



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016**

DATED MARCH 31, 2017

(Expressed in Canadian Dollars)

The following discussion and analysis of the financial position and results of operations for Giyani Gold Corp. (the "Company" or "Giyani Gold") should be read in conjunction with the consolidated financial statements for the years ended December 31, 2016 and 2015. Those statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee. Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars.

Certain information and discussion included in this MD&A constitutes forward looking information. Readers are encouraged to refer to the cautionary notes contained in the section Forward-Looking Statements at the end of the MD&A.

Additional information and corporate documents may be found on SEDAR www.sedar.com, and the Giyani Gold website www.giyanigold.com.

Company Overview

Giyani was incorporated under the Canada Business Corporations Act on July 26, 2007 and continued under the Business Corporations Act of British Columbia on August 4, 2010. The Company is currently engaged in the acquisition, exploration, evaluation, and development in Sub Sahara Africa of raw material for the battery industry. Previously it was engaged in the acquisition, exploration, evaluation and development of principally gold resource properties in South Africa and Canada (see "Proposed Transaction" under "Operational Highlights" below). The registered address is Suite 403 - 277 Lakeshore Road East, Oakville, Ontario, L6J 6J3.

The Company trades on the TSX Venture Exchange ("TSXV") under the symbol "WDG".

The Company owned 33.3% of Canoe Mining Ventures Corp. ("Canoe") as of December 31, 2016. For the year ended December 31, 2015, Canoe's financial results had been consolidated with Giyani Gold. As a result of the resignation of a director who served on both the Company and Canoe's board of directors and the reduction of the Company's ownership in Canoe to 33.3%, (39.1% at December 31, 2015), management has determined that as of September 23, 2016, Canoe should be accounted for as an investment in associate using the equity method. Accordingly, Canoe's financial results have been deconsolidated and presented as an investment in associate on its consolidated statements of financial position as at December 31, 2016.

The accompanying consolidated financial statements have been prepared using IFRS applicable to a "going concern", which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Company reported net income of \$351,048 for the year ended December 31, 2016 (2015 – loss of \$11,704,170) and had an accumulated deficit of \$28,508,845 at December 31, 2016 (2015 - \$28,533,490). In addition to its working capital requirements, the Company must secure sufficient funding for existing commitments and exploration costs (See "Non-brokered Private Placement" below).

These circumstances indicate the existence of material uncertainty that may cast significant doubt as to the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

The financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary should the going concern assumption be inappropriate, and those adjustments could be material. The Company will continue to pursue opportunities to raise additional capital through equity markets and/or debt to fund investment in its exploration and evaluation assets; however, there is no assurance of the success or sufficiency of these initiatives. Should the Company fail to secure the necessary financing, judgements regarding the recoverability of the mineral property acquisition costs and the exploration and evaluation assets could change resulting in a significant impairment to existing assets.

Proposed Transaction

(i) On October 27, 2016, the Company announced that entered into a non-binding Letter of Intent with Arnoldus Brand, director and owner of Matsamo Gold Corp Pty Ltd, Menzi Battery Metals Pty Ltd and Qakaza Diamond Corp Pty Ltd to acquire a 88-95% interest in various prospecting licenses in Botswana that is highly prospective of manganese development. The 13,283.1km² (1,328,310 ha) land package included an application for the Kgwakgwe Hill Manganese Mine and also surrounds Rio Tinto's recent iron ore discovery.

Under the terms of the agreements, collectively Giyani will make cash payments totalling \$550,000 and issue 4.4 million common shares.

(ii) On November 17, 2016, the Company announced that the Company signed a Letter of Intent ("LOI") with Menzi Battery Metals Pty Ltd. to acquire a 70% interest in two past-producing high grade manganese mines in Zambia.

Under the terms of the LOI, Giyani agreed to make a US\$200,000 cash payment and work commitment of US\$1 million over five years to Menzi upon completion of due diligence, title review and completion of a definitive agreement.

Significant Events

Corporate Update – South Africa

The Company's exploration permits expired on July 10, 2015. Prior to expiry, an application to extend for a three year retention permit was submitted to the Department of Mineral Resources (the "DMR"). This application was submitted by Giyani's partner CMR. At the time, no competing applications were submitted. The DMR confirmed receipt of the application on May 4, 2016. For accounting purposes, the Company continues to present the Rock Island Gold Project at \$nil.

During the year ended December 31, 2016, Giyani continued to work towards recovering the funds owed to it by Corridor Mining Resources ("CMR"), its joint venture partner on the Giyani Gold Project and options designed to realize the true value of the South Africa assets in an improved global gold market.

Sale of Properties

On April 6, 2016, Canoe and Wesdome Gold Mines Ltd. ("Wesdome") entered into a definitive agreement (the "Purchase Agreement") whereby Wesdome purchased from Canoe, a 100% interest in the Coldstream Property ("Coldstream") and the Hamlin-Deaty Creek Property ("Hamlin") (collectively, the "Properties").

Terms of the Purchase Agreement

Pursuant to the terms and conditions of the Purchase Agreement, Wesdome acquired the Properties from Canoe free from all liens, mortgages, charges, pledges, encumbrances or other burdens with all rights now or thereafter attached thereto (other than with respect to any royalties set forth in the Purchase Agreement). As consideration for the Properties, Wesdome paid and issue (as applicable) to Canoe the following at the closing of the acquisition:

(a) with respect to the purchase of the Coldstream portion of the Properties:

- (i) an aggregate of \$400,000 cash (received); and
- (ii) 454,545 fully paid and non-assessable common shares in the capital of Wesdome (received); and

(b) with respect to the purchase of the Hamlin portion of the Properties, an aggregate of \$100,000 cash (received) and settlement of the residual balance of Canoe's debenture, as well as certain accounts payable balances of Canoe.

Deconsolidation of Canoe

On September 23, 2016, the Company sold 2,910,000 Canoe shares to its Chief Executive Officer in settlement of the payables owed to him, the Company's interest declined to 33.3% and resulted in a loss of control of Canoe. As a result of Canoe being deconsolidated at September 23, 2016, a gain on deconsolidation of \$741,285 and an equity investment in Canoe of \$906,952 were recognized.

Non-brokered Private Placement

On July 19, 2016, the Company closed a non-brokered private placement financing and issued a total of 3,450,000 common shares of the Company at a price of \$0.10 per share for total proceeds to the Company of \$345,000. The Company incurred transaction costs of \$5,799 related to the private placement.

On March 14, 2017, the Company announced it closed a non-brokered private placement of 3,521,572 units consisting of one common share of Giyani at a price of \$0.35 per share and one half of a share purchase warrant at \$0.70 for total gross proceeds of up to \$1,232,550. A finders' fee of \$6,300 was paid in connection with one investor in the private placement. The common shares issued pursuant to the private placement are subject to a four month hold period expiring on July 10, 2017.

Exploration and Evaluation Update

The Company's exploration strategy is to acquire mineral resources properties and then conduct a strategic, focused and aggressive geological, geochemical, and geophysical exploration program over that land package.

Rock Island Project – South Africa

In supporting the Company's previous strategy to develop gold exploration projects in prolific Archean greenstone belts, the Rock Island Project comprises two prospecting rights across four properties which contain six previously producing gold mines. The Klein Letaba-Frankie, Horseshoe, Birthday and Louis Moore properties represent an area of 3,960 Ha located a short distance southwest and northwest of the town of Giyani in the province of Limpopo, South Africa. The prospecting licenses expired in July of 2015. These properties enjoy a well-developed infrastructure including ready access to necessary water, power, transportation capabilities and human resources.

Results from the extensive ground geophysical programs, which included Magnetometer, Max/Min, VLF Electromagnetic & Induced Polarization surveys, identified certain anomalies which led to promising drill targets. Subsequent drilling results have confirmed that gold mineralization remains nearby the historically past-producing gold mines. Furthermore, the drilling has led to discoveries of new gold-bearing structures on the properties that were never before identified.

Pursuant to the joint venture agreement relating to the assets of Rock Island, the Company funded the joint venture with its state-owned partner Corridor Mining Resources ("CMR") on a 50:50 basis. Both parties are to share the costs evenly on an ongoing basis. Exploration costs are recorded in a loan account with Rock Island where interest is accrued at an agreed upon rate. The loan is unsecured, with no fixed repayment terms and bears interest at South African prime +1%.

Giyani's exploration permits expired on July 10, 2015. Prior to expiry, an application to extend for a three year retention permit was submitted to the Department of Mineral Resources. This application was submitted by Giyani's partner the state-owned Corridor Mining Resources ("CMR"). At the time, no competing applications were submitted and the DMR confirmed receipt of the application on May 4, 2016. For accounting purposes, the Company continues to present the Rock Island Gold Project at \$nil.

Mineral property acquisition costs:

	Total
Balance, December 31, 2014	\$ 5,680,292
Write-down of property acquisition costs	<u>(5,680,292)</u>
Balance, December 31, 2015 and 2016	<u>\$ -</u>

Expenditures on exploration and evaluation assets:

	Total
Balance, December 31, 2014	1,837,891
Expenditures for the year	48,804
Currency translation adjustment	(207,255)
Write-down of property	<u>(1,679,440)</u>
Balance, December 31, 2015 and 2016	<u>\$ -</u>

Hamlin-Deaty Creek, Coldstream and Kerrs Properties Expenditures (Canoe Mining Ventures Corp.)

	Hamlin-Deaty Creek Property	Coldstream Property	Kerrs Property	Total
Balance, December 31, 2014	\$ 330,000	\$ 3,210,195	\$ 110,027	\$ 3,650,222
Exploration expenditures	-	16,896	558	17,454
Write-down of property	(230,000)	(2,059,349)	-	(2,289,349)
Balance, December 31, 2015	100,000	1,167,742	110,585	1,378,327
Exploration expenditures	-	3,920	-	3,920
Write-down of property	-	(15,663)	-	(15,663)
Deconsolidation of Canoe	-	-	(110,585)	(110,585)
Sale of property	(100,000)	(1,155,999)	-	(1,255,999)
Balance, December 31, 2016	\$ -	\$ -	\$ -	\$ -

During the year ended December 31, 2015, Canoe wrote down the Hamlin-Deaty Creek Property to its fair value of \$100,000.

During the year ended December 31, 2015, Canoe wrote down the Coldstream Property to its fair value of \$1,167,742.

During the year ended December 31, 2016, Canoe wrote down the Coldstream Property to its fair value of \$1,155,999 and sold Coldstream Property and Hamlin-Deaty Creek Property to Wesdome.

Iron Lake Gold Project – Ontario, Canada (Canoe Mining Ventures Corp.)

	Abbie Lake Property	Keating, Property	Total
Balance, December 31, 2014	\$ 797,281	\$ -	\$ 797,281
Exploration expenditures	617	(23,333)	(22,716)
Write-down of property	(797,898)	23,333	(774,565)
Balance, December 31, 2015 and 2016	\$ -	\$ -	\$ -

During the year ended December 31, 2015, Canoe completed a strategic review of Canoe's priorities and elected to write-down the value of the Abbie Lake Property in the amount of \$797,900 as at December 31, 2015.

R.S. Middleton, P.Eng., a Qualified Person under the meaning of Canadian National Instrument 43-101, is a consultant to the Company and responsible for the technical content of this Management's Discussion and Analysis.

Results of Operations*Selected Annual Information*

The following table provides selected annual information that should be read in conjunction with the audited financial statements of the Company:

For the year ended	December 31, 2016	December 31, 2015	December 31, 2014
Revenue	\$ -	\$ -	\$ -
Net (income) loss	(351,048)	11,704,170	3,415,450
Net (income) loss per share	(0.01)	0.19	0.06
Total assets	1,052,187	1,505,842	12,180,745
Total shareholders' equity (deficiency)	(181,636)	(944,492)	10,277,520

Selected Quarterly Financial Information

The following table summarizes information derived from the Company's consolidated financial statements for each of the eight mostly recently completed quarters:

Three months ended	Total Revenues \$	Net (Income) Loss \$	(Income) Loss per Share (basic and diluted) \$
December 31, 2016	-	(595,749)	(0.01)
September 30, 2016	-	82,822	0.00
June 30, 2016	-	(79,644)	(0.00)
March 31, 2016	-	241,523	0.00
December 31, 2015	-	9,943,461	0.15
September 30, 2015	-	329,620	0.01
June 30, 2015	-	1,127,236	0.02
March 31, 2015	-	303,853	0.01

Results of Operations for the year ended December 31, 2016 compared to 2015

The Company had a net income of \$351,048 for the year ending December 31, 2016, compared to a loss of \$11,704,170 for the previous year.

Corporate, general and administration expenses decreased from \$1,311,877 for the year ended December 31, 2015 to \$1,171,822 for the current year. In general, this is due to lower activity in the current year while the Company evaluated its opportunities. Professional fees included in the corporate overhead decreased from \$854,929 in 2015 to \$463,602 in the current year partially due to the Company reducing compensation to directors and officers. Regulatory fees decreased from \$106,116 during the year ended December 31, 2015 to \$75,256 during the year ended December 31, 2016. Stock-based compensation increased from \$nil for the year ended December 31, 2015 to \$360,860 for the year ended December 31, 2016.

Non-recurring income and expenses included gain on disposition of exploration and evaluation assets of \$310,605, gain on debt settlement of \$122,136, gain on marketable securities of \$490,909, gain on deconsolidation of \$741,285, write-down of property acquisition costs and exploration and evaluation assets of \$15,663 for the year ended December 31, 2016.

Non-recurring expenses included a write-down of exploration and evaluation assets of \$10,423,646 on the Rock Island property, Abbie Lake property, Hamlin-Deaty Creek property and Coldstream property for the year ended December 31, 2015.

Overall, the Company is working to manage overhead and reduce expenditures while it pursues a new direction.

Results of Operations for the three months ended December 31, 2016 compared to 2015

The Company had a net income of \$595,749 for the three months ending December 31, 2016, compared to a loss of \$9,943,461 for the previous period.

Corporate, general and administration expenses decreased from \$287,096 for the three months ended December 31, 2015 to \$117,228 for the three months ended December 31, 2016. In general, this is due to lower activity in the current period while the Company evaluated its opportunities.

Non-recurring income and expenses included gain on debt settlement of \$52,275 and gain on deconsolidation of \$741,285, for the three months ended December 31, 2016.

During the three months ended December 31, 2015, Canoe recorded a write-down of \$2,289,349 for Hamlin-Deaty Creek and Coldstream properties and \$7,359,732 for Rock Island property to adjust the mineral property acquisition costs and exploration and evaluation assets to their fair value.

Trend

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. During the current year, equity markets in Canada showed signs of improvement, with equities increasing significantly during this year. Strong equity markets are favourable conditions for completing a public merger, financing or acquisition transaction. Apart from these and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations. See "Risk Factors" below.

Liquidity, Capital Resources and Going Concern

The Company is subject to the risks and challenges experienced by other companies at a comparable stage. These risks include, but are not limited to, continuing losses, dependence on key individuals and the ability to secure adequate financing or to complete corporate transactions to meet the minimum capital required to successfully complete its projects and fund other operating expenses. Advancing the Company's projects through exploration and development to the production stage will require significant financings.

None of the Company's projects have commenced commercial production and, accordingly, the Company is dependent upon debt and/or equity financings and the optioning and/or sale of resource or resource-related assets for its funding. The recoverability of the carrying value of exploration and evaluation projects, and ultimately the Company's ability to continue as a going concern, is dependent upon exploration results which indicate the potential for the discovery of economically recoverable reserves and resources, and the Company's ability to finance exploration of its projects through debt and/or equity financings and the optioning and/or sale of resource or resource-related assets such as royalty interests for its funding.

The Company reported a net income of \$351,048 for the year ended December 31, 2016 (2015 - \$11,704,170) and has an accumulated deficit of \$28,508,845 (2015 - \$28,533,490). In addition to its ongoing working capital requirements, the Company must secure sufficient funding for existing commitments and exploration costs. These circumstances indicate the existence of material uncertainty that may cast significant doubt as to the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

The Company's financial statements have been presented on the basis that the Company will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of the business. As of December 31, 2016, the Company had a working capital deficit of \$1,008,204 compared to a working capital deficit of \$2,364,148 as at December 31, 2015.

Management is continuing to actively pursue strategies to realize on the potential of its assets or secure additional financings in order to fund its operations. The Company intends to seek equity financings through private placements and/or public offerings. The Company will require additional funding in the near future in order to obtain the necessary working capital for general overhead and to further its intended exploration efforts.

While the Company cannot provide any assurances that it will be successful in securing equity financings in order to conduct its operations uninterrupted, it is the Company's intention to obtain the required funding. Management is continuing to actively pursue strategies to realize on the potential of its assets or secure one or more financings in order to provide funds for operations. However, there is no assurance of the success or sufficiency of these initiatives.

As at the date of this MD&A, the Company had 3,175,000 stock options with an exercise price of \$0.10 to \$1.30 and 1,760,786 warrants with an exercise price of \$0.70 at which, if exercised, would result in cash proceeds of \$2,303,300. There is no assurance that these exercises will occur.

Commitments

Financing Agreement

During the year ended December 31, 2014, the Company entered into an equity agreement ("Equity Agreement") with Lambert Private Equity LLC ("Lambert"), a California-based private equity firm.

In accordance with the Equity Agreement, Lambert will commit up to a maximum of \$10,000,000 over a period of three years. And, at the Company's discretion at any time over the next 5 years, Lambert's commitment amount may be increased from \$10,000,000 to \$25,000,000 with all other terms and conditions of the Equity Agreement remaining unchanged and with no additional fees or compensation due.

Subject to certain conditions, upon notice by the Company ("Notice"), Lambert and associates of Lambert will subscribe for, and the Company will agree to issue and sell, units ("Units") through a series of private placements (each, a "Private Placement"). The purchase price per Unit for any given Private Placement will be equal to the greater of (i) 90% of the lowest daily volume-weighted average price of the common shares of the Company (each, a "Share") on the TSXV during the 15 trading days following Notice, or (ii) the lowest price permitted by the policies of the TSXV.

Each Unit will be comprised of one Share and one Share purchase warrant (each, a "Warrant"). Each Warrant will entitle the holder thereof to acquire one additional Share for a period of five years from the date of issuance of such Warrant at the lowest price permitted by the policies of the TSXV.

The number of Units to be subscribed for in each Private Placement will be determined by the Company in its sole discretion and will be set forth in the applicable Notice. To the extent that Lambert arranges eligible substituted purchasers for each Private Placement, its own obligation to subscribe for Units shall be reduced accordingly, subject to certain conditions.

The proceeds from each Private Placement will be used for general corporate and working capital purposes and may be used to evaluate and pursue strategic acquisitions. The Shares and Warrants underlying the Units issued pursuant to each Private Placement will be subject to a four-month hold period.

Pursuant to the Equity Agreement, the Company paid Lambert a commitment fee valued at \$150,000 by issuing 454,545 common shares.

Prior to filing a Notice, Lambert may engage in purchases and sales of shares held for its own account as well as shares borrowed by Lambert from third parties, including insiders. The obligation to deliver any borrowed securities may be satisfied by delivery of shares subscribed for by Lambert pursuant to the Private Placement. With respect to Shares subscribed for under the Equity Agreement, one or more existing shareholders of the Company, including insiders, may from time to time agree to exchange Shares owned by them that are not subject to resale restrictions with Shares acquired under a Private Placement that are subject to the customary resale restrictions. The existing shareholders who agree to loan shares, or agree to exchange shares which are not subject to resale restrictions, may be entitled to receive a portion of the warrants issued on the Private Placement pursuant to arrangements made by Lambert. The participation of each insider will be subject to the approval of the independent directors of the Company.

Each Private Placement will remain subject to receipt of regulatory approval from the TSXV. While the Company cannot provide any assurances that it will be successful in completing the Equity Agreement, it is the Company's intention to obtain the funding.

Break Fee Receivable

On October 14, 2015, the Company signed a letter of intent ("LOI") with Crystal Capital Wealth Corporation ("Crystal"). The LOI proposes a transaction pursuant to which the Company would acquire all the issued and outstanding securities of Crystal by means of a Reverse Takeover and Change of Business (the "Transaction").

On March 31, 2016, the Company and Crystal terminated the indicative LOI as it has expired. Under the terms of the Agreement, Giyani is entitled to and will pursue collecting the US\$250,000 break fee. Crystal loaned the Company \$35,000 which will be deducted from the break fee owing. Given the uncertainty of collectability, no amounts have been setup as receivable in these consolidated financial statements.

Loan Receivable

The Company continues to work towards recovering the funds (approximately \$650,000) owed to it by Corridor Mining Resources ("CMR"), its joint venture partner on the Giyani Gold Project. Given the uncertainty of collectability, no amounts have been setup as receivable in these consolidated financial statements.

Future Accounting Pronouncements

IFRS 9 — Financial instruments ("IFRS 9") was updated by the IASB in November 2009 and will replace part of IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 addresses the classification and measurement of financial assets. The two measurement categories for financial assets include amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is recorded at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is recorded at fair value through profit or loss.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, Financial Instruments — Recognition and Measurement, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The Company is in the process of assessing the impact of this pronouncement.

IFRS 16 - Leases ("IFRS 16") was issued on January 13, 2016 and replaces IAS 17 – Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognize the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted if IFRS 15 has also been applied.

Critical Accounting Estimates

The Company performed an analysis of risk factors which, if any should realize, could materially and adversely affect the results, financial position and/or market price of its securities.

The preparation of financial statements in conformity with IFRS requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses and other income for the year. These estimates and assumptions were based on Management's knowledge of the relevant facts and awareness of circumstances, having regard to prior experience. Significant estimates and assumptions include the following:

(i) Stock-based compensation

Management is required to make certain estimates when determining the fair value of stock option awards and compensatory warrants. These estimates require the input of highly subjective assumptions including the expected price volatility and the number of awards that are expected to vest. These estimates affect the amount recognized as stock-based compensation in the statements of (income) loss based on estimates of forfeiture and expected lives of the underlying stock options and the value attributed to warrants issued as compensation for assets.

(ii) Other accounting estimates and judgments

Other estimates and judgments included the benefits of future income tax assets and whether or not to recognize the resulting assets on the statement of financial position and determinations as to whether exploration costs should be expensed or capitalized.

While Management believes that these estimates and judgments are reasonable, actual results may differ from the amounts included in the consolidated financial statements.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Related Party Transactions

Remuneration of directors and key management personnel of the Company was as follows:

	2016	2015
Payments to key management personnel:		
Cash compensation	\$ 308,500	\$ 93,929
Payments with common shares for accrued fees	\$ -	\$ 124,529
Stock-based compensation	\$ 261,404	\$ -

Management and consulting fees of \$308,500 (year ended December 31, 2015 - \$93,929) were paid or accrued to officers and directors or to companies controlled by officers or directors during the year ended December 31, 2016.

The Chief Financial Officer ("CFO") of the Company is a senior employee of Marrelli Support Services Inc. ("MSSI"). During the year ended December 31, 2016, the Company paid or accrued professional fees of \$29,453 (year ended December 31, 2015 - \$nil) to MSSI. These services were incurred in the normal course of operations for general accounting and financial reporting matters. MSSI also provides bookkeeping services to the Company. As at December 31, 2016, MSSI was owed \$2,917 (December 31, 2015 - \$nil) with respect to services provided. The balance owed was recorded in the consolidated statement of financial position as amounts due to related parties.

During the year ended December 31, 2016, the Company sold 2,910,000 Canoe shares to the Chief Executive Officer ("CEO") of the Company in settlement of \$87,300 debt owed to him. The transaction resulted in a disposition of 5.8% of the total shares outstanding of Canoe.

As at December 31, 2016, the Company owed \$660,955 (December 31, 2015 - \$590,966) to directors and officers of the Company and entities controlled by or associated with directors and officers of the Company. These amounts were included in due to related parties.

Outstanding Share Data

As at the date of this MD&A the following equity instruments are outstanding:

	Range of Exercise Prices	Number of shares issued or issuable
Common shares		71,092,552
Stock options	\$0.10 - \$1.30	3,175,000
Warrants	\$0.70	1,760,786

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and sustain future development of the business. The capital of the Company consists of equity.

The Company manages its capital structure and makes adjustments in light of the changes in its economic environment and the risk characteristics of the Company's assets. To effectively manage the Company's capital requirements, the Company has in place 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. With the exception of commitments detailed in note 20 as noted below, there were no externally imposed capital requirements to which the Company is subject as at December 31, 2016. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the Exchange which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of December 31, 2016, the Company is compliant with known requirements other than Policy 2.5 of the TSX Venture Exchange. The Company continues to evaluate various options in order to meet the capital requirement imposed by Policy 2.5 of TSX Venture Exchange. There can be no assurance that the Company's financing activities will be successful or sufficient.

Financial instruments and risk management

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quotes prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair values

The Company's cash is comprised primarily of current deposits held with a Canadian chartered bank. The fair value of cash approximates its carrying values due to its short-term nature. As at December 31, 2016, the Company had \$94,010 cash balance.

The Company's risk exposure and the impact on the financial instruments are summarized below:

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash and restricted cash.

The Company reduces its risk by maintaining its bank accounts at large Canadian, Barbados, and South African financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet its liabilities when they come due. The Company manages its liquidity risk by forecasting cash flows required by operations to and anticipated investing and financing activities. The Company's financial obligations currently consist of accounts payable and accrued liabilities, and amounts due to related parties. The carrying value of the accounts payable, accrued liabilities and amounts due to related parties approximates fair value as they are short term in nature.

The Company had cash at December 31, 2016 of \$94,010 (December 31, 2015 - \$nil). As at December 31, 2016, the Company had accounts payable and accrued liabilities and amounts due to related parties of \$1,233,823 (December 31, 2015 - \$1,968,311).

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

a) Interest Rate Risk

The Company's cash consists of cash held in bank accounts that earn interest at variable interest rates. Future cash flows from interest income on cash will be affected by interest rate fluctuations. Due to the short-term nature of these financial instruments fluctuations in market rates do not have a significant impact on estimated fair values. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity. The interest income earned on cash is minimal; therefore, the Company is not subject to material interest rate risk.

b) Foreign Currency Risk

The Company is exposed to foreign currency risk of the South African Rand. This risk is limited as contracts and loan agreements are denominated in Canadian dollars where possible.

Accounts payable and accrued liabilities	South African Rand 421,326
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Based on the net exposure at December 31, 2016, a 10% depreciation or appreciation of the South African Rand against the Canadian dollar would result in approximately a \$4,128 increase or decrease in the Company's comprehensive income for the year.

c) Other Price Risk

Other price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to any other price risk.

Risk Factors

Prior to making an investment decision investors should consider the investment risks set out in the Annual Information Form ("AIF"), located on SEDAR at www.sedar.com, which are in addition to the usual risks associated with an investment in a business at an early stage of development. The directors of the Company consider the risks set out in the AIF to be the most significant to potential investors in the Company, but are not all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Directors are currently unaware, or which they consider not to be material in relation to the Company's business, actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment relating to the Company.

In addition to risks considered in the Company's AIF for the year ended December 31, 2016, investors should consider risks associated with a change of business. Completion of the transaction is subject to a number of conditions, including TSXV acceptance and disinterested Shareholder approval. The transaction cannot close until the required Shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the Management Information Circular and/or Filing Statement to be prepared in connection with the transaction, any information released or received with respect to the Reverse Takeover may not be accurate or complete and should not be relied upon. Trading in the securities of Giyani should be considered highly speculative.

Internal Controls over Financial Reporting

Disclosure Controls and Procedures ("DC&P")

The Company has established disclosure controls and procedures to ensure that information disclosed in this MD&A and the related consolidated financial statements was properly recorded, processed, summarized and reported to the Company's Board and Audit Committee. The Company's certifying officers conducted or caused to be conducted under their supervision an evaluation of the disclosure controls and procedures as required under Canadian Securities Administration regulations, as at December 31, 2016. Based on the evaluation, the Company's certifying officers concluded that the disclosure controls and procedures were effective to provide a reasonable level of assurance that information required to be disclosed by the Company in its annual filings and other reports that it files or submits under Canadian securities legislation is recorded, processed, summarized and reported within the time period specified and that such information is accumulated and communicated to the Company's management, including the certifying officers, as appropriate to allow for timely decisions regarding required disclosure.

It should be noted that while the Company's certifying officers believe that the Company's disclosure controls and procedures provide a reasonable level of assurance and that they are effective, they do not expect that the disclosure controls and procedures will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Internal Control over Financial Reporting ("ICFR")

The Company's certifying officers acknowledge that they are responsible for designing internal controls over financial reporting, or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with IFRS.

The Company did not have any significant changes to its ICFR systems from the date of its last Annual MD&A.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control.

The design of any systems of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

Forward-Looking Statements

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
The Company will be able to continue its business activities.	The Company has anticipated all material costs and the operating activities of the Company, and such costs and activities will be consistent with the Company's current expectations; the Company will be able to obtain equity funding when required.	Unforeseen costs to the Company will arise; any particular operating cost increase or decrease from the date of the estimation; and capital markets not being favourable for funding resulting in the Company not being able to obtain financing when required or on acceptable terms.
The Company will be able to carry out anticipated business plans.	The operating activities of the Company for the twelve months ending December 31, 2017, will be consistent with the Company's current expectations.	Sufficient funds not being available; increases in costs; the Company may be unable to retain key personnel.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risk Factors" section above. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If

the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Subsequent Events

(i) On January 25, 2017, 100,000 stock options expiring on June 24, 2021 were exercised for 100,000 common shares of the Company with proceeds of \$10,000.

(ii) On March 14, 2017, the Company announced it closed a non-brokered private placement of 3,521,572 units consisting of one common share of Giyani at a price of \$0.35 per share and one half of a share purchase warrant at \$0.70 for total gross proceeds of up to \$1,232,550. A finders' fee of \$6,300 was paid in connection with one investor in the private placement. The common shares issued pursuant to the private placement are subject to a four month hold period expiring on July 10, 2017.