GOLDEN TAG RESOURCES LTD.

MANAGEMENT DISCUSSION
REPORT TO SHAREHOLDERS
April 26, 2018

The following Management Discussion and Analysis ("MD&A") relates to the financial condition and results of operations of Golden Tag Resources Ltd ("we", "our", "us", "Golden Tag", or the "Company") for the twelve months ended December 31, 2017 and should be read in conjunction with the Audited Annual Consolidated Financial Statements and related Notes for the twelve months ended December 31, 2017. The consolidated financial statements and related notes of Golden Tag have been prepared in accordance with International Financial Reporting Standards.

2017 Year In Review:
On behalf of the Board of Directors, we are pleased to present the 2017 Annual Report to shareholders including the consolidated financial statements for the fiscal year ending December 31, 2017.

The Company has recently completed the necessary final steps to better establish its operations in Mexico. A representative has been contractually engaged to represent locally the Company's subsidiary, Golden Tag de Mexico in Mexico. The Company through regular on-site visits during the year has completed a detailed review of the project including an update of the 3-D block modeling originally completed with the Resource evaluation of SGS. Unfortunately, the Company primarily due to funding considerations, was unable to perform a greater amount of the planned work on the property during the period, however, future work programs have been evaluated and planned for 2018, the scale of which is dependent on the amount of funding available to the Company. Also, the Company subsequent to the 2017 period, has signed a Confidentiality Agreement with a major mining company who are presently completing a detailed review of the San Diego project. Please refer to the San Diego project write-up contained in this report for comprehensive information including planned work.

As announced in a news release dated November 24, 2017, the Company sold its 40% interest in the Red Lake McCuaig property to its joint-venture partner, Rubicon Minerals Inc. for consideration of 550,000 shares of Rubicon. Later in the year, as announced in a news release dated December 20, 2017, David Rigg resigned as Chief Executive Officer of Golden Tag, and Bruce Robbins who is a director of the Company, was appointed as Interim CEO. Mr. Rigg will remain a director and serve as technical advisor.

The recent past has been a difficult time in the junior resource sector, but more recent indications hopefully point to a greater interest in the sector. In the opinion of management, the Company exhibits good potential going forward, considering the relatively small amount of 78,926,558 shares issued and outstanding, no debt, a reasonable cash position, and a quality project such as San Diego in Mexico. The Company is committed in an effort to maximize shareholder value and we wish to thank shareholders, old and new for their continued support of the Company.

ABOUT GOLDEN TAG:

Golden Tag Resources Ltd. is a Montreal based Canadian mineral exploration company whose primary focus is on the acquisition, exploration, and development of gold, silver and base metal projects in North America. Historically, exploration has been centered in eastern Canada and more specifically on the McCuaig project in Red Lake, Ontario, and the Aquilon project in James Bay, Quebec. In 2006 the Company began exploration in Mexico on the San Diego property in Durango State, Mexico in a joint operation with ECU Silver Mining Inc. a subsidiary of Golden Minerals Company and earned a 50% interest in the property. The Company in 2016 purchased Golden Minerals' remaining 50% interest in the project and Golden Tag now owns a 100% interest in the property. Golden Tag over the last two years has sold its Canadian projects namely it's 50% interest in the Aquilon Project and 30% interest in the Verueuil Project in 2016 and its 40% interest in the McCuaig project in 2017.

Golden Tag has been trading on a continuous basis on the TSX Venture Exchange and its predecessor exchanges since 1982 under the symbol "GOG".

FINANCIAL REPORTING STANDARDS ("IFRS"):

Consolidated financial statements for the year ending December 31, 2017 have been prepared in accordance with IFRS as published by the International Accounting Standards Board. On October 1, 2017, the Company retrospectively changed its accounting policy for exploration and evaluation expenditures. Previously, the Company capitalized acquisition costs and exploration and evaluation expenditures of mineral properties to the specific mineral properties, net of recoveries received. Under the new policy, acquisition costs and deferred exploration and evaluation expenditures incurred prior to the establishment of technical feasibility and commercial viability of extracting mineral resources and prior to a decision by the board of directors to proceed with mine development are expensed as incurred.

For each reporting period in 2017, comparative information for 2016 has also been presented, both for interim and annual consolidated financial statements, as applicable, on an IFRS basis. For further information, please refer to the Company's Audited Annual Consolidated Financial Statements and Notes for the twelve months ended December 31, 2017.

OPERATING RESULTS:
Including General and Administrative Expenses

	2017	2016	2015
	$	$	$
Management, consulting and directors' fees	**100,000**	155,500	34,000
Professional fees	**69,963**	90,373	58,637
Office services and sundry	**23,653**	21,217	20,963
Listing, filing and transfer agency fees	**21,532**	27,369	18,517
Promotion and travel	**6,001**	16,709	13,209
Rent	**11,813**	12,264	12,228
Sub Total direct expenses	**232,962**	323,432	157,554
Mineral property expenses	**39,316**	841,704	249,489
Stock-based compensation	**9,242**	-	-
Foreign exchange loss	**39,045**	244,154	356,966
	320,565	1,409,290	764,009
Finance income	**(99)**	(385)	(88)
Proceeds on sale of mineral property	**(764,500)**	(1,338,000)	-
Loss on sale of marketable securities	**122,318**	-	-
Other income	**(1,000)**	(80,000)	-
Unrealized loss (gain) on change in fair value of marketable securities	**(35,250)**	603,750	-
Net income (loss) for the year	**357,966**	(594,655)	(407,172)
Other Comprehensive Income	**23,352**	229,934	393,545
Comprehensive Income (Loss) for the year	**318,318**	(364,721)	(370,376)
Weighted Average Number of Shares Basic & Diluted	**78,926,558**	68,653,995	56,960,805
Basic Income (loss) per share	**0.005**	(0.009)	(0.013)

The Company has no dividend policy and has no intentions of developing a dividend policy in the foreseeable future. The Company has paid no dividends and has no retained earnings from which it might pay dividends.

The net income (loss) is significantly impacted as a result of the Company changing its accounting policy on October 1, 2017 for exploration and property expenses, whereby mineral properties are now expensed on the statement of income (loss) and comprehensive income (loss) and are no longer capitalized on the statement of financial position as in previous years. The comparative results have also been restated to adhere to this change.

The Net income in 2017 was $357,966, compared to a loss $594,655 in 2016. The loss in 2016 is largely the net effect of a significantly higher mineral property expenses of $841,704 compared to $39,316 in 2017 and the unrealized loss of $603,750 in the value of marketable securities compared to a gain of $35,250 in 2017 offset by the proceeds of the sale of properties amounting to $1,338,000 in 2016 compared to only $764,500 in 2017. Direct operating expenses in 2016 were $323,432, $90,470 or 38.8% greater than the $232,962 reported in the same period in 2017. The higher costs in 2016 were chiefly due to higher Management Fees in 2016 of $155,500 compared to an amount of $100,000 in 2017 as the 2016 amount included management fees from previous years which had been waived in those years. The lower Foreign Exchange loss of $39,045 in 2017 compared to a loss of $244,154 in 2016 also had a favourable impact on total operating costs in 2017. Foreign Exchange can fluctuate greatly in any given year depending on the rate of exchange between Canadian and $US as property expenses in Mexico are invoiced in $US.

The Company's Comprehensive Income for the year 2017 was $381,318 compared to a loss of $364,721 reported in 2016. On a per share basis this resulted in income of 0.005 in 2017, and a loss per share of 0.009 in 2016. The average number of outstanding shares in 2017 was 78,926558 compared to an average of 68,653,995 in 2016.

Internal Control:

In terms of internal control over financial reporting, the Company as a matter of general policy has an audit committee that reviews annual audited consolidated financial statements and recommends the approval of them to the board of directors. Also, as part of this policy, unaudited quarterly interim statements are provided to members of the audit committee and directors for review prior to release to shareholders.

Finance and Other Income:

Finance Income, which represents interest revenue on funds held was $99 in 2017 compared to an amount of $385 in 2016. The higher amount in 2016 is due to higher cash balances held by the company in 2016. Other Income in the current 2017 year is $1,000 due to credit extended to the Company by BMO compared to $80,000 in 2016, which was related to an option payment on the sale of the Company's 50% interest in the Aquilon property, that it previously agreed to sell to a private company, which was not completed.

FINANCING ACTIVITY:

No financing took place in the 2017 period.

LIQUIDITY and CAPITAL RESOURCES:

At December 31, 2017, the Company had a positive net working capital of $1,056,032 and a deficit of 14,395,484. The Company's ability to continue as a going concern is dependent upon its ability to raise additional financing to further explore its mineral properties and support its administrative overhead. In the third quarter of 2017, the Company sold its 40% interest in its remaining Canadian property. To continue with exploration activities the Company may need to raise additional funds in the future. Even if the Company has been successful in the past in doing so, there is no assurance that it will manage to obtain additional financing in the future.

These factors indicate the existence of an uncertainty regarding the ability of the Company to continue as a going concern. The audited consolidated financial statements do not include any adjustments to the classification of recorded asset amounts and classification of liabilities that might be necessary, should the Company be unable to continue as a going concern.

Positive attributes in this regard is that the Company has no outstanding debt, has a relatively low number of shares outstanding, and holds a 100% interest in a significant Resource Estimate in terms of quality and quantity on its San Diego property in Mexico.

FUTURE OBLIGATIONS RELATING TO MINING PROPERTIES:
As the Company now holds a 100% interest in the San Diego Mexico property, its only property holding, it has no future obligations except for minimal amounts required to maintain the property in good standing

SUMMARY OF QUARTERLY RESULTS: (unaudited)
The following table represents unaudited financial information for the eight most recently completed financial quarters.

	2017				2016			
	Q4	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Income (loss)	771,358	28,409	1,018	64	167,334	1,171,043	2	80,006
Net Income (Loss)	719,372	(39,898)	(218,658)	(102,850)	(731,907)	208,153	(122,005)	51,104
Net Earnings (Loss) per share (basic and diluted)	0.0091	(0.0005)	(0.0028)	(0.0013)	(0.0107)	0.0034	0.0021	(0.0009)

Income is interest earned on funds held mainly for exploration activity and in Quarter 4, 2017 from the sale of the McCuaig property; in Quarter 3 and 4 of 2016 income from the sale of the Verneuil and Aquilon properties. In the last eight quarters, the quarterly net loss fluctuated between an income of 719,372 in Q4 2017 and a loss of $731,907 in Q4 2016. This is largely a result of adjustments during the last quarter relating to the sales of the exploration and evaluation transactions and the change in fair value of marketable securities from one quarter to another. In the eight period analysis presented, the amount of loss per quarter is largely a function of: the amount of offsetting income revenue to costs, direct operating expenses, property expense and the impact of foreign exchange and adjustments. Quarterly results may also be significantly influenced by accruals between quarters. Note that the quarters are unaudited. The loss per share can also be influenced by the weighted average number of shares outstanding. The average weighted number of shares in 2017 was 78,926,558 compared to an amount of 68,653,995 in 2016.

Summary of Exploration Expenses Exploration Expenditures (E&E)	San Diego, Mexico			
(Canadian Dollars)	2015	2016		

			2017	Total
Consulting Fees	-	25,142	6,950	32,092
Salaries and Labour	40,716	24,149	10,469	75,334
Travel	-	1,359	-	1,359
Lodging and Expenses	15,193	9,990	13,844	39,027
Total Exploration Expenditure	55,909	60,640	31,263	147,812
Cumulative E&E since Inception	$7,249,669	$8,091,373	$8,130,689	

SAN DIEGO PROPERTY, MEXICO:

Golden Tag currently owns a 100% interest in the San Diego Property. The project has been advanced through various exploration programs since 2005 and total cumulate expenditures to date by Golden Tag on the property are $7,753,707 USD ($8,130,689 CDN). In 2016, Golden Tag acquired the remaining 50% interest in the property by paying joint-venture partner, Golden Minerals Company, $500,000 USD and issuing 2,500,000 shares valued at $275,000; Golden Minerals Company was also granted a 2% NSR on the project.

The San Diego Property consists of 4 mining concessions (91.65 hectares) in the Municipality of Cuencame, Durango State, Mexico. It is located approximately 75 km southwest of the city of Torreon, Mexico and is 12 km northeast of Peñoles Velardeña Mine. The Peñoles non-ferrous metallurgical complex (smelting and refining) which receives concentrate from all of their Mexican mining operations is in Torreon. The property can be accessed via a 10 km dirt road from the village of San Diego, which is only 5 km east of Highway 400 and Federal Road 49.

The property lies within the Velardeña Mining District where several mines have produced silver, zinc, lead and gold over the past century from polymetallic mineralization associated with intermediate to felsic intrusive bodies. The mineral deposits of the Velardeña Mining District consist primarily of quartz-calcite veins with associated silver, lead, zinc, gold and copper mineralization typical of the polymetallic, intrusive related skarn and low-sulfidation epithermal deposits of northern Mexico.

The San Diego Property is underlain by Cretaceous limestones of the Aurora and Cuesta del Cura Formation, which were intruded by a Tertiary diorite stock and later-stage felsic dikes. Multi-stage mineralization is associated with the intrusive and volcanic activity in the area and consists primarily of polymetallic silver-lead-zinc mineralized quartz-calcite veins, stockwork vein systems, breccias, skarn, and replacement sulfides. Veins typically have an oxide zone in the near surface environment (above 30-meters vertical depth) that generally has richer silver and gold grades than the deeper sulfide zone of the same vein.

Exploration Results

A total of 32,933 meters of surface diamond drilling has been completed on the property in 6 phases of exploration between 2006 and 2012. Exploration was initially focused on testing for shallow depth extensions to several, laterally extensive veins mapped in surface outcrop and historical, near surface mine workings. The generally northeast-southwest trending veins and adjacent stringer zones were found to lie within a broad structural corridor (the Central Corridor) which cuts across the large diorite stock, the Central Diorite, located in the center of the property. The Diorite intrudes into the dominantly limestone sequence of country rock and is intruded by later stage monzonite and felsic intrusives. Results from an initial 17,033 meters of surface diamond drilling, the Phase 1 to Phase 4 programs, were reported in a NI 43-101 Technical Report and mineral resource estimate in both 2008 and 2009. The 2009 resource estimate was independently audited and verified by William J. Lewis, P.Geo. of MICON International Ltd., qualified person as defined under NI 43-101 guidelines and the report is available at www.sedar.com.

Subsequent exploration in 2011 and 2012 was focused on the depth extension of the known veins and on an increasing number of new zones and mineralized environments encountered in drilling within, to the east of, and to the south of, the Central Diorite. An additional 15,900 meters of surface drilling completed in Phase 5 and Phase 6 has proven that the property is centered over a very large multi-phase hydrothermal system with alteration and mineralization extending beyond the current limits of drilling and to vertical depths of over 800 to 1,000 meters.

The geological understanding of the interplay between lithology, structure, alteration and mineralization on the property has grown with each program of diamond drilling. There are now at least 23 recognized zones of sliver-lead-zinc mineralization on the property. The overall style of mineralization varies significantly with depth and with distance from the Central Diorite. One of the indications of the distance of mineralization from the intrusive bodies is the dominant iron sulfide-marcasite is dominant far away, pyrite in proximity of, and pyrrhotite within the intrusive.

Mineralization in the upper 250 meters of the deposit is generally restricted to narrow, high grade sulfide veins. Close to surface, the veins are oxidized and were the focus of historical mining on the property. There are two systems of veins: 1) a principal system trending northwest-southeast 2) a secondary system trending northeast-southwest. Where veins crosscut each other, or where subparallel veins come into proximity due to variations in dip, they can form “blow-outs”, areas where the wall rock between or surrounding the veins becomes intensely fractured and mineralized. “Blow-outs” contribute significantly to the potential of these near surface vein zones.

Below 250 meters, the environment of mineralization changes substantially. Limestone becomes increasingly recrystallized to form marble and there is a greater interaction between host rocks and mineralizing hydrothermal solutions. Mineralization encountered in Phase 5 and Phase 6 drilling includes the depth extensions of the near surface veins but often in association with sulfide replacement of the adjacent wall rocks resulting in greater widths of mineralization; mantos type replacement zones in limestone/marble (massive to semi-massive sulfide zones parallel to bedding); pipe-like carbonate replacement zones (massive to semi-massive sulfide zones along the intersection of cross-cutting veins), widespread areas of stockwork, stringer or disseminated sulfide mineralization; and very large areas of skarn-type mineralization which straddle massive sulfide replacement zones developed along the contact of the Central Diorite. Exploration drilling also encountered a second, major structural corridor trending east-northeast and located to the south of the

Central Diorite. This new corridor hosts several broad and well mineralized vein zones and is termed the Southern Corridor. This area seems to have been a closed system, with Cuesta del Cura limestones interbedded with chert horizons capped by Indidura mudstones hosting several sulfide rich mantos and skarn horizons within the limestones. The company made several new discoveries in this area with deep drilling which has not been followed up by shallow drilling to date.

From a regional prospective the character of mineralization at San Diego is very similar to that of the Peñoles Santa Maria deposit in the Velardeña District to the West. Research has developed a model which identifies trends in alteration, metal zonation and environment indicative of a hydrothermal cell which extends vertically for 1.8 km. San Diego does demonstrate an increase in zinc and decrease in lead with depth. The deepest drill hole at San Diego also shows an increase in copper at depth which may suggest that the San Diego system may overly a porphyry copper zone at greater depth. The style of alteration and mineralization seems to indicate this potential.

Mineral Resource Estimate – San Diego Property

A Mineral Resource Estimate was completed by SGS Canada Inc upon completion of Phase 6 drilling in November 2012. A NI 43-101 Independent Technical Report by SGS Canada was published in April 2013 in support of the mineral resources disclosed in a Press Release on February 26, 2013.

On May 28th, 2015, because of a review by the British Columbia Securities Commission, the Company issued a news release to clarify disclosure on the Mineral Resources on the San Diego Property. Certain deficiencies in filing and technical disclosure were identified and corrective action was taken. Mineral Resources on the San Diego property presented in a news release dated February 26, 2013, as corrected in the press release of March 4, 2013, remain unchanged. A corrected NI 43-101 Resource report was filed on June 12, 2015. The report is available through www.SEDAR.com

The results from the independent estimate of resources are summarized below as Table 1 and 2. Parameters used in the Resource Estimate are summarized in Table 3.

The Estimated Indicated and Inferred Resources at San Diego include:

- Indicated Resources of 16.5 Million tonnes grading 60 g/t Ag, 0.71% Pb and 1.22% Zn
- Inferred Resources of 42 Million tonnes grading 62 g/t Ag, 0.90% Pb and 1.31% Zn

Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

SGS-Canada also recognized that there are many areas within the known and modeled structures, and as depth extensions to mineralized zones, that require additional drilling to meet the geostatistical resource parameters applied in the study. They conclude that these areas potentially host:

- Additional Target Potential of between 20 to 50 million tonnes grading 100 to 150 g/t Silver Equivalent

The Additional Target Potential is conceptual in nature as there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

Additional Target Potential includes tonnes contained within 23 mineralized envelopes that were outlined in three dimensions and form the base for 34 geostatistical block models. These areas do not meet with the required drill hole density for classification as Indicated or Inferred Resources. This Potential within the models falls under "Unclassified tonnes above applicable cut-offs" or "Unclassified resources that are below cut-offs". Additional potential exists also on various dip, strike or plunge extensions to the numerous zones.

The updated resource estimate represented a very significant increase in tonnage over the previous Resource Estimate in 2009 with the most noteworthy, an expansion of Indicated Resources from 370,000 tonnes to 16.5 million tonnes (Mt). Inferred Resources double in tonnage from 22 million tonnes to 42 million tonnes. Silver ounces increase in comparison to 2009 and now stand at 31.6 million ounces of silver Indicated and 83.8 million ounces silver Inferred versus 3 million ounces and 76.5 million ounces respectively in 2009. This represents a very large increase in higher quality resources.

Cautionary Statement:
Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The Additional Potential is conceptual in nature and there has been insufficient exploration to define a mineral resource. It is uncertain if further exploration will result in this potential being delineated as a mineral resource.

Table 1. Summary of Resources in 23 Mineralized Zones on the San Diego Property (SGS, 2013)

SAN DIEGO RESOURCE ESTIMATE	CoG (g/t)	Indicated Resources							Inferred Resources						
		Tonnes (Mt)	Au g/t	Ag g/t	Pb %	Zn %	Ag.EQ[2] g/t	Ag Oz (M)	Tonnes (Mt)	Au g/t	Ag g/t	Pb %	Zn %	Ag.EQ[2] g/t	Ag Oz (M)
Fernandez Zone															
Endoskarn	52[1]	9.3	0.06	55	0.59	1.33	100	16.5	9.6	0.04	57	0.6	1.3	101	17.4
Fringe	52	5.5	0.06	43	0.74	0.89	83	7.6	19.1	0.05	41	0.7	0.97	81	25.1
Sub-total		**14.8**	**0.06**	**51**	**0.65**	**1.17**	**94**	**24.1**	**28.7**	**0.05**	**46**	**0.7**	**1.08**	**88**	**42.4**
Vein & Mantos Zones		**Indicated Resources**							**Inferred Resources**						
Trovador	52	0.29	0.09	87	0.72	4.15	194	0.81	4.41	0.04	68	0.9	1.55	124	9.6
Montanez (3)	125	0.56	0.31	101	1.36	1.43	170	1.82	1.57	0.18	91	1.5	1.9	174	4.6
Vein Zones (17)	52 -125	0.53	0.14	166	1.38	1.03	227	2.80	7.12	0.14	109	1.7	1.99	200	25.0
Oxide Zones	133	0.31	0.43	211	1.15	0.9	234	2.11	0.29	0.43	238	0.8	0.91	261	2.2
Sub-total		**1.69**	**0.24**	**139**	**1.22**	**1.68**	**204**	**7.54**	**13.39**	**0.12**	**96**	**1.40**	**1.81**	**173**	**41.4**
TOTAL RESOURCES (Oxide & Sulfide Zones)		**16.5**	**0.08**	**60**	**0.71**	**1.22**	**105**	**31.6**	**42.0**	**0.07**	**62**	**0.9**	**1.31**	**115**	**83.8**

(1) Block Caving/Mechanized Bulk Mining Cut-Off Grade (CoG) of 52 g/t Ag.EQ. See Table 6 for more details
(2) Ag.EQ: Silver Equivalent ounces based on 3-yr trailing average commodity prices of US$1455/oz.Au; US$28.10/oz.Ag; US$1.00/lb Pb and US$0.96/lb Zn applying estimated Mill and Smelter recoveries.
(3) Bulk Zones includes the Fernandez Zone (Fringe & Endoskarn).
(4) Totals may not add up correctly due to rounding.

Table 2. Summary of Mineral Resources, San Diego Property (SGS, 2013)

INDICATED RESOURCES	Cut-Off (g/t)	Tonnage (t)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	Cu (%)	Ag.EQ (g/t)	Silver ounces	Ag.EQ ounces
BULK ZONES (3)	52	14,800,000	0.06	51	0.65	1.17	0.12	94	24,070,000	44,510,000
OXIDE VEINS	133	311,000	0.43	211	1.15	0.90	0.00	234	2,110,000	2,330,000
SULFIDE VEINS	52-125	1,373,000	0.20	123	1.23	1.85	0.10	197	5,430,000	8,680,000
TOTAL INDICATED		**16,484,000**	**0.08**	**60**	**0.71**	**1.22**	**0.11**	**105**	**31,610,000**	**55,520,000**

INFERRED RESOURCES	Cut-Off (g/t)	Tonnage (t)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	Cu (%)	Ag.EQ (g/t)	Silver ounces	Ag.EQ ounces
BULK ZONES (3)	52	28,650,000	0.05	46	0.67	1.08	0.10	88	42,440,000	80,690,000
OXIDE VEINS	133	288,000	0.43	238	0.81	0.91	0.10	261	2,200,000	2,410.000
SULFIDE VEINS	52-125	13,100,000	0.11	93	1.41	1.83	0.10	171	39,170,000	72,230,000
TOTAL INFERRED		**42,038,000**	**0.07**	**62**	**0.90**	**1.31**	**0.10**	**115**	**83,810,000**	**155,330,000**

Please refer to the notes at the bottom of Table 1.

Table 3. Parameters used in the San Diego Mineral Resource Estimate (SGS, 2013)

Parameters	**Silver**		**Lead**	**Zinc**	**Gold**	**Copper**
Metal Pricing (1)	$28.10/oz		$1.00/lb	$0.96/lb	$1,455/oz	3.65/lb
Sulfides - Net Recoveries	64.9%		76.4%	57.5%	0.0%	0.0%
Conversion Factor to AgEQ g/t (2)	1.0		1% = 28.7	1% = 20.8	-	-
Oxides - Net Recoveries	60.5%		0.0%	0.0%	62.5%	0.0%
Conversion Factor to AgEQ g/t (2)	1.0		-	-	53.4%	-
Potential Mining Methods	**Cut-Off Grades(COG)**			**Minimum Horizontal Mining Width (m)**		
	$/t(3)	**Ag.EQ (g/t)**				
COG 133 Narrow vein Shrinkage- Oxide	$73	133		1.0		
COG 125 Narrow vein Shrinkage	$73	125		1.0		
COG 102 Long Hole Mining	$60	102		2.5		
COG 81 Bulk Mining	$47.50	81		5.0		
COG 52 Mechanized Bulk /Block Cave	$30	52		Greater than 5 meters		

Notes: **(1)** $US Pricing based on 3-year trailing average
(2) g/t Ag.EQ with estimated Mill and Smelter recoveries.
(3) Estimated mining cost ($/t) in Mexico

The SGS study and resource estimate confirm that San Diego is a large, new silver-lead-zinc- rich deposit which lies on the Velardeña Mine trend to the east of Golden Minerals Santa Juana Mine and Peñoles Santa Maria Mine.

The Updated Resource Estimate contains 21 vein zones of primarily sulfide mineralization with oxide portions limited to the near-surface environment (0 to 30 m vertical depth). The estimate also reports the newly discovered Fernandez Zone (2 zones) and confirms it is a large and well constrained body of mineralization.

Resource Estimate Methodology

A three-dimensional model of level plans and cross-sections was constructed that enabled a better understanding of the interrelationships between the various mineralized structures found on the San Diego Property. Wireframe envelopes were created for the 23 mineralized bodies of which, 10 cross the oxide-sulfide interface. Two of the bodies (Endoskarn and Fringe) have an ovoid shape, whereas the remainder represent veins (1 to 5 m wide). Fernandez Zone envelopes were filled with isotropic blocks measuring 5 x 5 x 5 m whereas the vein zones were populated with thin rotated blocks of 0.5 x 5 x 5 m to better respect the geometry and thickness of these structures. The blocks were interpolated from equal length composites calculated from the mineralized intervals. Prior to compositing, high-grade silver and gold assays were capped respectively to 1,400 g/t Ag and 5 g/t Au. Mineralized intervals having less than 1 meter true thickness were diluted with adjacent wall-rock. For the various cut-off grades (CoG), minimum horizontal mining widths were set at >5.0 m for CoG 52 g/t Ag.EQ; 5.0 m for CoG 81 g/t Ag.EQ; 2.5 m for CoG 102 g/t Ag.EQ; and 1.0 m for CoG 125 g/t Ag.EQ.

Block grades were interpolated from the composites in three separate passes using inverse distance to the square methodology. Blocks were classified automatically requiring a minimum of three drill holes within a 65m distance (40 m extrapolation) for Indicated Resources and a minimum of 2 drill holes within a 125 m distance (80 m extrapolation) for Inferred Resources.

In addition, a 60-meter radius around a single drill hole was also defined as Inferred Resource. Each mineralized body was validated visually to ensure that grade and classification was geologically reasonable. The San Diego drill hole database includes 59 diamond drill holes totaling 32,967 m of core with over 22,000 assayed samples. Density factors were estimated from a linear regression formula based on specific gravity measurements performed on 777 mineralized intervals of core.

Qualified persons – Resource Estimate:

The Resource Study was undertaken by SGS Canada Inc. under the management and supervision of M. Claude Duplessis, Ing. with the assistance of M. Guy Desharnais Ph.D., P.Geo. both Independent Qualified Persons (QP) and in accordance with NI 43-101.

SAN DIEGO EXPENDITURES:

Exploration expenditures of $39,316 were incurred in 2017 mainly related to maintenance and security on the property. The total spending on the property at Q4, 2017 including an amount of $792,421 to acquire the remaining 50% interest in the property is $8,130,689.

After the closure of the acquisition agreement with Golden Minerals late in 2016, the Company has taken steps to better establish its operations in Mexico. Golden Tag continues planning for future work programs and is advancing studies based on the 3-D modelling completed with the resource evaluation of SGS. There are several avenues of approach being evaluated and planned which include diamond drill programs to increase resources in specific areas of the deposit and to upgrade the quality of these resources.

The past year has been spent revising the geological model, evaluating potential mineralization and prioritizing target areas on the property. There exist several high priority exploration targets that have been identified, through this exercise, which are promising and where future drilling has been planned. For example, the southern portion of the property has not been tested by shallow drilling, yet the Company has made several interesting discoveries at depth. Examples include:

- **MS Zone**- SD-11-44: 1020.68 to 1025.68 m: 5 m @ 0.37 g/t Au, 152.16 g/t Ag, 2.59% Pb, 3.65% Zn[1]
- **South Skarn**- SD-11-46: 1055.50 to 1066.15 m: 10.65 m @ 177.26 g/t Ag, 2.26% Pb, 5.54% Zn[2]
- **Trovador**- SD-11-44: 988.20 to 1016.62 m: 28.4 m @ 0.11 g/t Au, 177.92 g/t Ag, 1.86% Pb, 4.2% Zn[1]

1: News Release November 15, 2011; **2**: News Release January 21, 2012 and NI 43-101 Technical Report Updated Mineral Resource Estimate, San Diego Project, Velardeña Mining District, Durango State, Mexico written by SGS Canada Inc with an effective date of April 12, 2013

The northeast trending El Jal and Arroyo veins, which outcrop and have been mapped on surface and traverse a large portion of the property, require further drilling to have enough data to conduct a resource estimation. Another area with exploration potential which may require further drilling is on the southwest side of the property where the San Jose vein cuts northwest across the limestones. At first glance, the San Jose vein seems to be an analogue to the La Rata and La Cruz veins to the north. There is another area identified to the northwest of the Fernandez Zone, on the western contact of the Central Diorite, which has shown significant mineralization in drill holes SD-07-18 and SD-12-49 that may develop into another bulk zone with further drilling:

- **SD-07-18**: 846.62-862.45 m: 15.83 m @ 0.06 g/t Au, 77.9 g/t Ag, 1.68% Pb, 1.82% Zn[3]
- **SD-12-49** : 441.57-461.92 m : 20.35 m @ 0.25 g/t Au, 72.71 g/t Ag, 1.81% Pb, 0.89% Zn[4]

3: News Release February 2, 2008; **4**: News Release September 24, 2012 and NI 43-101 Technical Report Updated Mineral Resource Estimate, San Diego Project, Velardeña Mining District, Durango State, Mexico written by SGS Canada Inc with an effective date of April 12, 2013

The Company plans to follow up on these and other areas of potential mineralization on the property in the future.

Risks and Uncertainties:

The operations of the Company are speculative due to the high-risk nature of its business, which is the acquisition, financing, and exploration of mineral properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward–looking information relating to the Company.

Nature of Mining, Mineral Exploration and Development Projects

Mining operations generally involve a high degree of risk. The Company's operations are subject to the hazards and risks normally encountered in mineral exploration, including environmental hazards, and unusual or unexpected geological occurrences. Such risks could result in damage to, or destruction of, mineral properties or producing facilities, personal injury, environmental damage, monetary losses and possible legal liability.

Mineral exploration is highly speculative in nature. There is no assurance that exploration efforts will be successful. Even when mineralization is discovered, it may take several years until production is possible, during which time the economic feasibility of production may change.

Substantial expenditures are required to establish proven and probable mineral reserves through drilling. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of mineral resources or mineral reserves. There is no certainty that the expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore.

No Revenues

To date the Company has recorded no revenues from operations and the Company has not commenced commercial production on any property. There can be no assurance that significant losses will not occur in the near future or that the Company will be profitable in the future. The Company's operating expenses and capital expenditures may increase in subsequent years related to consultants, personnel and equipment associated with advancing exploration, development and commercial production of the Company's properties. The Company expects to continue to incur losses unless and until such time as it enters into commercial production and generates sufficient revenues to fund its continuing operations. The development of the Company's properties will require the commitment of substantial resources to conduct time-consuming development. There can be no assurance that the Company will generate any revenues or achieve profitability.

Foreign Exchange

Exploration is paid in United States dollars in Mexico and consequently, the Company is subject to foreign exchange risks relating to the relative value of the Canadian dollar as compared to the US dollar.

Mineral Resource and Mineral Reserve Estimates may be Inaccurate

There are numerous uncertainties inherent in estimating mineral resources and mineral reserves, including many factors beyond the control of the Company. Such estimates are a subjective process, and the accuracy of any mineral resource or mineral reserve estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. These amounts are estimates only and the actual level of mineral recovery from such deposits may be different.

Title to Properties

The acquisition of title to resource properties is a very detailed and time-consuming process. The Company holds its interest in certain of its properties through mining claims. Title to, and the area of, the mining claims may be disputed. There is no guarantee that such title will not be challenged or impaired. There may be challenges to the title of the properties in which the Company may have an interest, which, if successful, could result in the loss or reduction of the Company's interest in the properties.

Commodity Price Risk:

The ability of the Company to develop its properties and the future profitability of the Company are directly related to the market price of certain minerals.

Disclosure Controls and Procedures:

Disclosure controls and procedures over financial reporting within the Corporation have been designed to provide reasonable assurance that all relevant information is identified to ensure appropriate and timely decisions are made regarding public disclosure. The Corporation's CEO and CFO certify the completeness, accuracy and fair presentation of the financial information in the annual filing. The Corporation’s Audit Committee reviewed this MD&A, and the audited consolidated financial statements, and the Corporation’s Board of Directors approved these documents prior to their release.

It should be noted that as a small organization, the Company’s management is composed of a small number of key individuals, resulting in situations where limitations in segregation of duties have to be compensated by more effective monitoring by the Chief Executive Officer and the Chief Financial Officer. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties.

Quarterly and annual consolidated financial statements are reviewed by the Company’s Audit Committee and Board of Directors. Since the increased funding costs of such hiring could place a burden on the Company’s finances, the Company’s management has chosen to disclose the potential risk in its filings and is assessing the company's future needs in this regard as activity in the Company grows.

There have been no changes to the Corporation's internal controls over financial reporting during the year ended December 31, 2017 that have materially affected, or are reasonably likely to materially affect, its internal controls over financial reporting.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Except for statements of historical fact relating to the Company, certain information contained herein constitutes forward-looking information. Forward-looking information includes, but is not limited to, statements with respect to the potential of the Company’s properties; the future price of gold and other minerals; the estimation of mineral reserves and mineral resources; conclusions of economic evaluation; the realization of mineral reserve estimates; the timing and amount of estimated future production; costs of production; capital expenditures; success of exploration activities; mining or processing issues; currency exchange rates; government regulation of mining operations; and environmental risks. Generally, forward-looking information 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’’, or ‘‘believes’’, or variations of such words and phrases or statements that certain actions, events or results ‘‘may’’, ‘‘could’’, ‘‘would’’, ‘‘might’’ or ‘‘will” “be taken’’, ‘‘occur’’ or ‘‘be achieved’’. Forward - looking information is based on the opinions and estimates of management as of the date such statements are made, and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks related to: unexpected events and delays or failure to receive government approvals; timing and availability of external financing on acceptable terms; actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of gold and other minerals; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; as well as the risks and uncertainties identified elsewhere in this document. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

Additional Information:

This analysis should be read in conjunction with the most recent consolidated financial statements. Financial information about the Company is contained in its comparative consolidated financial statements for the fiscal years ended December 31, 2017 and 2016 and additional information about the Company can be found on SEDAR at www.sedar.com. Further, the Company posts all publicly filed documents, including the Management Discussion and Analysis, on its website www.goldentag.ca.

On behalf of the Board of Directors,

Signed by: Bruce Robbins	Signed by: Marc A. Carrier
Interim Chief Executive Officer	President and CFO