are sufficient committed financial resources to meet its current obligations and its future business requirements for a minimum of twelve months. The Company has a working capital deficit and there is a significant risk that it may not be able to meet its financial obligations as they come due.

FINANCIAL INSTRUMENTS

Fair Values

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities and notes payable. Financial instruments are initially recognized at fair value with subsequent measurement depending on classification as described below. Classification of financial instruments depends on the purpose for which the

financial instruments were acquired or issued, their characteristics, and the Company's designation of such instruments. The Company has classified its financial instruments as follows:

As at September 30, 2017	Loans and receivables	Other financial liabilities	Total
Cash	\$ 113,491	\$ -	\$ 113,491
Accounts payable and accrued liabilities	-	(275,204)	(275,204)
Notes payable	-	(71,630)	(71,630)
	\$ 113,491	\$ (346,834)	\$ (233,343)

Financial instruments measured at fair value on the statement of financial position are summarized into the following fair value hierarchy levels:

- a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

PROPOSED TRANSACTION

On October 10, 2017, Legend Gold Corp. announced that it had signed a non-binding Letter of Intent ("LOI") with Altus Strategies Plc ("Altus"), a UK-based prospect generator listed on AIM (ALS), whereby Altus will acquire Legend. The LOI sets out the terms and conditions for Altus to acquire all the issued and outstanding Legend common shares, unexercised warrants and unexercised share purchase options through an all-stock transaction, which is anticipated to be completed by way of a Plan of Arrangement.

Legend shareholders are to receive three Altus ordinary shares for each Legend share they hold and will own 27.6% of Altus shares following the completion of the transaction. Based on the October 10, 2017, closing price of Altus Shares, the offer represents a 110% premium to the 20-day volume weighted average Legend share price with Legend being valued at approximately \$5.7 million. The transaction is subject to due diligence, Legend shareholder, regulatory and other approvals. A definitive agreement is to be completed by October 31, 2017. Altus will seek a dual listing on the TSX-V concurrently with the closing of the proposed transaction. There can be no assurance that the conditions precedent of the LOI will be satisfied, or that the proposed transaction will be completed as proposed or at all.

RISKS AND UNCERTAINTIES

No Assurance of Titles or Borders

The acquisition of the right to exploit mineral properties is a very detailed and time-consuming process. There can be no guarantee that the Company has acquired title to any such surface or mineral rights or that those rights will be obtained in the future. To the extent they are obtained, titles to the Company's surface rights or mineral properties may be challenged or impugned and title insurance is generally not available. The Company's mineral properties may be subject to prior unregistered agreements, transfers or claims and title may be affected by, among other things, undetected defects. Such third-party claims could have a material adverse impact on the Company's operations.

Mineral Property Exploration and Mining Risks

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known

commercial ore deposit. The main responses to operating risks include: ensuring ownership of and access to mineral properties by confirmation that option agreements, claims and leases are in good standing and obtaining permits for drilling and other exploration activities. There can be additional risks involved in some countries where pending applications for claims or licenses can be affected by government changes to application procedures.

Some of the Company's mineral properties are located within or near local communities. In these areas, it may be necessary as a practical matter to negotiate surface access with these local communities. There can be no guarantee that, despite having the legal right to access a mineral property and carry on exploration activities, that the Company will be able to negotiate a satisfactory agreement with the existing land owners or communities for this access. Therefore, the Company or one of its joint venture partners may be unable to carry out exploration activities on a property. In those circumstances where access has been denied by a local community or land owner, the Company may need to rely on the assistance of local officials or the courts to gain access or it may be forced to abandon the property.

Legend has acquired some of its properties through option agreements and anticipates that it will continue to acquire some exploration properties this way in future. Acquisition of title to the properties under these kinds of agreements is only completed when all the option conditions have been met. These conditions generally include making property payments, incurring exploration expenditures on the properties and can include the satisfactory completion of pre-feasibility studies. If the Company does not satisfactorily complete these option conditions in the time frame laid out in the option agreements, the Company's title to the related property will not vest and the Company will have to write-off the previously capitalized costs related to that property.

Joint Venture Funding Risk

When appropriate, Legend seeks partners through joint ventures or option agreements to fund exploration and project development. The main risk of this strategy is that funding partners may not be able to raise sufficient capital to satisfy exploration and other expenditure terms in a particular option agreement. As a result, exploration and development of one or more of the Company's property interests may be delayed depending on whether Legend can find another partner or has enough capital resources to fund the exploration and development on its own.

Commodity Price Risk

Legend is exposed to commodity price risk. Declines in the market prices of gold, base metals and other minerals may adversely affect Legend's ability to raise capital or attract joint venture partners to fund exploration on its mineral properties. Commodity price declines could also reduce the amount the Company would receive on the disposition of one of its mineral properties to a third party.

Financing and Share Price Fluctuation Risks

Legend has limited financial resources, has no reliable source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its projects. Further exploration and development of one or more of the Company's projects may be dependent upon the Company's ability to obtain financing through equity issues, debt financing or the sale of some of its exploration properties. Failure to obtain this financing could result in delay or indefinite postponement of further exploration and development of its projects which could result in the loss of one or more of its properties.

Securities markets often experience a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be development stage companies such as Legend, have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. As a result, there can be no assurance that the Company will be able to attract additional capital or whether share prices will be strong to enough to make private placements advisable.

Political and Currency Risks

The Company is operating in Mali, a country that has the risk of political uncertainty and instability. The Company monitors the situation on a regular basis. Changing political situations may affect the manner the Company operates. The Company's equity financings are sourced in Canadian dollars but it incurs a significant portion of its expenditures in US dollars and West African francs. There are no currency hedges in place. Therefore, a weakening of the Canadian dollar against the US dollar or West African franc could have an adverse impact on the amount of exploration conducted.

Insured and Uninsured Risks

During exploration, development and production on mineral properties, the Company is subject to many risks and hazards in general, including adverse environmental conditions, operational accidents, labor disputes, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather, floods, and earthquakes. Such occurrences could result in damage to the Company's property or facilities and equipment, personal injury or death, environmental damage to properties of the Company or others, delays, monetary losses and possible legal liability.

The Company is not maintaining any insurance to protect against various risks. Should such liabilities arise from these operational risks, they could reduce or eliminate future exploration and development of its properties and would result in increased costs that would have to be borne by the Company. Consequently, these potential liabilities could have a material adverse effect on the Company's results and cause a decline in the value of its securities. Some work is carried out through independent consultants and the Company requires that all consultants carry their own insurance to cover any potential liabilities from their work on a project.

Environmental Risks and Hazards

The activities of the Company are subject to environmental regulations issued and enforced by government agencies. Environmental legislation is evolving in a manner that will require stricter standards and enforcement and involve increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that future changes in environmental regulation will not adversely affect Legend's operations. Environmental hazards may exist on properties in which the Company holds interests which are unknown to the Company at present.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and to the extent that such other companies may participate in ventures in which the Company may participate, some directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. If such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with the laws of British Columbia, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether the Company will participate in a program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Key Personnel Risk

The Company's success is dependent upon the performance of key personnel working in management and administrative capacities. The loss of the services of any senior management or key personnel could have a material and adverse effect on the Company, its business and results of operations.

Competition

The Company will compete with many companies and individuals that have substantially greater financial and technical resources than the Company for the acquisition and development of its projects as well as for the

recruitment and retention of qualified consultants and employees.

OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company had 13,686,752 common shares issued and outstanding. In addition, there were 184,833 stock options outstanding with expiry dates ranging from July 5, 2021 to October 21, 2023. There were also 2,888,618 common share purchase warrants outstanding with expiry dates from April 5, 2018 to September 8, 2019.