LEAGOLD MINING

Management's Discussion and Analysis

For the three months ended March 31, 2019 and 2018

(expressed in thousands of United States dollars, except as noted)

Contents

This Management's Discussion and Analysis was prepared as of at May 7, 2019 and provides an analysis of the financial and operating results of Leagold Mining Corporation (Leagold or the Company) for the three months ended March 31, 2019. Additional information regarding Leagold, including its Annual Information Form for the year ended December 31, 2018, as well as other information filed with the Canadian securities regulatory authorities is available under the Company's profile on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com. All monetary amounts are in United States dollars unless otherwise specified.

The following discussion and analysis of the financial condition and results of operations of Leagold should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the three months ended March 31, 2019 and March 31, 2018, as well as the consolidated financial statements for the year ended December 31, 2018 and December 31, 2017, and the related notes, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

As the Brazil operations were acquired on May 24, 2018, the results for the first quarter of 2019 were not comparable to the first quarter of 2018. As such, the analysis for the Brazil operations has been compared to the fourth quarter of 2018.

Throughout this MD&A, cash costs, all-in sustaining costs (AISC), AISC margin, EBITDA, adjusted EBITDA, sustaining and non-sustaining capital and free cash flow, are non-GAAP financial performance measures with no standard meaning under IFRS, further discussed in the section Non-GAAP Measures.

Business Overview

Leagold is a Canadian-based corporation and its common shares are listed on the Toronto Stock Exchange (symbol: LMC) and quoted in the United States on the OTCQX International (symbol: LMCNF).

In a period of approximately two years, Leagold has grown into a mid-tier gold producer with four operating mines. In April 2017, Leagold acquired the Los Filos mine complex from Goldcorp Inc. and in May 2018, Leagold acquired Brio Gold Inc. (Brio and the Brio Acquisition). These transactions transformed Leagold into a diversified, multi-mine gold producer with four mines and a strong platform for further growth in Mexico, Brazil, and other regions of Latin America. Leagold invests significant time and effort in its newly acquired assets implementing cost reduction and overall business improvement programs.

Leagold owns the Los Filos mine complex in Mexico and the RDM, Fazenda, and Pilar mines in Brazil, with locations as shown in the figures below. Leagold also has two near-term growth projects: the expansion of the Los Filos mine complex and the restart of the Santa Luz project. Leagold is currently producing gold at an annualized rate of approximately 400,000 ounces (oz) per year and has established Proven and Probable mineral reserves of 7.1 million oz (Moz) (see Table 29 for more detailed technical disclosure).

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Leagold expects to produce between 380,000 and 420,000 oz in 2019, and its internal growth projects have the potential to increase production to 600,000 to 700,000 oz per year and targeting increasing EBITDA to over $300 million per year. The growth projects are the expansion of the Los Filos mine complex and the restart of construction of the Santa Luz project, both of which have had feasibility studies recently completed. On May 1, 2019, the Company announced it has received a binding underwritten commitment from a syndicate of lenders for a $200 million term loan (the Term Loan) and a $200 million revolving credit facility (the RCF, and collectively with the Term Loan, the New Loan Facilities). These loans will be used to repay current debt and finance the Company's growth through the phased expansion of the Los Filos mine complex and the construction of the Santa Luz project.

Leagold's long-term growth strategy also includes acquiring operating gold mines and projects nearing construction where the acquired assets complement its existing operations and provide further operational diversification. Leagold's experienced management team has a history of operational success which provides the foundation for executing on its acquisition strategy.

Q1 2019 Highlights

Leagold achieved a quarterly production record of 105,949 oz in Q1 2019, establishing a strong start toward meeting full-year 2019 production guidance. Leagold achieved AISC of $927 per oz sold in Q1 2019, in the lower end of the full-year AISC guidance range of $920 to $970 per oz sold. Total revenue of $138.1 million in Q1 2019, generated earnings from mine operations of $25.6 million, EBITDA of $38.4 million and net income of $3.2 million as shown in Table 1.

Figure 1: Quarterly Gold Production and AISC Profile

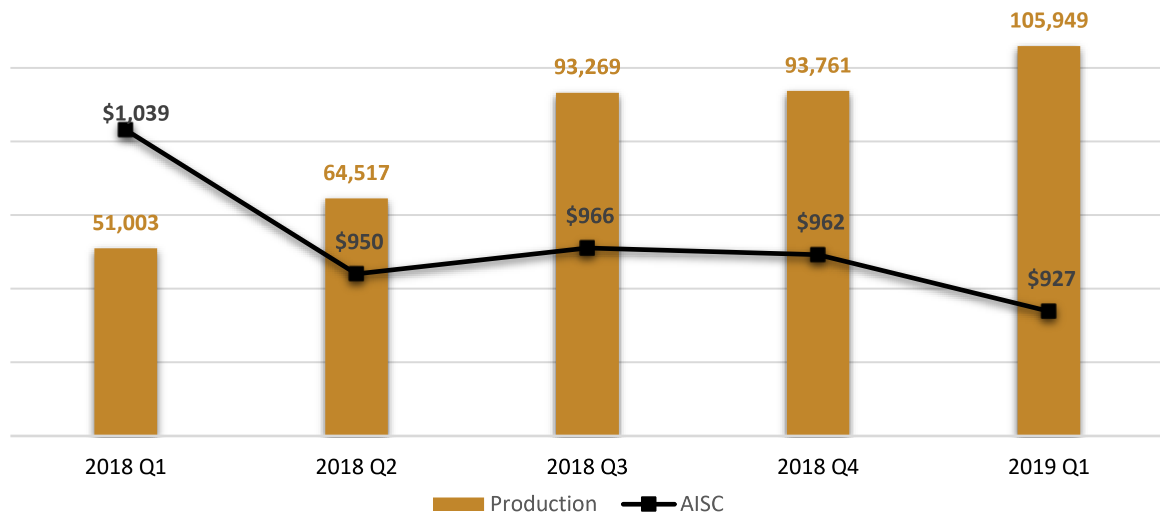

Table 1: Highlights for Q1 2019, Compared to Q4 2018

Mining Physicals	Unit	Three months ended Mar 31, 2019	Three months ended Dec 31, 2018
Gold production	oz	105,949	93,761
Gold sales	oz	107,546	90,004
Revenue	$millions ($m)	$138.1	$110.3
Earnings from mine operations	$m	$25.6	$18.1
EBITDA	$m	$38.4	$13.4
Net Income	$m	$3.2	$1.3
All-in sustaining costs (AISC)	$/oz sold	$927	$962
AISC margin	$m	$38.0	$23.6
Cash balance	$m	$65.2	$53.0

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Gold sales in Q1 2019 were 107,546 oz with associated revenue of $137.7 million, which are both increases compared to Q4 2018. Both the Los Filos and Fazenda mines had strong operating results in Q1 2019 while RDM implemented new power infrastructure and Pilar continued with restructuring and optimization efforts. With the increased revenue and strong controls over cost for the three months ended March 31, 2019, AISC margin increased by 61% to $38.0 million and earnings from mine operations increased by 41% to $25.6 million.

At the Los Filos mine complex in Mexico, production of 64,028 oz in Q1 2019 was up 10% over Q4 2018 and 26% over Q1 2018, setting a new quarterly production record since acquisition. AISC of $797 per oz sold was a 10% improvement over Q4 2018 and a 23% improvement over Q1 2018, primarily related to higher sales.

RDM had its first full operating quarter since the shutdown in Q4 2018. AISC remained high due to reliance on costly diesel power and lower than anticipated recoveries of 80%. On March 30, 2019, the powerline project was completed. Production and costs are expected to improve through the remainder of the year as operations stabilize following the completion of the powerline project. Recovery rates in April improved to 85% and production increased to 6,308 oz for the month.

Fazenda had a strong first quarter with improved grades from both open pit and underground ore. Leagold focused on optimizing throughput capacity of the plant in Q1 2019 using higher-grade material from both open pit and underground mining.

Production at Pilar decreased in Q1 2019 compared to Q4 2018 due to lower tonnages transported from the underground mine. In Q1 2019 the mining contractor was replaced due to poor performance and low equipment availabilities, which required plant throughput to be supplemented with low-grade stockpiles and brought down the average grade.

Refinancing

On May 1, 2019 the Company announced it has received a binding underwritten commitment from a syndicate of lenders for a $200 million Term Loan and a $200 million RCF. These loans will be used to repay current debt and finance the Company's growth through the phased expansion of the Los Filos mine complex and the construction of the Santa Luz project.

The technical aspects of Leagold's growth projects were defined in recent independent feasibility studies; however, Leagold's development plan now sequences the timing of these projects to maximize the use of internal cash flows and mitigate construction risk. Leagold has taken the decision to proceed with the Los Filos expansion when the refinancing closes, which is expected in May, and to commence construction of the Santa Luz project in early 2021.

Table 2: Key Terms of the New Loan Facilities

	Term Loan	Revolving Credit Facility (RCF)
Amount	$200 million	$200 million, with includes $50 million available in 2021
Type	Senior, secured, and to be fully drawn at closing	Senior, secured, and revolving
Purpose	To refinance existing loan facilities	General corporate, working capital and capital expenditures
Repayments	Scheduled amortization from September 30, 2021 until December 31, 2024	Outstanding amounts due on December 31, 2024
Interest	LIBOR plus a margin of 3.75% to 4.45% depending on the Company's net debt / EBITDA leverage ratio	

OPERATIONS REVIEW

2018 was a transformative year as Leagold evolved from a single mine operator into a diversified group with four mines in two countries. The Company's Q1 2019 results demonstrated the benefits of this strategy with improving costs and increasing profitability, primarily driven by the Los Filos and Fazenda mines. With multiple operations, Leagold seeks to optimize operations with a methodical approach that focuses on opportunities to achieve sustainable, long-term cash flow generation.

Table 3: Production and Costs for Q1 2019, Compared to Q4 2018

		Three months ended	
	Unit	**Mar 31, 2019**	**Dec 31, 2018**
Gold produced			
Los Filos	oz	64,028	58,201
RDM[1]	oz	13,835	4,913
Fazenda	oz	18,675	19,041
Pilar	oz	9,411	11,606
Total, gold produced	oz	105,949	93,761
Gold sold	oz	107,546	90,004
Financial Results			
Gold revenue	**$000s**	**137,695**	**110,170**
Cash Costs			
Mining costs – open pit		16,864	10,411
Mining costs – underground		26,289	28,451
Processing costs		35,453	33,595
Site general and administration costs		11,038	10,238
Change in inventory		(2,722)	(9,593)
Other		1,452	1,143
Total cash costs	**$000s**	**88,374**	**74,245**
Land access payments		4,024	3,680
Royalties		1,546	1,133
Sustaining capital		3,955	5,869
Sustaining capital – stripping costs		1,809	1,614
Total AISC	**$000s**	**99,708**	**86,541**
AISC margin	**$000s**	**37,987**	**23,629**
Cash costs	**$/oz sold**	**822**	**825**
AISC	**$/oz sold**	**927**	**962**

1 During Q4 2018, the RDM mine experienced a six week shut-down due to regional drought conditions.

Brazil Transition

Following the acquisition of Brio Gold in 2018, programs were launched to transform each of RDM, Fazenda and Pilar mines into stand-alone profit centres which included increased management responsibility at the mines and the transfer of financial and operating accountability to the mines. As a result, significant workforce reductions were implemented at the Belo Horizonte office, which has been rationalized into a shared services centre for the Brazil operations. Starting on January 1, 2019, the majority of the costs associated with this office are being allocated to each of RDM, Fazenda, Pilar and Santa Luz which led to an increased AISC by $8 per ounce sold in Q1 2019.

In addition, USD-BRL currency hedge positions which were acquired with Brio Gold, started to mature on a monthly basis during 2019. During Q1 2019, these currency positions matured at a loss, and the cost was allocated to RDM, Fazenda, Pilar and Santa Luz. This increased AISC by $11 per ounce sold in Q1 2019.

Los Filos Mine Complex

The Los Filos mine complex is located 230 kilometres (km) by road southwest of Mexico City and is accessible by paved roads and a private airstrip. The Los Filos mine complex currently consists of two open pit mines, Los Filos and Bermejal, and an underground mine at Los Filos. Grid power is supplied to a 20 MVA substation at site. The Los Filos mine complex began commercial production in 2008 and was acquired by Leagold in 2017.

Table 4: Operating and Financial Results for the Los Filos Mine Complex

		Three months ended		
Mining Physicals	**Unit**	**Mar 31, 2019**	**Dec 31, 2018**	**Mar 31, 2018**
Tonnes mined – open pit	000s	5,663	5,566	7,699
Tonnes of ore mined – open pit	000s	1,919	2,561	2,001
Avg. gold grade mined – open pit	g/t	0.63	0.95	0.57
Tonnes of ore mined – underground	000s	175	177	101
Avg. gold grade mined – underground	g/t	5.37	5.74	5.47
Tonnes of ore placed on pad	000s	2,041	2,735	1,597
Avg. gold grade placed on pad	g/t	1.04	1.26	0.97
Contained gold placed on pad	oz	68,183	110,600	50,029
Recovery rate in period[1]	%	94%	53%	102%
Gold produced	oz	64,028	58,201	51,003
Gold sold	oz	65,861	54,001	51,334
Unit Cost Analysis				
Realized gold sales price	$/oz	1,278	1,220	1,321
Mining costs – open pit	$/t mined	1.74	1.64	1.29
Mining costs – underground	$/t ore	78.66	74.24	98.08
Processing costs	$/t placed	9.25	8.01	9.20
Financial Results				
Gold revenue	**$000s**	**84,194**	**65,906**	**67,829**
Cash Costs				
Mining costs – open pit		8,059	7,492	8,187
Mining costs – underground		13,800	13,146	9,906
Processing costs		18,867	21,908	18,916
Site general and administration costs		5,661	6,041	5,988
Change in inventory		(2,699)	(8,624)	2,190
Other		138	223	12
Total cash costs	**$000s**	**43,826**	**40,186**	**45,199**
Land access payments		3,931	3,668	3,489
Royalties		564	389	545
Sustaining capital		2,360	2,223	2,363
Sustaining capital – stripping costs		1,809	1,614	1,752
Total AISC	**$000s**	**52,490**	**48,080**	**53,348**
AISC margin	**$000s**	**31,704**	**17,826**	**14,481**
Cash costs	**$/oz sold**	**665**	**744**	**880**
AISC	**$/oz sold**	**797**	**890**	**1,039**

1 Based on gold oz produced in the period, including reprocessed oz, divided by total gold oz placed on the heap leach pads. The recovery rate is not adjusted for the lag effect inherent in heap leach pad processing to account for the timing of when contained gold oz are placed on the pads.

Q1 2019 Analysis – Los Filos

Gold sales at the Los Filos mine complex were 65,861 oz in Q1 2019, with associated revenue of $84.2 million and AISC of $797 per oz sold. Los Filos achieved a quarterly production record of 64,028 oz in Q1 2019, representing a 10% increase over Q4 2018 and 26% over Q1 2018. AISC of $797 per oz sold was a 10% improvement over Q4 2018 and a 23% improvement over Q1 2018, primarily related to higher sales. Los Filos underground is now producing at over 1,900 tpd with costs below $80 per tonne of ore mined for the last three quarters, compared to 1,100 tpd at $98 per tonne in Q1 2018.

Heap leach pad improvements included the benefits from the ongoing program of lime addition and solution control, which has successfully maintained the pH of the leach solution and resulted in a reduction of cyanide consumption and a subsequent improvement in gold recovery. Higher grade (underground) ore continued to be stacked in a separate area and placed on a geomembrane liner on pad 2 to maximize gold extraction and enable a reduced lag time for high grade solution to report to the pregnant solution pond. These changes allow gold to report directly to the carbon adsorption circuit and is available to be poured within the month it is stacked. Initiation of a compaction program on previously leached open pit ore prior to stacking new ore created an inter-lift liner in some areas of pad 2 that has improved solution flows and enabled a reduction in lag time by redirecting solution to the pregnant solution pond rather than passing through the entire heap.

Total tonnes mined and unit mining costs from the open pits were in line with Q4 2018.

RDM Mine

The RDM mine is located in Minas Gerais State in Brazil, about 560 km north of the state capital city of Belo Horizonte. The mine property covers approximately 22,600 hectares and is accessible by air and road. The operation is a conventional open pit mine with a 7,000 tpd CIL plant. RDM switched from diesel generators to grid power on March 30, 2019. The RDM mine commenced commercial production in early 2014 and was acquired by Leagold in May 2018.

Table 5: Operating and Financial Results for the RDM Mine

		Three months ended	
Mining Physicals	**Unit**	**Mar 31, 2019**	**Dec 31, 2018[2]**
Tonnes mined – open pit	000s	5,221	2,680
Tonnes of ore mined – open pit	000s	440	52
Avg. gold grade mined – open pit	g/t	0.99	0.94
Tonnes of ore processed	000s	652	288
Avg. gold grade processed	g/t	0.82	0.75
Recovery rate in period	%	80%	82%
Gold produced	oz	13,835	4,913
Gold sold	oz	13,450	5,574
Unit Cost Analysis			
Realized gold sales price	$/oz	1,282	1,260
Mining costs – open pit[1]	$/t mined	2.13	2.46
Processing costs	$/t processed	13.10	15.51
Financial Results			
Gold revenue	**$000s**	**17,246**	**7,025**
Cash Costs			
Mining costs – open pit		7,916	1,641
Processing costs		8,539	3,237
Site general and administration costs		1,696	1,066
Change in inventory		15	583
Other		499	174
Total cash costs	**$000s**	**18,665**	**6,701**
Royalties		425	171
Sustaining capital		1	184
Total AISC	**$000s**	**19,091**	**7,056**
AISC margin	**$000s**	**(1,845)**	**(31)**
Cash costs	**$/oz sold**	**1,388**	**1,202**
AISC	**$/oz sold**	**1,419**	**1,266**

1 Open pit mining cost per tonne mined for Q1 2019 and Q4 2018 includes $2.7 million and $5.5 million of non-sustaining capitalized stripping respectively.
2 During Q4 2018, the RDM mine experienced a temporary shut-down from early October until November 20 due to regional drought conditions.

Q1 2019 Analysis – RDM

The RDM mine had a full quarter of production in Q1 2019 following the six week shutdown in Q4 2018 due to regional drought conditions. As the 2018/2019 rainy season is now coming to a close, RDM is anticipated to have sufficient water to support stable and continuous operations through to the start of the next rainy season.

Gold sales at the RDM mine were 13,450 oz in Q1 2019, with associated revenue of $17.2 million and AISC of $1,419 per oz sold. Production was 13,835 oz in Q1 2019. Mining rates improved in Q1 2019 to

58,014 tpd and the mill feed was supplemented by additional ore from low grade stockpiles. AISC remained high due to reliance on costly diesel power and lower than anticipated recoveries of 80%.

During Q1 2019 Leagold completed the installation of the remaining towers for the powerline to connect to the Janauba 4 substation and on March 30, 2019 power at RDM was switched over from diesel generators to grid power. This is expected to reduce annual power costs and improve mill availability and performance which includes achieving a finer grind size and higher throughput, plus increased gold recovery rates. As operations stabilize following the completion of the powerline project, both production and costs are expected to improve through the remainder of the year. Recovery rates in April improved to 85% and production increased to 6,308 oz for the month.

A three metre downstream raise of the tailings embankment and an extension of the geomembrane liner were completed in Q1 2019. Monitoring of the tailings embankment is performed on a regular basis by weekly surveying of the six movement monuments located on the embankment crest and downstream slope as well as weekly measurements of the water levels with the 22 piezometers located within the embankment and foundation. This monitoring includes independent reviews and independent reporting to local authorities.

Fazenda Mine

The Fazenda mine is located within the Maria Preta mining district in Bahia State, Brazil, about 180 km northwest of the state capital city of Salvador. The mine property covers approximately 63,400 hectares and is accessible by air and road. The Fazenda mine has been in operation for more than 30 years and was acquired by Leagold in May 2018. It is primarily an underground operation with ore being processed in a CIL milling facility.

Table 6: Operating and Financial Results for the Fazenda Mine

		Three months ended	
Mining Physicals	**Unit**	**Mar 31, 2019**	**Dec 31, 2018**
Tonnes mined – open pit	000s	165	477
Tonnes of ore mined – open pit	000s	13	19
Avg. gold grade mined – open pit	g/t	4.58	1.37
Tonnes of ore mined – underground	000s	308	344
Avg. gold grade mined – underground	g/t	1.95	1.82
Tonnes of ore processed	000s	327	354
Avg. gold grade processed	g/t	1.95	1.84
Recovery rate in period	%	92%	90%
Gold produced	oz	18,675	19,041
Gold sold	oz	18,927	18,849
Unit Cost Analysis			
Realized gold sales price	$/oz	1,284	1,226
Mining costs – open pit	$/t mined	3.08	2.68
Mining costs – underground	$/t ore	21.47	21.65
Processing costs	$/t processed	12.55	12.40
Financial Results			
Gold revenue	**$000s**	**24,310**	**23,111**
Cash Costs			
Mining costs – open pit		889	1,278
Mining costs – underground		6,695	7,454
Processing costs		4,098	4,387
Site general and administration costs		1,871	1,714
Change in inventory		-	(791)
Other		199	350
Total cash costs	**$000s**	**13,752**	**14,392**
Royalties		363	356
Sustaining capital		1,173	2,717
Total AISC	**$000s**	**15,288**	**17,465**
AISC margin	**$000s**	**9,022**	**5,646**
Cash costs	**$/oz sold**	**727**	**764**
AISC	**$/oz sold**	**808**	**927**

Q1 2019 Analysis – Fazenda

Gold production at Fazenda in Q1 2019 was up due to 6% higher grades and a 2% improvement in recovery compared to the previous quarter. The mine produced 18,675 oz during Q1 2019, consistent with Q4 2018. Gold sales at Fazenda were 18,927 oz in Q1 2019, with associated revenue of $24.3 million and AISC of $808 per oz sold, reflecting lower mining costs and reduced sustaining capital spending.

Leagold focused on optimizing the throughput capacity of the plant in Q1 2019 and was able to process higher-grade ore from both open pit and underground mining. This strategy has contributed to consistently strong performance at Fazenda.

AISC for Fazenda in Q1 2019 improved significantly compared to Q4 2018 due to lower mining costs and reduced sustaining capital spending.

In February 2019, an underground blasting accident occurred at the Fazenda mine involving five employees, two of whom suffered fatal injuries. Refer to the Health, Safety and Environment section for further detail.

Monitoring of the various tailings embankments is performed on a regular basis via monthly surveys of the 34 movement monuments located on the embankment crests and downstream slopes and weekly measurements of the water levels with the 34 piezometers located within the embankments and foundations and 18 located within the tailings deposits. This monitoring includes independent reviews and independent reporting to local authorities.

Pilar Mine

The Pilar mine consists of two underground mines feeding a CIP plant located in Goiás State in central Brazil, approximately 320 km from the federal capital of Brasilia. The total land package consists of approximately 17,800 hectares and the project area is readily accessible by road and air. The primary underground mining methods are modified room and pillar and long hole open stoping. Pilar began commercial production in October 2014 and was acquired by Leagold in May 2018.

Table 7: Operating and Financial Results for the Pilar Mine

		Three months ended	
Mining Physicals	**Unit**	**Mar 31, 2019**	**Dec 31, 2018**
Tonnes of ore mined – underground	000s	151	233
Avg. gold grade mined – underground	g/t	1.39	1.36
Tonnes of ore processed	000s	354	364
Avg. gold grade processed	g/t	0.91	1.07
Recovery rate in period	%	90%	93%
Gold oz produced	Oz	9,411	11,606
Gold oz sold	Oz	9,307	11,580
Unit Cost Analysis			
Realized gold sales price	$/oz	1,283	1,220
Mining costs – underground	$/t ore	38.42	33.73
Processing costs	$/t processed	11.14	11.17
Financial Results			
Gold revenue	**$000s**	**11,945**	**14,128**
Cash Costs			
Mining costs – underground		5,794	7,851
Processing costs		3,949	4,063
Site general and administration costs		1,810	1,417
Change in inventory		(38)	(761)
Other		616	396
Total cash costs	**$000s**	**12,131**	**12,966**
Land access payments		93	12
Royalties		194	217
Sustaining capital		421	745
Sustaining capital – Stripping costs		-	-
Total AISC	**$000s**	**12,839**	**13,940**
AISC margin	**$000s**	**(894)**	**188**
Cash costs	**$/oz sold**	**1,303**	**1,120**
AISC	**$/oz sold**	**1,379**	**1,204**

Q1 2019 Analysis – Pilar

In Q1 2019, Pilar was impacted by lower tonnages transported from the underground mine. The mining contractor at Pilar was replaced due to poor performance and low equipment availabilities, which required plant throughput to be supplemented with low-grade stockpiles and brought down the average grade.. Gold sales at Pilar were 9,307 oz in Q1 2019, with associated revenue of $11.9 million and AISC of $1,379 per oz sold. The Pilar mine produced 9,411 oz of gold during Q1 2019, a decrease compared to Q4 2018 due to the reduction in the processing feed grade.

Mining costs decreased in Q1 2019 compared to Q4 2018 in line with the reduced ore tonnes mined, and processing costs were consistent as the plant throughput was maintained. The increased AISC from Q4 2018 and Q1 2019 was primarily driven by the reduced gold ounces sold.

Monitoring of the tailings embankment is performed on a regular basis via monthly surveys of the eight movement monuments located on the embankment crest and downstream slope and weekly measurements of the water levels with the 10 piezometers located within the embankment and foundation. This monitoring includes independent reviews and independent reporting to local authorities.

Development Projects

Phased Development Plan

Following completion of the Los Filos Expansion Feasibility Study in March 2019, Leagold has continued with construction planning and optimizing the sequencing of the major expansion projects. Leagold has now taken the decision to proceed with the Los Filos phased expansion plan when the refinancing closes, which is expected in May, and to commence construction of the Santa Luz project in early 2021, with the timeline as detailed in Figure 2.

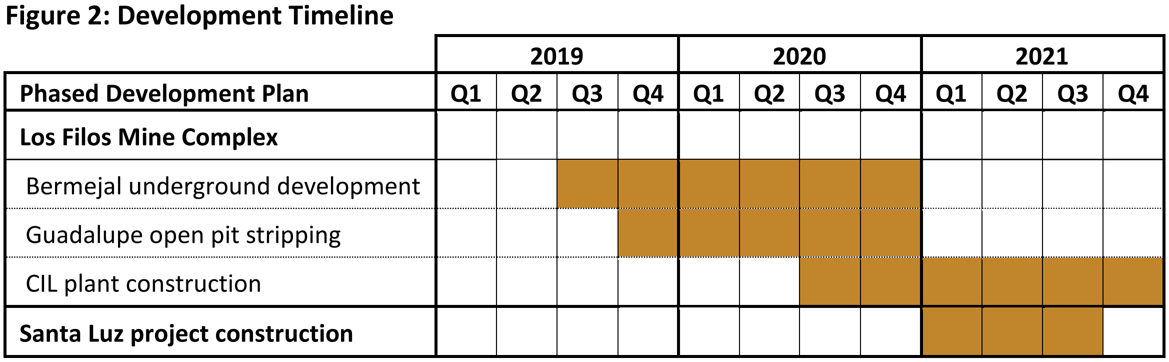
Leagold's phased development plan for Los Filos includes accelerating the start of mining of the Guadalupe section of the Bermejal open pit to Q4 2019 and delaying the start of construction of the CIL plant until Q3 2020. Development of the Bermejal underground is scheduled to resume in Q3 2019. With this updated schedule, the capital cost to develop the Bermejal underground and construct a new 4,000 tonne per day CIL plant with related infrastructure remains unchanged at $180 million, and no material changes in operating costs or AISC per ounce are expected. The net cash investment requirement is now mostly self-financed from operations at current gold prices. However, as result of a greater proportion of ore being heap leached due to deferral of the CIL plant, the estimated life of mine gold production is approximately 1.5% lower than the 3.2 Moz estimated in the March 2019 Feasibility Study.

In creating the phased development plan, consideration was given to construction and implementation risks, which are being actively managed. Specific elements of the plan that address implementation risk include:

Phased implementation: The expansion of the Los Filos mine has been organized into three distinct projects, which will have staggered start dates. The CIL plant construction is now scheduled to begin in mid-2020, after significant progress with accessing ore at both Bermejal underground and Guadalupe open pit is achieved. The development of Santa Luz is scheduled for 2021, following substantial completion of all elements of the Los Filos expansion.

The phased development plan results in a smoothed capital expenditure profile that benefits from increased internal financing.

Figure 2: Development Timeline



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EPCM contracting: Leagold anticipates an EPCM-based approach for the construction of the Los Filos CIL plant with a highly experienced and reputable engineering and project management group.

Contractor development of Bermejal Underground: Building on its experience from using a contractor for the 1,330 metre access ramp at the Bermejal underground, Leagold plans to use an experienced contractor for Bermejal underground development.

Revenue protection: As the Los Filos expansion timeline is extended to approximately 2.5 years, Leagold has determined it is financially prudent to secure a portion of its revenue from gold sales over this period. Together with the completion of the New Loan Facilities, Leagold plans to implement a gold revenue protection program of 25,000 ounces per quarter over a three-year period from Q4 2019 through to Q4 2022, which represents approximately 20% of group gold production over this period.

EPCM contracting for Santa Luz plant: Leagold anticipates using an EPCM-based approach for several components of the Santa Luz plant construction.

In addition to its current growth projects, Leagold plans to continue near-mine exploration programs designed to increase mineral resources and extend mine lives.

Santa Luz – Process Plant Re-development and Re-start

Santa Luz was built and placed in operation in mid-2013; however, production was suspended in September 2014 after 14 months of operation due to process difficulties and poor recoveries. In 2017, Brio commenced the construction of a new ore-processing facility that incorporated the crushing, crushed-ore storage, and semi-autogenous (SAG) mill of the original plant. The rest of the plant, with the exception of the refinery, will be new and based on resin-in-leach processing.

Following the Brio Acquisition, Leagold's first priority was assuming control of and optimizing the three operating mines, and the construction of the Santa Luz project in Brazil was placed on hold. Leagold initiated an independent and updated feasibility study on the Santa Luz project that was completed in October 2018. As Santa Luz was a previously operating mine, all major infrastructure is in place and the new construction is mostly limited to retrofitting the plant for gold recovery using resin versus carbon. The updated feasibility study confirmed the planned use of resin processing technology.

On October 25, 2018, Leagold announced the completion of an independent updated feasibility study on the Santa Luz project in Brazil and filed the Santa Luz Technical Report in November 2018. This feasibility study was based on the Proven and Probable open pit mineral reserves of 28.2 million tonnes at 1.39 g/t containing 1.26 million oz (see Table 8 below).

Table 8: Santa Luz Mine Mineral Reserve Statement (Effective Date of October 22, 2018)

Classification	Tonnes (kt)	Gold grade (g/t)	Gold ounces (koz)
Proven – open pit	25,000	1.43	1,153
Probable – open pit	1,100	1.40	47
Probable – stockpiles	2,100	0.89	59
Total Proven and Probable	**28,200**	**1.39**	**1,259**

- CIM (2014) definitions were followed for Mineral Reserves.
- Mineral Reserves were generated by Santa Luz Project personnel and adjusted by RPA to reflect the October 22, 2018 mining surface.
- Mineral Reserves are quoted at cut-off grades of 0.53 g/t Au, for dacite-leachable, 0.39 g/t Au for dacite-high-sulphide, and 0.60 g/t Au for carbonaceous ore.
- C1 uses 10 m bench height and Antas 3 uses 9 m bench height.
- Process recovery of 86% for dacite-leachable, 84% for dacite-high-sulphide and 84% for carbonaceous ore.
- Mineral Reserves are based on Measured and Indicated Mineral Resources.
- Metal price assumption for gold was US$1,200/oz.
- Tonnage and grade measurements are in metric units. Contained gold are reported as troy oz.
- Summation errors may be present due to rounding.
- Please see Santa Luz Technical Report for further information.

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The updated plan for Santa Luz includes a phased open pit mining schedule with an optimized strip ratio pit design that is included within the full mine reserve plan. This phased approach generates a substantial increase in net cash flow generated by Santa Luz during the first seven years of operations, while also retaining the upside potential of the full LOM plan and further upside potential from underground mining opportunities. Highlights from the updated feasibility study include the following for Phase 1:

Table 9: Santa Luz Summary Cash Flow at $1,200/oz gold1,3

	Units	Phase 1 of LOM	LOM Total
Gold production	oz	697,199	1,059,787
Mine life	years	7	11
Net cash flow (LOM)	$M	290.5	301.6
Net cash flow (years 1–5 only)	$M	233.1	137.2
AISC LOM average[2]	$/oz	$788	$856
Upfront capex	$M	$82.0	$82.0
Upfront capex payback period	years	< 2	< 2
IRR (after-tax)	%	63%	47%
Project $NPV_{5\%}$ (after-tax) - $1,200	$M	$165	$149

1 Costs in Brazilian reais converted to US dollars with an exchange rate of 3.7 BRL-USD.
2 AISC includes mine cash costs, royalties, sustaining capital expenditures, and operational waste stripping costs.
3 Please see Santa Luz Technical Report for further information.

Operations Outlook

In January 2019, Leagold announced 2019 production guidance of 380,000 to 420,000 oz at AISC of $920 to $970 per oz, as outlined in Table 10.

Table 10: 2019 Gold Production and Cost Guidance

Mine	Production Guidance (oz gold)	AISC Guidance ($/oz sold)	Sustaining Capital Guidance ($m)
Los Filos	200,000 to 220,000	$925 to $975	$14
RDM	72,000 to 80,000	$900 to $950	$5
Fazenda	63,000 to 70,000	$900 to $950	$9
Pilar	45,000 to 50,000	$950 to $1,000	$7
Total	**380,000 to 420,000**	**$920 to $970**	**$35**

Following the completion of a first quarter production record of 105,949 oz, the Company has had a strong start toward meeting full-year 2019 production guidance of 380,000 to 420,000 oz. Q1 2019 AISC of $927 per oz sold is in the lower end of the full-year AISC guidance range.

Health, Safety and Environment

Leagold places the safety and health of its people as the highest priority and is committed to sustainable development in a safe and responsible manner. Leagold recognizes that the long-term sustainability of its business is dependent upon good stewardship in both the protection of the environment and the careful management of the exploration, development, and extraction of mineral resources.

Management is focused on maintaining a culture of safety, which includes equipping our people with the tools, training, and mindset to result in constant safety awareness. Leagold strives for an incident-free workplace, while also recognizing the need for emergency preparedness. Every mine has an emergency response plan and conducts periodic exercises followed by critical analysis that evaluates the response and recommends improvements.

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Despite a commitment to mitigate risks as much as possible, in February 2019, an underground blasting accident occurred at the Fazenda mine involving five employees, two of whom suffered fatal injuries. The remaining three employees incurred injuries and were released from hospital. This event underscores the importance and necessity of continuous efforts to maintain a culture of safety through active management of occupational health, accident prevention programs, and preparedness for emergencies.

Table 11: Safety Statistics for the Three Months Ended March 31, 2019

Incident Category	Los Filos	RDM	Fazenda	Pilar	Total
Fatality	-	-	2	-	2
Lost time injury (LTI)[1]	-	1	3	2	6
Total work hours	1,096,567	457,706	237,982	224,045	2,016,300
LTIFR	**-**	**0.4**	**4.2**	**1.8**	**0.8**

1 Lost time injury frequency rate = number of LTIs in the period x 200,000/(total work hours worked for the period).

Mining has inherent risks to both people and property, and managing these risks is at the core of Leagold's business. Leagold takes a long-term approach to risk management, an approach that supports investment in the practices needed to be successful and meet commitments.

With respect to the environment, Leagold's approach is to minimize its impact and continually monitor operating performance. Essential to the gold mining industry, cyanide is a chemical product used in many of the world's gold mines. Leagold uses cyanide at its operations and focuses on its responsible production, transportation, handling and storage and use in operations. The Los Filos mine has been certified as complying with the International Cyanide Management Code (ICMC).

Leagold has tailings storage facilities at its mines in Brazil (Los Filos in Mexico is a heap leach operation, and therefore does not have such facilities). All tailings storage facilities are managed with the assistance of external specialists and regularly monitored to ensure the safe operation of these structures. To ensure the integrity of its tailings dams, Leagold monitors the water levels in the tailings reservoirs, the water levels in the piezometers located within the dams and their foundations, and the movement monuments along the dam crests and slopes on a frequent basis. A monitoring database for each tailings facility is maintained and submitted to the federal regulator, the National Mining Agency (ANM) (formerly the National Department of Mineral Production or DNPM). In addition, routine inspections are performed along the tailings and water pipes and their respective pumps, in the surrounding areas along the edge of the reservoirs, and along the crests, slopes and abutments of the dams on a regular basis, typically weekly. Independent third-party inspections are also conducted, and their reports are submitted directly to the national regulator.

Leagold's tailings facilities have been appropriately designed in accordance with regulations and include the periodic raising of the dams using a downstream construction methodology that expands the base width and height of the dam each time it is raised. In addition, all of the tailings storage facilities are covered by a geosynthetic (plastic) liner to reduce seepage from and maintain water within the facility.

FINANCIAL RESULTS FOR THE PERIOD

Financial Results

Table 12: Financial Results for the Three Months Ended March 31, 2019 and 2018

$000s	Three months ended Mar 31, 2019	Three months ended Mar 31, 2018
Revenue	138,115	68,073
Operating expenses	93,319	49,199
Depreciation and depletion	17,679	7,836
Royalties	1,546	545
Earnings from mine operations	**25,571**	**10,493**
Share-based payments	3,738	59
Acquisition and restructuring costs	-	1,792
General and administration costs	2,278	1,674
Foreign exchange gain	(595)	(824)
Interest expense on loan facilities	5,687	3,261
Finance and accretion expense	3,202	327
Other income	(538)	(660)
Earnings before taxes	**11,799**	**4,864**
Current income tax expense	580	5,112
Deferred income tax expense	8,042	10,506
Net earnings/(loss)	**3,177**	**(10,754)**
Basic and diluted earnings/(loss) per share	0.01	(0.07)
Basic and diluted earnings before taxes per share	0.04	0.03

During the three months ended March 31, 2019, Leagold recorded net earnings of $3.2 million or $0.01 per share (March 31, 2018 – loss of $10.8 million or $0.07 per share). The Company recorded earnings before taxes of $11.8 million or $0.04 per share (March 31, 2018 – $4.9 million or $0.03 earnings per share).

- Revenue for the three months ended March 31, 2019 was $138.1 million (March 31, 2018 – $68.1 million), primarily related to the sale of 107,546 gold oz from the four operating mines at an average realized gold price of $1,280 per oz (March 31, 2018 – 51,334 gold oz at a realized gold price of $1,321 per oz).
- Operating expenses for the three months ended March 31, 2019 were $93.3 million (March 31, 2018 – $49.2 million). Operating expenses related to the four operations were comprised of consumables used in mining and processing of $47.0 million (March 31, 2018 – $25.0 million), salaries and wages of $19.7 million (March 31, 2018 – $10.0 million), contractors of $18.7 million (March 31, 2018 – $6.1 million), and other production costs and changes in inventory of $7.9 million (March 31, 2018 – $8.1 million). The operating expenses increased in Q1 2019 compared to Q1 2018, primarily due to the Brio Acquisition which added $45.4 million in operating expenses for the three months ended March 31, 2019.
- Depreciation and depletion for the three months ended March 31, 2019 was $17.7 million (March 31, 2018 – $7.8 million), related to the depletion of mineral reserves and the depreciation of plant and equipment with useful lives ranging from 3 to 12 years. The increase in depreciation and depletion compared to the prior year comparative was due to the increase in the asset portfolio of the Company from one operating mine to four operating mines.
- Share based compensation for the three months ended March 31, 2019 was $3.7 million (March 31, 2018 – $0.1 million). This primarily related to a Black-Scholes valuation of the 6,578,444 incentive share options granted to the officers, employees, and consultants in Q1 2019. In addition, the Company

established a PSU plan as part of its compensation program for certain employees of the Company. The PSUs vest in three tranches based on when certain gold production targets are achieved. All unvested PSUs expire on December 31, 2021.

- General and administrative (G&A) costs for the three months ended March 31, 2019 were $2.3 million (March 31, 2018 – $1.7 million). The increase was due to the Brio Acquisition as the prior year only included the Los Filos mine complex.
- Interest expense on the loan facilities for the three months ended March 31, 2019 was $5.7 million (March 31, 2018 - $3.3 million). The increase in interest expense compared to the prior period was due to the additional $100.0 million tranche of funding acquired as part of the Brio acquisition.
- Finance and accretion expense for the three months ended March 31, 2019 of $3.2 million (March 31, 2018 – $0.3 million) was primarily related to $1.3 million of accretion on the reclamation liability (March 31, 2018 - $0.3 million) and $1.0 million of amortization of deferred financing costs (March 31, 2018 - $0.5 million). In the comparative period finance and accretion expense was primarily related to the interest expense on the loan facility.

Financial Condition Summary

Table 13: Statement of Financial Position Summary at March 31, 2019 and December 31, 2018

$000s	Mar 31, 2019	Dec 31, 2018
Current assets		
Cash and cash equivalents	65,248	53,021
Trade and other receivables	31,132	33,770
Inventories	113,104	111,794
Prepaid expenses and other	11,306	16,125
	220,790	214,710
Non-current assets		
Mining interests	792,651	772,759
Long-term inventories	1,261	1,506
Deferred income tax assets	78,989	86,681
Other long-term receivables	11,932	7,229
Total assets	**1,105,623**	**1,082,885**
Current liabilities		
Trade and other payables	117,771	101,121
Deferred revenue	11,691	23,382
Reclamation and closure costs	3,351	2,873
Other current financial liabilities	8,183	10,702
Current portion of debt	145,074	144,642
Lease liabilities	7,236	-
	293,306	**282,720**
Non-current liabilities		
Reclamation and closure costs	83,927	83,633
Other long-term financial liabilities	6,086	5,502
Long-term debt	88,876	99,821
Deferred income tax liabilities	14,159	13,619
Long-term lease liabilities	11,551	-
Other long-term liabilities	14,294	13,551
Total liabilities	**512,199**	**498,846**
Total shareholders' equity	**593,424**	**584,039**

Liquidity and Capital Resources

Leagold had a working capital deficit of $72.5 million as at March 31, 2019 (December 31, 2018 – deficit of $68.0 million). This deficit is primarily attributable to the current portion of the loan facilities totalling $145.1 million. On May 1, 2019, the Company announced it has received a binding underwritten commitment from Société Générale, Investec Bank plc, and ING Capital LLC, for a senior secured term loan of $200 million and a senior secured revolving credit facility of $200 million. The Term Loan and $150 million of the RCF are available on closing and the remaining $50 million of the RCF is available for the construction of Santa Luz.

The Term Loan and a portion of the RCF will be used to repay Leagold's existing loan facilities of $238 million, with the remaining RCF available to provide additional funding and increase cash management flexibility. In conjunction with the refinancing, Leagold plans to implement a gold revenue protection program of 25,000 ounces per quarter over a three-year period from Q4 2019 through to Q4 2022, which represents approximately 20% of group gold production over this period.

In December 2018, Leagold sold 20,000 oz to Orion for $23.4 million, of which the first 10,000 oz were delivered on March 28, 2019 attributing to the decrease in deferred revenue by $11.7 million. A further 10,000 oz are due to be delivered by May 31, 2019.

In Q1 2019, the Company adopted the new IFRS 16 - Leases standard. As a result, the Company has changed its accounting policy for lease contracts (refer to Application of New Accounting Standards Effective January 1, 2019 for further details). Therefore, the Company has recognised a current liability of $7.2 million for lease payments due within 12 months.

Other significant changes in working capital include an increase in trade and other payables of $16.7 million associated with the completion of capital projects and the timing of supplier payments.

The net change in cash position at March 31, 2019 compared to December 31, 2018 was an increase of $12.2 million, attributable to the following components of the statement of cash flows:

- Leagold's operating inflow before working capital adjustments was $40.3 million for the three months ended March 31, 2019 (March 31, 2018 – inflow of $15.5 million). Operating activities generated $37.1 million for the three months ended March 31, 2019 (March 31, 2018 – $15.9 million) including an outflow of $3.2 million in working capital movements (March 31, 2018 – inflow of $0.4 million). This outflow of working capital was related primarily to the repayment of the deferred gold sale to Orion of $11.7 million, net of movements in trade and other payables of $5.1 million. The operating cash flow for the three months ended March 31, 2019 was not comparable to the corresponding prior year quarter given the growth of the Company with the acquisition of Brio in Q2 2018.
- Investing activities used $17.4 million, associated primarily with the development of the mines (March 31, 2018 – outflow of $13.9 million). For the three months ended March 31, 2018, the additions only related to the Los Filos mine complex and therefore, are not comparable.
- Financing activities used $7.5 million, relating to the interest payment on the loan facilities of $5.7 million and payments for lease liabilities of $2.1 million, offset by $0.2 million of proceeds received from the exercise of share options during Q1 2019 (March 31, 2018 – outflow of $3.0 million).

Capital Management

Leagold's objectives when managing capital are to safeguard the entity's ability to support the Company's normal operating requirements on an ongoing basis, continue the development and exploration of its mineral properties, support any expansionary plants, maintain sufficient capital for potential investment opportunities and to pursue generative acquisition opportunities. Leagold intends to finance potential acquisitions with a prudent combination of equity, debt and other forms of finance. In the management of capital, the Company includes components of equity, and long-term debt, net of cash and cash equivalents.

Table 14: Capital Summary

$000s	Mar 31, 2019	Dec 31, 2018
Equity	593,424	584,039
Loan facility	233,950	244,463
	827,374	828,502
Less: cash and cash equivalents	(65,248)	(53,021)
	762,126	775,481

Leagold manages its capital structure and makes adjustments in light of changes in its economic environment and the risk characteristics of the Company's assets. To effectively manage the entity's capital requirements, the Company has in place a planning, budgeting and forecasting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives.

Contractual Obligations and Commitments

Table 15: Significant Undiscounted Commitments as at March 31, 2019

$000s	Less than 1 year	1 to 3 years	4 to 5 years	Over 5 years	Total
Trade and other payables	117,771	-	-	-	117,771
Other long-term liabilities	-	-	-	14,294	14,294
Other financial liabilities	8,183	2,649	432	3,005	14,269
Lease liabilities	8,476	12,202	63	-	20,741
Reclamation and closure costs	3,971	22,975	16,065	98,467	141,478
Loan facility – principal	146,154	92,308	-	-	238,462
Loan facility – interest	17,407	10,336	-	-	27,743
	301,962	140,470	16,560	115,766	574,758

Gold Offtake Agreements

As part of the financing to complete the acquisition of the Los Filos mine complex, the Company entered into an offtake agreement with Orion (the Los Filos Gold Offtake Agreement) which provides for a gold offtake of 50% of the gold production from the Los Filos mine complex at market prices, until a cumulative delivery of 1.1 million ounces to Orion. As part of the acquisition of Brio financing, the Company amended and restated the Los Filos Gold Offtake Agreement and entered into another offtake agreement with Orion (the Brazilian Gold Offtake Agreement). The Brazilian Gold Offtake Agreement provides for a gold offtake of 35% of the gold production from the Brazilian mines at market prices, until a cumulative delivery of 0.7 million ounces to Orion. As of March 31, 2019, 132,545 payable gold ounces had been sold to Orion under the terms of the offtake agreements.

Silver Streaming Agreement

Leagold's silver production from the Los Filos mine complex is subject to the terms of an agreement with Wheaton Precious Metals Corp. (WPM). Under this agreement, Leagold must sell to WPM a minimum of 5.0 million payable silver oz produced by the Los Filos mine complex from August 5, 2010 to the earlier of the termination of the agreement or October 15, 2029 at the lesser of $3.90 per oz or the prevailing market price, subject to an inflationary adjustment. The contract price is revised each year on the anniversary date of the contract, which was $4.34 per oz until October 14, 2018. On October 15, 2018, the contract price was revised to $4.39 per oz. During the three months ended December 31, 2018, silver revenue equalled less than 0.5% of the Company's total revenue. As of March 31, 2019, 1.7 million payable silver oz had been sold to WPM under the terms of the agreement.

Management's Discussion and Analysis for the three months ended March 31, 2019 and 2018 (expressed in thousands of United States dollars, except as noted)

Quarterly Change in Cash Position

Table 16: Changes in Cash for the Three Months Ended March 31, 2019

$millions	**Three months ended Mar 31, 2019**
Gold revenue	**137.7**
Total cash costs	(88.4)
Land payments	(4.0)
Royalties	(1.5)
Sustaining capital	(5.8)
AISC	**(99.7)**
AISC margin	**38.0**
Santa Luz development	(1.3)
Los Filos expansion	(1.3)
RDM TSF raise and powerline project	(2.1)
RDM non-sustaining capitalized stripping	(2.7)
Other non-sustaining investments	(3.5)
Free cash flow (before working capital, interest and tax)	**27.1**
Increase in inventories	(2.8)
Change in supplier payables and other working capital changes	7.0
Movement in input taxes – Brazil and Mexico	1.3
Interest paid	(5.7)
General and administrative costs	(2.3)
Brazil regional office costs	(1.0)
Repayment of deferred revenue	(11.7)
Other expenses	0.3
Net increase in cash for Q1 2019	**12.2**
December 31, 2018, cash balance	53.0
March 31, 2019, cash balance	**65.2**

Table 17: Summary of Quarterly Results

	For the three months ended			
($000s except per share and ounce amounts)	Mar 31, 2019	Dec 31, 2018	Sept 30, 2018	June 30, 2018
Revenue	138,115	110,250	111,259	86,929
Gold oz sold	107,546	90,004	91,733	66,982
Earnings from mine operations	25,571	18,134	19,608	10,100
Net earnings	3,177	1,328	14,932	9,779
Basic and diluted net earnings per share	0.01	0.00	0.05	0.05
Basic and diluted net earnings/(loss) before taxes per share	0.04	(0.02)	0.05	0.04

	For the three months ended			
($000s except per share and oz amounts)	Mar 31, 2018	Dec 31, 2017	Sept 30, 2017	June 30, 2017
Revenue	68,073	65,265	60,947	67,482
Gold oz sold	51,334	51,138	47,263	54,010
Earnings from mine operations	10,493	10,193	8,859	8,459
Net (loss)/earnings	(10,754)	1,773	317	(7,623)
Basic and diluted net (loss)/earnings per share	(0.07)	0.01	0.00	(0.06)
Basic and diluted net earnings/(loss) before taxes per share	0.03	0.01	0.01	(0.10)

In April 2017, the Company completed the acquisition of the Los Filos mine complex and commenced operations and generating revenue and earnings from mine operations. In May 2018, the Company completed the Brio Acquisition and increased revenue and production capacity. In Q4 2018, RDM mine was temporarily shutdown due to drought conditions. The trend analysis discussion is limited due to these acquisitions which caused significant variations from prior period.

Related Party Transactions

Compensation of Key Management and Directors

Table 18: Compensation of Key Management and Directors

	Three months ended March 31,	
$000s	**2019**	2018
Short-term benefits	**769**	468
DSUs granted	**113**	113
PSUs granted	**236**	-
Share options granted	**2,182**	-
	3,300	581

Outstanding Share Data

Table 19: Outstanding Equity at May 7, 2019

	Units
Common shares	284,885,584
Share options	17,845,817
Warrants	50,715,873
	353,447,274

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Table 20: Exercisable Share Options at May 7, 2019

Exercise prices (C$)	Number of share options outstanding	Number of share options exercisable	Weighted average exercise price (C$)	Weighted average remaining contractual life
$ 0.63	210,000	210,000	$ 0.63	7.2 years
$ 2.85	10,725,000	10,725,000	$ 2.85	2.9 years
$ 3.15	200,000	200,000	$ 3.15	3.4 years
$ 2.92	100,000	100,000	$ 2.92	3.7 years
$ 2.11	6,578,444	6,578,444	$ 2.11	2.8 years
$ 2.01	32,373	32,373	$ 2.01	3.2 years
	17,845,817	**17,845,817**	**$ 2.55**	**2.9 years**

Table 21: Exercisable Warrants at May 7, 2019

Exercise prices (C$)	Number of warrants outstanding	Number of warrants exercisable	Weighted average exercise price (C$)	Weighted average remaining contractual life
$ 3.58	2,000,000	2,000,000	$ 3.58	2.9 years
$ 3.53	2,000,000	2,000,000	$ 3.53	2.1 years
$ 3.70	46,715,873	46,715,873	$ 3.70	1.1 years
	50,715,873	**50,715,873**	**$ 3.69**	**1.2 years**

NON-IFRS FINANCIAL PERFORMANCE MEASURES

Leagold has presented certain non-IFRS measures in this document. The Company believes that these measures, while not a substitute for measures of performance prepared in accordance with IFRS, provide investors an improved ability to evaluate the underlying performance of the Company. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

All-in Sustaining Margin and Adjusted EBITDA

Leagold believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use the all-in sustaining margin and adjusted earnings before interest, tax, depreciation, and amortization (adjusted EBITDA) to evaluate the Company's performance and ability to generate cash flows and service debt. Accordingly, these do not have a standard meaning and are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

During the three months ended March 31, 2019, total sustaining capital included $4.2 million at Los Filos, $1.2 million at Fazenda and $0.4 million at Pilar. Adjusted EBITDA is defined as earnings before interest, tax, depreciation, and amortization, adjusted to exclude specific items that are significant but not reflective of the underlying operating performance of the Company, such as: the impact of foreign exchange gains and losses, finance and accretion expense, and share-based payments and other non-recurring items, such as, transaction costs and restructuring costs related to acquisitions.

The following tables provide the calculation of this margin and adjusted EBITDA, as adjusted and calculated by the Company for the three months ended March 31, 2019, December 31, 2018, and March 31, 2018.

Table 22: All-in Sustaining Cost Margin and Adjusted EBITDA

	Three months ended		
$000s	**Mar 31, 2019**	**Dec 31, 2018**	**Mar 31, 2018**
Gold revenue	137,695	110,170	67,829
Less: cash costs of oz sold	(88,374)	(74,245)	(45,199)
Subtotal	49,321	35,925	22,630
Less: land access payments	(4,024)	(3,680)	(3,489)
Less: royalties	(1,546)	(1,133)	(545)
Less: sustaining capital	(5,764)	(7,483)	(4,115)
All-in sustaining cost margin	**37,987**	**23,629**	**14,481**

	Three months ended		
$000s	**Mar 31, 2019**	**Dec 31, 2018**	**Mar 31, 2018**
Earnings/(loss) before tax[1]	11,799	(5,696)	4,864
Add back: depreciation and depletion[1]	17,679	13,331	7,836
Add back: interest expense on loan facilities[1]	5,687	5,556	3,261
Add back: finance and accretion costs[1]	3,202	224	327
EBITDA	**38,367**	**13,415**	**16,288**
Add back: share-based payments[1]	3,738	28	59
Add back: transaction and restructuring costs[1]	-	2,525	1,792
Add back: non-recurring and other adjustments[2]	-	4,567	-
Add back: foreign exchange (gain)/loss[1]	(595)	4,152	(824)
Adjusted EBITDA	**41,510**	**24,687**	**17,315**

1 As presented on the condensed interim consolidated statement of Net Income/(Loss) and Comprehensive Income/(Loss) for the respective periods.
2 Q4 2018 non-recurring and other adjustments primarily relate to the costs incurred during the temporary shutdown or RDM of $3.6 million, and the provision for accounts receivable on the sale of carbon of $1.0 million.

Total Cash Costs

Total cash costs are a common financial performance measure in the gold mining industry; however, it has no standard meaning under IFRS. The Company reports total cash costs on a per oz sold basis. The Company believes that, in addition to conventional measures prepared in accordance with IFRS such as costs of sales, certain investors use this information to evaluate the Company's performance and ability to generate operating income and cash flow from its mining operations. Management uses this metric as an important tool to monitor operating costs. Adoption of the standard is voluntary and other companies may quantify this measure differently because of different underlying principles and policies applied.

Table 23: Cash Costs

	Three months ended		
($000s except oz amount)	**Mar 31, 2019**	**Dec 31, 2018**	**Mar 31, 2018**
Total gold sold (oz)	107,546	90,004	51,334
Production costs from mine operations[1]	93,319	77,653	49,199
Less: other adjustments[2]	(4,945)	(3,408)	(4,000)
Total cash costs	**88,374**	**74,245**	**45,199**
Total cash costs ($/oz of gold sold)	**822**	**825**	**800**

1 As presented on the condensed interim consolidated statement of Net Income/(Loss) and Comprehensive Income/(Loss) for the respective periods
2 Q1 2019 other adjustments primarily relate to land payments of $4.0 million, NRV adjustments of $1.7 million and silver sales and other adjustments of $0.6 million, offset by the inclusion of IFRS 16 - Lease costs being added back of $1.4 million. Q4 2018 other adjustments primarily relate to land payments of $3.7 million, silver sales and other adjustments of $0.6 million, offset by NRV adjustments of $0.9 million. Q1 2018 other adjustments primarily relate to land payments of $3.6 million and silver sales of $0.4 million.

All-in Sustaining Costs

Leagold is reporting AISC per oz of gold sold. The methodology for calculating AISC was developed internally and is calculated below, and readers should be aware that this measure does not have a standardized meaning. This non-IFRS measure provides investors with transparency to the total period-attributable cash cost of producing an oz of gold and may aid in the comparison with other gold mining peers. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Table 24: All-in Sustaining Costs

	Three months ended		
($000s except oz amount)	**Mar 31, 2019**	**Dec 31, 2018**	**Mar 31, 2018**
Total gold sold (oz)	107,546	90,004	51,334
Total cash costs	88,374	74,245	45,199
Land access payments	4,024	3,680	3,489
Royalties[1]	1,546	1,133	545
Sustaining capital expenditures	5,764	7,483	4,115
Total AISC	**99,708**	**86,541**	**53,348**
Total AISC ($/oz of gold sold)	**927**	**962**	**1,039**

1 As presented on the condensed interim consolidated statement of Net Income/(Loss) and Comprehensive Income/(Loss) for the respective periods

Adjusted Net Earnings and Adjusted Net Earnings per Share

Adjusted net earnings and adjusted net earnings per share (basic and diluted) are used by management and investors to measure the underlying operating performance of the Company. Presenting these measures from period to period helps management and investors evaluate earnings trends more readily in comparison with results from prior periods.

Adjusted net earnings is defined as net income adjusted to exclude specific items that are significant but not reflective of the underlying operating performance of the Company, such as: the impact of foreign exchange gains and losses, foreign exchange gains and losses on deferred and current income taxes, and other non-recurring items, such as, transaction and restructuring costs, share-based payments, change in fair value of warrant derivatives and one-time fair value adjustments from the acquisition.

Adjusted net earnings per share amounts are calculated using the weighted average number of shares outstanding on a basic and diluted basis as determined under IFRS.

Table 25: Adjusted Net Earnings

	Three months ended		
($000s except shares amount)	**Mar 31, 2019**	**Dec 31, 2018**	**Mar 31, 2018**
Basic weighted average shares outstanding	284,834,940	284,743,174	151,524,292
Diluted weighted average shares outstanding	284,980,079	284,868,192	151,995,781
Earnings/(loss) before tax[1]	11,799	(5,696)	4,864
Adjustments:			
Share based payments[1]	3,738	28	59
Add back: transaction and restructuring costs[1]	-	2,525	1,792
Add back: non-recurring and other adjustments[2]	-	4,567	-
Foreign exchange (gain)/loss[1]	(595)	4,152	(824)
Change in fair value of warrants derivative	316	(2,612)	(421)
Adjusted net earnings	**15,258**	**2,964**	**5,470**
Per share – basic ($/share)	**0.05**	**0.01**	**0.04**
Per share – diluted ($/share)	**0.05**	**0.01**	**0.04**

1 As presented on the condensed interim consolidated statement of net income/(loss) and comprehensive income/(loss) for the respective periods.
2 Q4 2018 non-recurring and other adjustments primarily relate to the costs incurred during the temporary shutdown or RDM of $3.6 million, and the provision for accounts receivable on the sale of carbon of $1.0 million.

OFF-BALANCE SHEET ARRANGEMENTS

Leagold has not entered into any material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative instrument obligations, or with respect to any obligations under a variable interest entity arrangement.

ACCOUNTING POLICY OVERVIEW

Change in Accounting Policies including Initial Adoption

IFRS 16 Leases (IFRS 16)

The Company has adopted IFRS 16, Leases, with a date of initial application of January 1, 2019. As a result, the Company has changed its accounting policy for lease contracts and recognizes a right-of-use asset and lease liability at the lease commencement date. The Company adopted IFRS 16 using a modified retrospective approach, whereby the cumulative effect of initially applying the standard was recognized as a $20.3 million increase to right-of-use assets, of which $0.5 million relates to corporate office leases and $19.8 million relates to the rental of trucks and drilling equipment, a $0.3 million increase to sublease receivables, and a corresponding $20.6 million increase to lease liabilities.

The right-of-use asset is depreciated using the straight-line method from the lease commencement date to the earlier of the end of the lease term or the end of the useful life of the right-of-use asset. The estimated useful lives of right-of-use assets are determined in the same manner as those of mineral interests and property plant and equipment. Right-of-use assets are adjusted for impairments and/or re-measurements of the lease liability.

At the lease commencement date, the lease liability is measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease, or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate, which is the rate the Company would pay for similar assets at similar locations over a similar term.

The lease liability is re-measured when there is a change in future lease payments due to a change in an index or rate, a change in the Company's estimate of an amount payable under residual value guarantee, or if there is a change in the assessment of whether the Company will exercise a purchase, termination or extension option. When the lease liability is re-measured, a corresponding adjustment is made to the right-of-use asset, or recognized in the condensed interim consolidated statements of net income/(loss) and comprehensive income/(loss) if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected to use the two exemptions permitted by IFRS 16 on the following contracts:

- Lease contracts with a duration of less than 12 months (short-term leases);
- Lease contracts for which the underlying asset has a low value (low-value leases).

Critical Accounting Policies and Judgements

The critical judgements that the Company's management has made in the process of applying the Company's accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognized in the Company's consolidated financial statements include determination of economic viability, functional currency, business combinations and the capitalization of waste stripping.

Key Sources of Estimation Uncertainty

The preparation of consolidated financial statements in conformity with IFRS requires the Company's management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and related notes to the consolidated financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The significant assumptions about the future and other major sources of estimation uncertainty as at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of the Company's assets and liabilities include impairment of mining interests, estimated recoverable ounces, mineral reserves, environmental rehabilitation, deferred income taxes, share-based payments and contingencies. Refer to the consolidated financial statements for the year ended December 31, 2018 and December 31, 2017 for further detail.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash and cash equivalents, trade and other receivables, trade and other payables and other long-term liabilities and the loan facility.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – inputs that are not based on observable market data.

The fair values of the Company's cash and cash equivalents, trade and other receivables, and trade and other payables approximate their carrying values due to their short-term nature.

Other financial liabilities include the warrant derivative, the DSU payable, PSU payable and hedging instruments which are measured at their fair value at the end of each reporting period. The loan facilities are measured at amortized cost and the carrying value approximates the fair value as the contractual interest rates are comparable to current market interest rates.

Table 26: Financial Instruments Measured at Fair Value

	March 31, 2019		Dec 31, 2018	
$000s	**Level 1**	**Level 2**	Level 1	Level 2
Cash and cash equivalents	**65,248**	**-**	53,021	-
Other financial liabilities	**-**	**(12,332)**	-	(14,267)
	65,248	**(12,332)**	53,021	(14,267)

Risk Factors

Readers of this Management's Discussion and Analysis should give careful consideration to the information included or incorporated by reference in this document and the Company's condensed interim consolidated financial statements and related notes for the three months ended March 31, 2019 and March 31, 2018. For further details of risk factors, please refer to the most recent Annual Information Form dated March 29, 2019 filed on SEDAR at http://www.sedar.com/, the 2018 year-end audited consolidated financial statements, and the below discussions.

Financial Risk

The Company is exposed to varying degrees of a variety of financial instrument related risks. The Board approves and monitors the risk management processes, inclusive of counterparty limits, controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

Leagold's primary exposure to credit risk is on its cash and cash equivalents and trade and other receivables.

The Company closely monitors its financial assets and does not have any significant concentration of credit risk other than receivable balances owed from the Mexican government. Subsequent to March 31, 2019, $2.3 million of VAT refunds were received relating to the Company's accumulated VAT receivable balance. There is no indication that the Company will not receive any VAT receivables from the Mexican government.

Leagold has $16.6 million of current and long-term input tax credits receivable from the Brazilian Government. The Company actively monitors the Brazilian tax legislation changes and believes that the balance is recoverable, either in the form of a refund from the respective Brazilian jurisdictions in which the Company operates, or through offsetting against other taxes payable and VAT.

The Company sells its gold doré to large international organizations with strong credit ratings, the historical level of customer defaults is minimal and, as a result, the credit risk associated with doré gold trade receivables at March 31, 2019 is considered negligible.

In determining the recoverability of a receivable, the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period.

Excess cash deposits are restricted to guaranteed investment certificates of major banks or instruments of equivalent or better quality. No investments in asset-backed commercial paper is permitted.

Leagold's maximum exposure to credit risk is as follows:

Table 27: Maximum Credit Risk Exposure

$000s	March 31, 2019	Dec 31, 2018
Cash and cash equivalents	**65,248**	53,021
Trade and other receivables	**31,132**	33,770
	96,380	86,791

Liquidity Risk

Liquidity risk is the risk that Leagold will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Refer to the Contractual Obligations and Commitments section for details on the Company's significant undiscounted commitments at March 31, 2019. The Company believes that completing the New Loan Facilities refinancing, which is expected to close in Q2 2019, will provide sufficient cash resources to pay its obligations associated with its financial liabilities as at March 31, 2019 as they become due.

Foreign Currency Risk

Currency risk relates to the risk that the fair values or future cash flows of Leagold's financial instruments will fluctuate because of changes in foreign exchange rates. Exchange rate fluctuations may affect the costs that the Company incurs in its operations. There has been no change in the Company's objectives and policies for managing this risk during the three months ended March 31, 2019.

The Company's reporting currency is the US dollar and major purchases are transacted in US dollars. As the Company operates in an international environment, some of the Company's financial instruments and transactions are denominated in currencies other than the US dollar. The Company's exploration, development and operating costs and administrative costs are incurred mainly in Mexican pesos, Brazilian reais, and Canadian dollars. The fluctuation of the Mexican peso, Brazilian reais, and Canadian dollar in relation to the US dollar will consequently impact the profitability of the Company and may also affect the value of the Company's assets and liabilities and the amount of shareholder's equity.

Table 28: Value of Net Assets

$000s	March 31, 2019	Dec 31, 2018
Canadian dollars	**61**	(1,378)
Brazilian reais	**(23,697)**	(19,595)
Mexican pesos	**(36,554)**	(11,270)
	(60,190)	(32,243)

The effect on earnings and other comprehensive earnings before tax as at March 31, 2019, of a 10% appreciation or depreciation in the foreign currencies against the US dollar on the above mentioned financial and non-financial assets and liabilities of the Company is estimated to be $5.5 million (December 31, 2018 - $2.9 million), assuming all other variables remained constant.

Interest Rate Risk

Leagold is exposed to interest rate risk on its cash and cash equivalents and the loan facility. At March 31, 2019, the Company has determined the interest rate risk to be low and that a 10% increase or decrease in market interest rates would result in a $0.2 million (December 31, 2018 - $0.5 million) increase or decrease to the Company's earnings.

Other Risks

Commodity Price Risk

Gold prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and the political and economic conditions of major gold producing countries. The profitability of the Company is directly related to the market price of gold. A decline in the market prices for this precious metal could negatively impact the Company's future operations. In conjunction with the refinancing, Leagold plans to implement a gold revenue protection program of 25,000 ounces per quarter over a three-year period from Q4 2019 through to Q4 2022, which represents approximately 20% of group gold production over this period.

Estimates of Future Production

Leagold prepares estimates and projections of its future production. Any such information is forward-looking, and no assurance can be given that such estimates will be achieved. These estimates are based on existing mine plans and other assumptions that change from time to time, including the availability, accessibility, sufficiency and quality of ore, the Company's costs of production, its ability to sustain and increase production levels, the sufficiency of its infrastructure, the performance of its workforce and equipment, the ability to maintain and obtain mining interests and permits and the Company's compliance with existing and future laws and regulations. The Company's actual production may vary from estimates for a variety of reasons, including: actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; short-term operating factors relating to the Mineral Reserves, such as the need for sequential development of ore bodies and the processing of new or different ore grades; revisions to mine plans; unusual or unexpected ore body formations; risks and hazards associated with mining; natural phenomena, such as inclement weather conditions, water availability, floods, and earthquakes; and unexpected labour shortages, strikes, local community opposition or blockades. Failure to achieve the estimated forecasts could have an adverse impact on the Company's future cash flows, business, results of operations and financial condition.

Funding

Although the Company has been successful in the past in obtaining financing though the sale of equity securities and loan facilities, there can be no assurance that the Company will be able to obtain adequate financing in the future, if needed or that the terms of such financing will be favourable. Failure to obtain such additional financing when needed could result in the delay or indefinite postponement of the Company's growth strategy.

Price Volatility of Public Stock

In recent years securities markets have experienced extremes in price and volume volatility. The market price of securities of many early stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's shares will be subject to market trends generally and the value of the Company's shares on the TSX may be affected by such volatility.

Economic Conditions

Unfavourable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

For further information on Risk Factors, refer to those set forth in the Company's Annual Information Form dated March 29, 2019, filed under the Company's profile on SEDAR at www.sedar.com.

DISCLOSURE CONTROLS AND PROCEDURES; INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure controls and procedures have been designed to provide reasonable assurance that all relevant information required to be disclosed by the Company is accumulated and communicated to senior management as appropriate and recorded, processed, summarized and reported to allow timely decisions with respect to required disclosure, including in its annual filings, interim filings or other reports filed or submitted by it under securities legislation. The Company's Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation of the design of the Company's disclosure controls and procedures, that as of March 31, 2019, the Company's disclosure controls and procedures have been designed to provide reasonable assurance that material information relating to the Company is made known to them by others within the Company.

The Company's management, including the Chief Executive Officer and Chief Financial Officer, are responsible for establishing adequate internal control over financial reporting. The Company's Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation, that the internal control over financial reporting provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. During the three months ended March 31, 2019, there were no changes in the Company's internal control over financial reporting that materially affected or are reasonably likely to materially affect the Company's internal control over financial reporting.

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that any internal controls over financial reporting and disclosure controls and procedures, no matter how well designed, can have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance that the objectives of the control system are met.

The Company assessed the Brio mines' disclosure controls and procedures and internal control over financial reporting; however, in accordance with *National Instrument 52- 109 - Certification of Disclosure in Issuer's Annual and Interim Filings*, because the Brio mines were acquired not more than 365 days before the end of March 31, 2019, the Company has limited the scope of the Company's design of disclosure controls and procedures and internal controls over financial reporting to exclude the controls, policies and procedures of the Brio mines which the Company has elected to do.

Management's Discussion and Analysis for the three months ended March 31, 2019 and 2018 (expressed in thousands of United States dollars, except as noted)

RESERVES AND RESOURCES

Table 29: Proven and Probable Mineral Reserves

Mine/Project	Proven			Probable			Proven and Probable		
	Tonnes (kt)	Grade (g/t)	Contained gold (koz)	Tonnes (kt)	Grade (g/t)	Contained gold (koz)	Tonnes (kt)	Grade (g/t)	Contained gold (koz)
Los Filos	26,168	0.91	768	78,052	1.44	3,626	104,220	1.31	4,395
Leach pad inventory						114			114
RDM	5,647	0.73	133	19,079	1.08	656	24,726	0.99	789
Fazenda	2,632	1.77	150	2,756	1.91	169	5,387	1.84	319
Pilar	961	1.51	47	6,044	1.13	219	7,005	1.18	266
Santa Luz	25,000	1.43	1,153	3,200	1.03	106	28,200	1.39	1259
Total Proven and Probable			**2,251**			**4,890**			**7,142**

Table 30: Measured and Indicated Mineral Resources

Mine/Project	Measured			Indicated			Measured and Indicated		
	Tonnes (kt)	Grade (g/t)	Contained gold (koz)	Tonnes (kt)	Grade (g/t)	Contained gold (koz)	Tonnes (kt)	Grade (g/t)	Contained gold (koz)
Los Filos	114,631	0.77	2,851	211,678	1.02	6,922	326,309	0.93	9,773
RDM	3,195	0.77	79	36,107	1.02	1,181	39,303	1.00	1,259
Fazenda	4,870	2.17	339	2,670	2.55	219	7,540	2.30	558
Pilar	2,389	3.50	269	13,479	2.13	922	15,868	2.33	1,191
Santa Luz	31,200	1.36	1,364	9,700	1.96	612	40,900	1.50	1,976
Total Measured and Indicated			**4,902**			**9,856**			**14,757**

Table 31: Inferred Mineral Resources

Mine	Tonnes (kt)	Grade (g/t)	Contained Gold (koz)
Los Filos	98,204	0.83	2,633
RDM	8,305	1.50	401
Fazenda	6,040	2.45	476
Pilar	20,399	3.21	2,108
Santa Luz	7,700	2.02	501
Total Inferred			**6,119**

Notes to Mineral Reserves and Mineral Resources:

- CIM (2014) Definition Standards were followed for Mineral Reserves.
- Mineral Reserves used a gold price of US$1,200/oz; exchange rate of R$3.70:US$1 or Mex$19:US$1.
- Mineral Resources are inclusive of Mineral Reserves.
- Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
- Mineral Resources used a gold price of US$1,500/oz and exchange rate of R$3.70:US$1 for Brazil Mines; gold price of US$1400/oz, silver price of US$4.39/oz and exchange rate of Mex$19:US$1 for Los Filos.
- Tonnage and grade measurements are in metric units. Contained gold is reported as troy ounces.
- Summation errors may be present due to rounding.
- Mineral resources do not include factors such as mining dilution or mining recovery.
- Details of cut-off grades, bulk densities, mining widths, dilution, mining factors and process recovery assumptions applied to Mineral Reserves and Mineral Resources are provided in the Technical Reports for each mine/project.

- See the Los Filos Technical Report.
- See the RDM Technical Report
- See the Fazenda Technical Report
- See the Pilar Technical Report
- See the Santa Luz Technical Report

The scientific disclosure and technical information included in this MD&A is based upon information included in the NI 43-101 compliant technical reports entitled:

1. Los Filos Technical Report entitled "Independent Technical Report for the Los Filos Mine Complex, Mexico" dated March 11, 2019 with an effective date of October 31, 2018. The Los Filos Technical Report was prepared by Gilles Arseneau, P.Geo., Eric Olin, SME RM, Tim Olson, FAusIMM, Neil Winkelmann, FAusIMM, Neil Lincoln, Maritz Rykaart, P.Eng and David Nicholas, each of whom is independent of the Company within the meaning of NI 43-101 and is a "Qualified Person" as such term is defined in NI 43-101.

2. RDM Technical Report entitled "Technical Report on the Riacho dos Machados Gold Mine, Minas Gerais, Brazil" by Roscoe Postle Associates Inc. (RPA), and dated November 20, 2018 with an effective date of May 31, 2018 (RDM Technical Report). The RDM Technical Report was prepared by Hugo Miranda, MBA, ChMC (RM), Mark B. Mathisen, C.P.G. and Kathleen Ann Altman, Ph.D., P.E., each of whom is a "Qualified Person" as that term is defined in NI 43-101 and is independent of the Company.

3. Fazenda Technical Report entitled "Technical Report on the Fazenda Brasileiro Mine, Bahia State, Brazil" by RPA dated November 26, 2018 with an effective date as of May 31, 2018 (Fazenda Technical Report). The Fazenda Technical Report was prepared by Mark B. Mathisen, C.P.G., Hugo M. Miranda, MBA, ChMC (RM), Robert L. Michaud, P.Eng. and Andrew P. Hampton, P.Eng., each of whom is a "Qualified Person" as that term is defined in NI 43-101 and is independent of the Company.

4. Pilar Technical Report entitled "Technical Report on the Pilar Operations, Goiás State, Brazil" by RPA and dated December 20, 2018 with an effective date of May 31, 2018 (Pilar Technical Report). The Pilar Technical Report was prepared by Mark B. Mathisen, C.P.G., Philip A. Geusebroek, P.Geo., Hugo M. Miranda, MBA, ChMC (RM), Robert L. Michaud, P.Eng., and Andrew P. Hampton, P.Eng. each of whom is a "Qualified Person" as that term is defined in NI 43-101 and is independent of the Company.

5. Santa Luz Technical Report entitled "Technical Report on the Santa Luz Project, Bahia State, Brazil" dated November 14, 2018 and having an effective date of October 22, 2018. The Santa Luz Technical Report was prepared by Mark B. Mathisen, C.P.G., Hugo Miranda, MBA, ChMC(RM), Robert L. Michaud, P.Eng., and Richard Addison, P.E., each of whom is employed by Roscoe Postle Associates Inc. or an affiliate thereof, is independent of the Company within the meaning of NI 43-101 and is a "Qualified Person", as such term is defined in NI 43-101.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A and certain information incorporated herein by reference constitute "forward-looking information" or "forward-looking statements" within the meaning of applicable securities legislation. Forward-looking information and forward looking statements include, but are not limited to, statements with respect to the Company's outlook, guidance, plans or future financial and operating performance, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, conclusions of economic assessments, and timing and potential for, the expansion projects at Los Filos and Santa Luz project, the timing and amount of estimated future production, costs of future production, future capital expenditures, costs and timing of the development of new deposits, anticipated production, expected AISC and cash costs, expected timing of closing the refinancing and Leagolds growth strategy. Generally, these forward looking information and forward looking statements can be identified by the use of forward looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "will continue" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Statements concerning mineral resource estimates may also be deemed to constitute forward looking information to the extent that they involve estimates of the mineralization that will be encountered. The material factors or assumptions used to develop forward looking information or statements are disclosed throughout this document.

Forward looking information and forward looking statements, while based on management's best estimates and assumptions, are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Leagold to be materially different from those expressed or implied by such forward-looking information or forward looking statements, including but not limited to: risks related to the successful integration of acquisitions; risks related to international operations; risks related to successful integration of the acquired Brio mines, risks related to general economic conditions and credit availability, actual results of current exploration activities, unanticipated reclamation expenses; changes in project parameters as plans continue to be refined; fluctuations in prices of metals including gold; fluctuations in foreign currency exchange rates, increases in market prices of mining consumables, possible variations in mineral reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, changes in national and local government regulation of mining operations, tax rules and regulations, and political and economic developments in countries in which the Company operates, actual resolutions of legal and tax matters, as well as those factors discussed in the section entitled *Description of the Business – Risk Factors* in Leagold's most recent AIF available on SEDAR at www.sedar.com.

Although Leagold has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information and forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information or statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information or statements. The Company has and continues to disclose in its Management's Discussion and Analysis and other publicly filed documents, changes to material factors or assumptions underlying the forward-looking information and forward-looking statements and to the validity of the information, in the period the changes occur. The forward-looking statements and forward-looking information are made as of the date hereof and Leagold disclaims any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements or forward-looking information contained herein to reflect future results. Accordingly, readers should not place undue reliance on forward-looking statements and information.