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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 July 26, 2019 and should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements and related notes for the nine months ended May 31, 2019, as well as the audited financial statements for the year ended August 31, 2018.

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 ("**IFRS**") 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 $925,505 for the nine months ended May 31, 2019 ("**Q3 2019**") and a net loss of $414,468 for the three months ended May 31, 2019, compared to a net loss of $1,015,627 for the nine months ended May 31, 2018 ("**Q3 2018**") and a net loss of $311,709 for the three months ended May 31, 2018.

The loss decreased when comparing Q3 2019 against Q3 2018 due to a decrease in management fees offset by an increase in costs associated with exploration on the Moquita Project.

The loss for the three-month period ended May 31, 2019 is higher compared to the comparative three-month period in 2018 mainly due to 90% of the exploration costs associated to the Moquita Project being incurred in the third quarter of 2019. These movements are discussed in more detail below.

It is important to note that the net recoveries made on the Oena Project that amounts to $194,397 (Q3 2018: $1,379) are not shown in the income statement but have been offset against the exploration and evaluation asset in the balance sheet. Refer note 10 in the Company's unaudited condensed consolidated interim financial statements and related notes for the nine months ended May 31, 2019.

Operating Expense Summary

	Three months ended May 31, 2019	Three months ended May 31, 2018	Nine months ended May 31, 2019	Nine months ended May 31, 2018
Revenues	$ 4,131,804	$ 3,508,114	$ 10,439,279	$ 9,733,956
Operating expenses				
Amortization	(39,219)	(5,571)	(73,328)	(15,772)
Amortization of service contracts	(4,777)	(5,369)	(14,264)	(15,216)
Employee benefits expense	(2,726,400)	(2,266,933)	(6,846,662)	(6,312,651)
Exploration and evaluation expenses	(393,652)	41,652	(441,595)	(1,379)
Foreign exchange (loss)/gain	(65,334)	(93,511)	20,682	76,393
Management and consulting	(209,507)	(293,461)	(627,094)	(856,828)
Office and general	(79,894)	(85,246)	(212,081)	(245,736)
Professional fees	(24,416)	(34,659)	(271,689)	(160,974)
Project investigation costs	(5)	(38,691)	452	(241,580)
Raw material and engineering cost	(1,033,486)	(991,572)	(2,786,463)	(2,713,433)
Share based payments	-	(1,107)	-	(74,550)
Shareholder information	(7,161)	(15,572)	(24,365)	(61,148)
Travel and promotion	(22,967)	(31,355)	(62,618)	(104,501)
	$ (4,606,818)	$ (3,821,395)	$ (11,339,026)	$ (10,727,375)

A summary of the material operational expense variances during Q3 2019 and Q3 2018 are as follows:

- Amortization on plant and equipment increased for both the three and nine months periods due to the addition of the plant and equipment at Oena.
- The amortization expense for service contracts remains in line with the comparative periods due to the intangible asset almost being fully amortized.
- The expense for employee benefits increased in line with annual increases.

- The main contributor to exploration is the expense incurred, mainly in the third quarter of 2019, to get the Moquita Project going.

- The foreign exchange gains and losses are affected mainly due to the volatility of the South African Rand against the major world currencies since the assets are ZAR denominated.

- Management and consulting fees reduced as a result of management agreeing to a reduction in remuneration packages.

- Office and general expenses for both the three and nine months are lower compared to the comparative period due to cost saving initiatives.

- Professional fees for Q3 2019 are higher due to contracting in specialists pertaining to maintaining the Oena mining permit, and other legal and professional expenses linked to the various projects.

- Project investigation cost decreased when compared to the comparative periods due a reduction in expenses identifying new projects, but rather focusing on initiating the Moquita Project.

- Raw materials and engineering cost are marginally higher for both the three and six month reporting periods in line with annual inflation.

- The expenses for share based payments are nil for both the three and nine months ended May 31, 2019 since no new share options were awarded.

- Shareholder information costs were reduced in the three and nine-month periods ended May 31, 2019 compared to the comparative periods due to fewer filing activities attracting the associated fees.

- Costs associated with travel and promotion decreased marginally for both the three and nine months periods ended May 31, 2019, compared to the same periods in 2018 due to cost saving initiatives.

Exploration and Evaluation Expenditures

The following is a breakdown of the exploration and evaluation expenditures for Q3 2019 and Q3 2018:

Angola - Moquita Project

The Moquita Project made significant progress during Q3 2019. Camp facilities have been established, the refurbishment of the plant has been completed and run of mine stockpiles were prepared. Test recoveries have been run and a small amount of diamonds have been recovered but not yet sold.

The exploration and evaluation expenses for the Moquita Project are as follows:

		May 31, 2019		May 31, 2018
Exploration expenditures:				
Project staff salaries, benefits and consulting	$	23,831	$	-
Travel expenses		23,699		-
Supplies Expense		394,065		-
Recoveries		-		-
Exploration and evaluation expenditures	$	441,595	$	-

South Africa - Oena Project

The Oena Project has shown consistent good results with higher than average sales in the second quarter due to a few high value stones. Effective quarter four of 2019, the Company entered into a joint operating agreement with other partners to increase production.

The net recoveries made on the Oena Project that amounts to $194,397 (Q3 2018: $1,379) are not shown in the income statement but have been offset against the exploration and evaluation asset in the balance sheet. Refer note 10 in the Company's unaudited condensed consolidated interim financial statements and related notes for the nine months ended May 31, 2019.

The evaluation and exploration expenses for the Oena are as follows:

		May 31, 2019		May 31, 2017
Project staff salaries, benefits and consulting	$	184,347	$	(63,526)
Travel expenses		18,899		(34,547)
Supplies Expense		1,924,126		(443,994)
Recoveries		(2,321,770)		540,688
Exploration and evaluation income	**$**	***(194,397)**	**$**	**(1,379)**

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.

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at May 31, 2019, the Company had current assets of $2,968,770 (August 31, 2018 - $2,771,041) to settle current liabilities of $3,678,046 (August 31, 2018 - $3,481,348) resulting in working capital deficit of $709,276 (August 31, 2018 - $710,307). The Company intends to fund these through loans, private placements and profits generated form its operations. All of the Company's financial liabilities have contractual maturities of less than 365 days and are subject to normal trade terms

Recent Activity

During Q1 2019, the Company entered into two term loan facilities for an aggregate of US$500,000 in order to fund the development of the Moquita Project, (See note 3.3 to the accompanying financial statements) and started with the process of acquiring equipment and establishing the camp facilities.

The Company also acquired earth moving equipment for the Oena Project and commissioned a plant and screen that was acquired during fiscal 2018.

The Company settled an additional $222,448 related to the convertible notes in cash and converted another $103,488 to shares, reducing the balance to $192,621 as at May 31, 2019, down from $621,657 as reported as of August 31, 2018.

During the second quarter of 2019, the Company settled outstanding indebtedness with an arm's length party in the sum of $103,494 by the issuance of 2,069,880 common shares in the capital stock of the Company at a price of $0.05 per share and closed a private placement of 4,000,000 units at $0.05 per unit for a total of $200,000. Each unit consists of one common share and one transferable share purchase warrant, with each warrant exercisable into one common share of the Company at an exercise price of $0.10 per share, exercisable for a period of 36 months from the date of issuance.

Transactions with Related Parties

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

	Three months ended May 31,		Nine months ended May 31,	
	2019	2018	2019	2018
Management fees *	$ 200,507	$ 284,461	$ 600,094	$ 829,828
Consulting fees *	9,000	9,000	27,000	27,000
Office rental	8,348	9,949	25,043	34,068
Related party supplies	174,740	193,140	524,220	527,433
Share based payments	$ -	$ 1,107	$ -	$ 74,550

*Included in the Management and consulting fees in the income statement

Management fees are paid as and when funds are available. Short payments are included in the amount owing to and from related parties as. Management fees accrued are made up as follow:

	Three months ended May 31,		Nine months ended May 31,	
	2019	2018**	2019	2018**
Samer Khalaf (Director and CEO)	$ 40,342	$ 43,575	$ 119,579	$ 130,725
Terry Tucker (Director and Executive Chair)	20,171	52,316	99,381	156,948
Kevin Gallagher (Director)	46,740	62,657	140,220	187,971
Wiklow Corporate Services - Donna Moroney	9,000	9,000	27,000	27,000
Simon van der Loo – CFO	27,981	29,611	83,943	88,833
Management	49,908	57,089	149,725	171,267
Total	**$ 194,142**	**$ 254,248**	**$ 619,848**	**$ 762,744**

** The 2018 numbers are based on the final expense recorded for FY2018. The compensation for Khalaf and Tucker included a share component that was repriced at year end.