

This Management Discussion and Analysis ("MD&A") of Asante Gold Corporation, ("Asante" or the "Company" or the "Issuer") provides an analysis of the Company's performance and financial condition for the three and twelve month periods ended January 31, 2013. It is prepared as at May 28, 2013 and was approved by the Board of Directors on that date.

This MD&A should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended January 31, 2013, including the related note disclosure. The Company's audited annual financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar figures included therein and in the following discussion and analysis are quoted in the functional currency of Canadian dollars unless otherwise specified. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com or the Company's website at www.asantegold.com.

This MD&A may contain forward-looking statements that are based on the Company's expectations, estimates and projections regarding its business and the economic environment in which it operates. These statements speak only as of the date on which they are made, are not guarantees of future performance, and involve risks and uncertainties that are difficult to control or predict. Examples of some of the specific risks associated with the operations of the Company are set out below. Actual outcomes and results may differ materially from those expressed in these forward-looking statements and readers should not place undue reliance on such statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following information should be read in conjunction with the Company's audited annual financial statements for the year ended January 31, 2013 and related notes thereto. The audited financial statements were prepared in accordance with International Financial Reporting Standards. All currency amounts are expressed in Canadian dollars unless otherwise stated.

Principal Business and Corporate History

Asante Gold Corporation is a mineral exploration company involved in the acquisition and assessment of mineral properties in the Republic of Ghana. The Company's objective is to undertake mineral exploration on properties assessed to be of merit and to define mineral resources. Precious metals are targeted with a focus on gold.

The Company entered into a Purchase Agreement with Goknet Mining Company Limited ("Goknet") of Accra on June 15, 2011 to acquire the Fahiakoba Concession, in the Ashanti and Central Regions in the Republic of Ghana. The Company acquired a 100% interest in the Fahiakoba Concession by paying Goknet the sum of US\$51,976 (C\$50,630) and by agreeing to expend US\$1,000,000 over a five year period. The Company has applied to have the concession title transferred to ASG Mining Ltd., the Company's 100% owned Ghana subsidiary. In the event that the Company sells its interest in the Fahiakoba Concession within two years from June 15, 2011, it must pay Goknet a sum, in cash, equal to 10% of the sale price. The Company also granted Goknet a 3% net smelter return royalty on production from the Fahiakoba Concession.

In November 2012 the Company announced its intention to acquire a 1% NSR Royalty in PMI Gold Corporation's Obotan Project from Goknet. The royalty is to be acquired for the deemed consideration of \$22.5 million through the issuance of 45 million shares in the Company at a deemed consideration of \$0.50 per share. Closing of the Royalty purchase by the Company is subject to receipt of all requisite regulatory, required third party, and shareholder approvals. Shares of the Company to be issued as consideration for the purchase of the Royalty will be subject to a four month plus one day hold period, unless they are traded pursuant to an exemption to the resale restrictions. Goknet has voluntarily agreed that 10% of the shares of the Company will not be subject to any resale restrictions beyond the four month and a day hold period. The remaining 90% of the shares will be released from resale restrictions as to 15% every three months after the four month and a day period has expired. Goknet has informed the Company that it has taken PMI Gold Corporation to binding arbitration to determine the full extent of its royalty interests.

Capital stock and financing

Between May 4, 2011 and January 31, 2012, the Company raised gross proceeds of \$23,250 through the issuance of 2,325,000 Common Shares at a price of \$0.01 per Common Share, \$391,750 through the issuance of 7,835,000 Units at a price of \$0.05 per Unit, and \$1,450,250 through the issuance of 5,801,000 Common Shares at a price of \$0.25 per Common Share.

On February 28, 2012, the Company completed an initial public offering of 4,000,000 Units at \$0.50 per unit for cumulative gross proceeds of \$2,000,000. The Agent received at closing a cash commission of 7.5% of the gross proceeds as well as 300,000 Agent Warrants, which is equal to 7.5% of the number of Offered Securities sold in the Offering. The fair value of the warrants was calculated at \$78,878 using the Black-Scholes method as disclosed in Note 7 to the audited financial statements. In addition, the Company issued to the Agent 150,000 Corporate Finance Shares. On November 22, 2012, 400,000

warrants were exercised at \$0.25 per common share and on January 7, 2013, a further 1,000,000 warrants were exercised at \$0.25 per common share.

Overall performance

The Company has no operational revenue, and exploration activity is subject to the availability of funds raised through financings. Global financial and commodity markets have been volatile, and the Company is thus impacted by these generic industry factors which are beyond its control. The Company anticipates obtaining additional financing in the future primarily through further equity financing.

The Company has completed its initial exploration program on the Fahiakoba Concession, consisting of 4,987.5 metres of diamond drilling, ground VLF-EM geophysics and 1,200 auger drill holes. Best drill results of 289.5 g/t Au over 0.5 metre sample width, 11.10 g/t Au over 0.65 metre and 7.34 g/t Au over 1.0 metre were previously reported. These results are considered encouraging and indicate that the targeted structures locally contain significant gold values. Additional ground geophysics and pit and outcrop sampling and mapping is in progress to determine further drill targets.

Selected Quarterly Information

The following table summarizes quarterly results for all quarters to date. The information contained in this table should be read in conjunction with the Company's financial statements.

Summary of quarterly results

Period ending:	Revenue \$	Gain/(Loss) before other items \$	Currency translation adjustment \$	Comprehensive Loss \$	Net loss per share
January 31, 2013	Nil	(321,823)	(6,901)	(328,724)	\$ 0.02
October 31, 2012	Nil	(227,355)	(2,908)	(230,263)	\$ 0.01
July 31, 2012	Nil	(197,528)	9,783	(187,745)	\$ 0.01
April 30, 2012	Nil	(446,724)	-	(446,724)	\$ 0.02
January 31, 2012	Nil	(334,319)	-	(334,319)	\$ 0.02
October 31, 2011	Nil	(700,679)	-	(700,679)	\$ 0.09
July 31, 2011	Nil	(206,158)	-	(206,158)	\$ 0.01

The October 2011 quarter reflected a charge of \$464,400 for stock based compensation. Other quarterly variations arise mainly from costs associated with start-up and the IPO.

Results of Operations

The Company's comprehensive loss for the three month period ended January 31, 2013 was \$328,724 (2012: \$334,319) or \$0.02 per Common Share, and for the full year the comprehensive loss was \$1,193,456 (2012: \$1,241,156) or \$0.06 per Common Share. The table below presents the key expenditure items for the quarter and for the year.

MANAGEMENT DISCUSSION AND ANALYSIS
For the year ended January 31, 2013

	Twelve months ended January 31 2013	**Period ended January 31 2012	Three months ended January 31 2013	Three months ended January 31 2012
Interest and other income	\$ -	\$ -	\$ -	\$ -
Expenses				
Amortization	676	9	214	9
Directors' fees	47,982	12,000	29,982	12,000
Foreign exchange (gain)/loss	6,900	593	93	593
Stock based compensation (Note 8)	48,000	557,400	-	-
Management and consulting fees (Note 10)	247,619	186,012	57,000	63,373
Professional services	298,028	205,360	95,747	114,629
Shareholder communications (Note 10)	160,975	115,780	42,821	62,991
Trade shows and promotions	108,673	-	35,916	(4,272)
Transfer agent and regulatory fees	59,132	24,823	3,378	24,823
Travel	94,067	55,946	33,240	28,298
General office	121,378	83,233	23,432	31,875
Net loss for the period	1,193,430	1,241,156	321,823	334,319
Other comprehensive income				
Currency translation adjustment	26	-	6,901	-
Total comprehensive loss for the period	1,193,456	1,241,156	328,724	334,319

Among these administrative expenses for the year were fees for professional services of \$298,028, which includes \$90,000 in consulting fees charged by the Company's Chief Financial Officer at a rate of \$7,500 per month. Other key personnel costs comprised of management fees of \$180,000 charged by the Company's Chief Executive Officer at a rate of \$15,000 per month, and corporate communication fees of \$90,000 charged by a director at a rate of \$7,500 per month. Stock based compensation decreased to \$48,000, reflecting the award of options to advisory board members.

The Company capitalizes all mineral property acquisition and exploration costs until the properties to which the costs are related are placed into production, sold or abandoned. The decision to abandon a property is largely determined by exploration results and the amount and timing of the Company's write-offs of capitalized mineral property costs will vary in a fiscal period from one year to the next and typically cannot be predicted in advance.

During the year ended January 31, 2013, mineral property acquisition and exploration costs totalling \$1,787,087 were capitalized to mineral properties. Exploration costs consisted of acquisition, aerial survey, auger drilling, diamond drilling, assaying, geology and geophysics, associated field costs and general and administrative costs.

Dividends

There are no restrictions that could prevent the Issuer from paying dividends on its Common Shares. The Issuer has not paid any dividends on its Common Shares and it is not contemplated that the Issuer will pay any dividends in the immediate or foreseeable future. All available cash will be used to finance operations and explore mineral properties, until a revenue stream is generated. The Company

envisages that some of the revenue derived from royalties could in the future be paid out as a dividend.

Liquidity and Capital Resources

At January 31, 2013, the Company had negative working capital of \$35,278. Subsequent to that date, 970,000 warrants were exercised at \$0.25 for total proceeds of \$242,500 and a loan of \$200,000 was advanced by Goknet on May 3, 2013 for working capital purposes. The loan carries interest of 5% per annum and is unsecured. It is repayable within 60 days upon demand.

In terms of the acquisition of its interest in the Fahiakoba Concession, the Company committed to expenditure of US\$1,000,000 over a five year period. This commitment has been met in full as expenditures to date exceed this amount.

The investment in exploration activities for the twelve months ended January 31, 2013 was \$1,787,087.

At present, the Company's operations do not generate cash flow and its financial success is dependent on management's ability to discover economically viable mineral deposits and to realise a revenue stream from its proposed royalty acquisition. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

In order to finance the Company's exploration programs and to cover general and administrative expenses, the Company raises money through equity issues. In addition, the Company is in the process of acquiring a royalty. It is anticipated that the royalty will generate a revenue stream commencing late 2014, and would provide funds for exploration and general corporate expenses.

Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required in the long term, but recognizes there will be risks involved that may be beyond their control.

Cash provided by financing activities for the year ended January 31, 2013 was \$2,163,860 and consisted of cash from an Initial Public Offering of Units at \$0.50 per unit, net of share issuance costs, and exercise of warrants at \$0.25 per share.

Off-Balance Sheet Arrangements

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

Additional Disclosure for Venture Companies without Significant Revenue

Exploration expenditures to date to January 31, 2013:

	<u>Fahiakoba</u>
Balance at May 4, 2011	\$ -
Property acquisition	50,630
Assaying, testing and analysis	18,249
Geology and geophysics	102,289
Drilling	45,669
General and administrative	65,785
Balance at January 31, 2012	<u>\$ 282,622</u>
Property acquisition	-
Assaying, testing and analysis	47,576
Geology and geophysics	206,794
Drilling	1,084,771
Field expenses	249,499
General and administrative	190,735
Currency translation	7,712
Balance at January 31, 2013	<u>\$ 2,069,709</u>

Outstanding Securities Data

As at May 28, 2013 there are 22,481,000 Common Shares issued and outstanding. There are 7,765,000 Warrants outstanding, comprised of 5,465,000 exercisable at \$0.25 per Common Share (exercisable up to June 10, 2013); 300,000 exercisable at \$0.50 per Common Share (exercisable up to February 28, 2014); and 2,000,000 exercisable at \$0.70 per Common Share (exercisable up to February 28, 2014). There are also a total of 1,350,000 incentive options granted to directors, officers and consultants of the Company, all exercisable at \$0.75 per Common Share, up to October 24, 2016 and 200,000 options granted to consultants of the Company, exercisable at \$0.75 per Common Share up to April 3, 2017.

Risks and Uncertainties

The Company is exposed to a variety of risk factors, of which the most significant are outlined in the section 'Financial Risk Management' below.

Transactions with Related Parties

Related Party transactions include transactions with key management personnel and their related parties who hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

Key Management Compensation	January 31	
	2013	2012
Directors and officers fees:		
Douglas MacQuarrie	\$ 180,000	\$ 120,000
Jagtar Sandhu	90,000	60,000
Philip Gibbs	90,000	38,345
Directors fees:		
Florian Riedl-Riedenstein	16,000	6,000
Mark Holcombe	20,000	6,000
Directors fees of subsidiaries:		
Roger Holford	1,658	-
Robert Bourque	1,658	-
Herman Arhin	11,982	-
	<u>\$ 411,298</u>	<u>\$ 230,345</u>

Share based payments:	January 31, 2012	
	Stock based compensation	
	Founders Shares	Options
Douglas MacQuarrie	\$ 46,000	103,200
Jagtar Sandhu	26,000	68,800
Florian Riedl-Riedenstein	12,000	68,800
Mark Holcombe	5,000	68,800
Philip Gibbs	-	51,600
	<u>\$ 89,000</u>	<u>361,200</u>

Amounts due to related parties as at January 31, 2013, were USD8,818 to D. MacQuarrie, USD12,000 to H. Arhin, \$3,000 to M. Holcombe and \$3,000 to F. Riedl-Riedenstein (2012:\$15,883).

Significant Accounting Policies

Significant accounting policies are detailed in the notes to the consolidated financial statements for the year ended January 31, 2013, which are available on WWW.Sedar.com and on the Company's website.

Financial Risk Management

The Issuer is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes. The type of risk exposure and the way in

which such exposure is managed is provided as follows:

Credit Risk

Credit risk is the risk of potential loss to the Issuer if a counterparty to a financial instrument fails to meet its contractual obligations. The Issuer's credit risk is primarily attributable to its liquid financial assets, including cash, amounts receivable and balances receivable from related parties. The Issuer limits the exposure to credit risk by only investing its cash and cash equivalents with high-credit quality financial institutions in business and saving accounts, guaranteed investment certificates, and in government treasury bills which are available on demand by the Issuer.

Liquidity Risk

Liquidity risk is the risk that the Issuer will not be able to meet its financial obligations when they become due. The Issuer ensures, as far as reasonably possible, it will have sufficient capital in order to meet short to medium term business requirements, after taking into account cash flows from operations and the Issuer's holdings of cash and cash equivalents. The Issuer's cash and cash equivalents are currently invested in business accounts which are available on demand.

Foreign Exchange Risk

The Issuer is exposed to financial risk arising from fluctuations in foreign exchange rates and the degree of volatility of these rates.

Interest rate risk

The Issuer is subject to interest rate risk with respect to its investments in cash. The Issuer's policy is to invest cash at fixed rates of interest and cash reserves are to be maintained in cash and cash equivalents in order to maintain liquidity, while achieving a satisfactory return for shareholders. Fluctuations in interest rates when the cash and cash equivalents mature impact interest income earned. The Issuer is not exposed to significant interest rate risk.

Commodity Price Risk

While the value of the Issuer's only mineral resource property, Fahiakoba Concession, is related to the price of gold, the Issuer currently does not have any operating mines and hence does not have any hedging or other commodity based risks in respect of its operational activities.

Gold prices have historically fluctuated widely and are affected by numerous factors outside of the Issuer's control, including, but not limited to, industrial and retail demand, central bank lending, forward sales by producers and speculators, levels of worldwide production, short-term changes in supply and demand because of speculative hedging activities, and certain other factors related specifically to gold.

Capital Management

The Issuer's policy is to maintain a strong capital base and deal flow so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Issuer consists of cash and equity, comprising of issued common shares, share based payment reserve, accumulated other comprehensive income (loss) and deficit.

There were no changes in the Issuer's approach to capital management during the year. The Issuer is not subject to any externally imposed capital requirements.

Fair Value

The fair value of the Issuer's financial assets and liabilities approximates the carrying amount. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 - Inputs that are not based on observable market data.

Events Subsequent to the year ended January 31, 2013

As disclosed in its press release available on www.sedar.com, the Company announced on November 12, 2012 that it has reached agreement with Goknet Mining Company Limited, of Accra, Ghana, ("Goknet") to purchase a 1% NSR royalty held by Goknet on PMI Gold Corporation's Obotan Gold Project in Ghana (the "Royalty").

Preparations for the finalization of the royalty purchase are in an advanced stage. Plans announced in November to raise further funds through a private placement in conjunction with the royalty acquisition were deferred per an announcement on March 21, 2013 due to the availability of funds generated through the exercise of warrants. Subsequent to January 31, 2013 a total of 970,000 warrants were exercised at a price of \$0.25 per warrant for total proceeds of \$242,500.

On February 28, 2013, a total of 294,600 broker warrants priced at \$0.25 expired, and on March 14, 2013, a further 16,000 broker warrants priced at \$0.25 expired.

In May 2013, the Company received a loan of \$200,000 from Goknet Mining Company Limited to be used for working capital purposes.