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Interim Management's Discussion & Analysis

** Quarterly Highlights **

This Management's Discussion & Analysis – Quarterly Highlights ("**Quarterly Highlights**") of Tango Mining Limited (the "**Company**" or "**Tango**") is prepared as of April 24, 2017 and should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements and related notes for the six months ended February 28, 2017, as well as the audited financial statements for the year ended August 31, 2016.

The interim unaudited financial statements have been prepared by management in accordance with International Accounting Standards ("**IAS**") 34 'Interim Financial Reporting' ("**IAS 34**") using accounting policies consistent with the International Financial Reporting Standards issued by the International Accounting Standards Board and Interpretations of the International Financial Reporting Interpretations Committee.

All figures are in Canadian dollars unless otherwise stated. Additional information, including the above mentioned financial statements, which contain extensive disclosure of the history and properties of the Company are available on SEDAR and may be accessed at www.sedar.com.

Forward-Looking Information

This Quarterly Highlights includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Such risks and uncertainties include, but are not limited to, risks associated with the mining industry (including operational risks in exploration development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of resource and reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of Tango to obtain all permits, consents or authorizations required for its operations and activities; and health, safety and environmental risks), the risk of commodity price and foreign exchange rate fluctuations, the ability of Tango to fund the capital and operating expenses necessary to achieve its business objectives, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as those risks described in public disclosure documents filed by Tango. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of Tango should not place undue reliance on these forward-looking statements. Statements in relation to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this document are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

Analysis of the Company's Financial Performance and Condition

The Company incurred a net loss of $327,396 for the six months ended February 28, 2017 ("**Q2 2017**") and a net loss of $204,692 for the three months ended February 28, 2017, compared to a net loss of $1,487,608 for the six months ended February 28, 2016 ("**Q2 2016**") and a net loss of $1,298,097 for the three months ended February 28, 2016. Net loss decreased between the two periods mainly due to an increase in the diamond recoveries made under the Oena exploration project, foreign exchange gains made on assets denominated in South African Rands, as well as a reduction in the value of the derivative liability.

Non-Exploration Expense Summary

	Three months ended February 28,		Six months ended February 28,	
	2017	2016	2017	2016
Revenues	3,644,164	3,234,153	6,919,022	6,715,386
Operating expenses				
Amortization	(7,175)	(7,838)	(14,181)	(16,187)
Amortization of service contracts	(16,690)	(106,168)	(32,867)	(106,168)
Employee benefits expense	(2,307,781)	(1,631,392)	(4,429,759)	(3,674,519)
Exploration and evaluation expenses	(5,406)	(478,568)	(37,097)	(478,568)
Foreign exchange (loss)/gain	102,217	(5,311)	204,356	11,039
Management and consulting	(227,471)	(406,831)	(397,344)	(471,331)
Office and general	(127,840)	(84,211)	(236,009)	(264,327)
Professional fees	(28,925)	(88,730)	(77,071)	(115,824)
Project investigation costs	(52,575)	(291,703)	(100,336)	(291,703)
Raw material and engineering cost	(883,509)	(787,473)	(1,929,414)	(2,114,858)
Share based payments	(152,649)	-	(161,495)	(5,158)
Shareholder information	(15,406)	(432)	(17,475)	(3,934)
Travel and promotion	(49,786)	(47,109)	(68,272)	(71,748)
	(3,772,996)	**(3,935,766)**	**(7,296,964)**	**(7,603,286)**

A summary of the material non-exploration activity variances during Q2 2017 and Q2 2016 are as follows:

- Amortization of service contracts for Q2 2017 decreased from Q2 2016 as a result of the impairment done during the year ended August 31, 2016. The amortization is consistent for the three months ended February 28, 2016 and Q2 2017.

- The cost associated with exploration and evaluation expenditures decreased for Q2 2017 compared to Q2 2016 as a result of the diamond recoveries specifically in the three months ended February 28, 2017.

- The foreign exchange gain rose mainly from the revaluation of the ZAR denominated intangibles in customer contracts and the Oena Project exploration asset brought on by the strengthening of the South African Rand (ZAR) against the Canadian Dollar in both the three and six months ended February 28, 2017 compared to a weak ZAR for the three and six months ended February 28, 2016.

- Management and consulting is lower for both the six and three month periods ended February 28, 2017 compared to the three and six month periods ended February 28, 2016 due to a top up accrual made in 2016.

- Shareholder information costs were higher in the three and six month periods ended February 28, 2017 compared to the comparative periods in 2016 due to the increased operational and financing activity during Q2 2017.

- General overhead such as office and general, and travel and promotion for the three and six months ended February 28, 2017 are in line with the comparative periods in 2016.

- Professional fees decreased for the three and six months ended February 28, 2017 compared to the comparative periods in 2016 due to decreased use of professional consultants. The Company is trying to reduce overhead by contracting in specialized skills when required, as opposed to full time employment.

- Project investigation costs decreased for the three and six months ended February 28, 2017 compared to the same periods in 2016 mainly as a result of the costs involved with the proposed BK11 acquisition in 2016. The BK11 acquisition agreement lapsed during the year ended August 31, 2016 and project investigation costs related to that project ceased. The Company is, however, still continuing investigation into new projects.

- Raw materials and engineering costs were consistent for the three and six months ended February 28, 2017 compared to the comparative periods in 2016.

Exploration and Evaluation Expenditures

The following is a breakdown of the exploration and evaluation expenditures for Q1 and Q2 2017:

		Oena Project three months	
		Q1 2017	**Q2 2017**
Exploration expenditures:			
Project staff salaries, benefits and consulting	$	8,147	6,610
Travel expenses		14,635	38,484
Supplies Expense		8,909	263,720
Recoveries		-	303,408
Exploration and evaluation expenditures	$	31,691	5,406

		Oena Project three months	
		Q1 2016	**Q2 2016**
Exploration expenditures:			
Project staff salaries, benefits and consulting	$	-	156,861
Travel expenses		-	3,821
Supplies Expense		-	371,886
Recoveries		-	-
Exploration and evaluation expenditures	$	-	478,568

Liquidity

Although the Company has commenced generating revenues from certain of its operations, it has relied upon the issuance of equity securities and working capital generated from operations to carry on business activities during the period under review.

As at February 28, 2017, the Company had a working capital deficiency of $1,652,382 compared to a working capital deficiency of $2,105,850 as at the year ended August 31, 2016. The biggest contributor to the decrease was the shares for debt conversion undertaken in Q2 2017.

As at February 28, 2017, the Company had total assets of $4,390,081 (August 31, 2016 - $4,190,475) including cash and cash equivalents of $641,465 (August 31, 2016 - $970,048). The reduction in cash was due to meeting the continuous operational expenses for its properties, management fees and other corporate expenses in Canada. Refer to the cash flow statement in the unaudited condensed consolidated financial statements.

The total liabilities of the Company as at February 28, 2017 was $4,947,137 (August 31, 2016 $5,297,252). The reduction of total liabilities was due to the shares for debt conversion and payments to creditors.

Recent Activity

During Q2, an aggregate of 9,585,580 common shares were issued as settlement of debt with various parties for a total value of $479,249.

Transactions with Related Parties

The Company incurred the following expenditures charged by companies controlled by current and former directors and officers of the Company:

	Six month ended February 28,			
		2017		2016
Management fees (included in Management and consulting and Employee benefits expense)	$	397,344	$	429,132
Consulting fees (included in Management and consulting)		18,000		42,199
Share based payments		161,496		5,158
Total	**$**	**576,839**	**$**	**476,489**

As at February 28, 2017, $988,266 (August 31, 2016 - $806,837) is owed to the CFO, CEO and certain directors of the Company. Amounts owing are non-interest bearing, unsecured and due on demand.

Subsequent Events

Subsequent to Q2, an aggregate of 4,938,279 common shares were issued as settlement for debt totalling $246,914.

By news release dated April 18, 2017, the Company announced that it had closed an agreement with Mr. Georges Zard ("**GZ**"), the owner of the international conglomerate The GZA Group, whereby GZ acquired from the Company an 8% interest in African Star Minerals (Pty) Ltd ("**ASM**"). ASM owns 100% of the Oena Diamond Mine which consists of 8,800 hectares Converted Mining Right ("**CMR**") located on the lower Orange River, Northern Cape Province, South Africa.

An application for a nine-year renewal of the CMR was lodged with the Department of Mineral Resources with a Mining Work Programme, Environmental Management Plan and recently a revised Social and Labour Plan has been submitted in support of the renewal. The application for renewal of the CMR is pending. The transfer of the 8% interest to GZ is subject to South African regulatory consents and approvals required to implement the transaction.

The Company received from GZ US$35,000 for the 8% interest in ASM. The Company has issued and placed in escrow a total of 3,245,160 common shares of the Company as security for GZ's interest in ASM, to be held while the CRM is being renewed (the "**Escrowed Shares**"). Upon receipt of the renewal of the CMR the Escrowed Shares will be cancelled and returned to treasury. In the event the CMR is not renewed, the Escrowed Shares will be released to GZ and GZ will transfer back to the Company a 31% interest in ASM, being the 8% acquired from the Company and the 23% interest acquired privately from Kevin Gallagher, a director of the Company. Additionally, in the event that the Company does not receive the necessary consents and approvals as required under South African regulations and the transfer of the 8% of ASM cannot be effected, the Company will release 930,755 of the Escrowed Shares to GZ.

Subsequent to Q2 2017, the Company also closed a private placement for $225,000, consisting of 4,500,000 units at a price of $0.05 per share. Each unit consists of one common share and one share purchase warrant entitling the holder thereof to purchase one additional common share at a price of $0.07 per share for a term of one year from the date of issuance. In connection with the private placement, the Company agreed to pay a finder's fee of $13,500 and issue 270,000 finder's warrants exercisable for a term of one year from the date of issuance at a price of $0.07 per share.