Interim Management's Discussion and Analysis

For the three months ended March 31, 2019

Roxgold

TSX: ROXG

As at May 14, 2019

The following Management Discussion and Analysis ("MD&A") of Roxgold Inc. ("Roxgold", the "Company", "we" or "us") has been prepared as of May 14, 2019. This MD&A is intended to supplement the condensed interim consolidated financial statements ("Financial Statements") for the three-month period ended March 31, 2019 and related notes thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including IAS 34, Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB") and it should be read in conjunction with the Company's annual financial statements and MD&A for the year ended December 31, 2018.

Management is responsible for the preparation and integrity of its Financial Statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the Financial Statements and MD&A, is complete and reliable. All figures are expressed in thousands of US dollars, except where otherwise indicated. The functional currency of the Canadian legal entities is the Canadian dollar and the US dollar is the functional currency for all the Company's foreign subsidiaries. Refer to note 2 of the Company's annual Financial Statements for the year ended December 31, 2018 for the functional currency of the subsidiaries of the Company. The reporting currency of the Company is the US dollar.

The Financial Statements and other information pertaining to the Company are available on SEDAR at www.sedar.com and on its website at www.roxgold.com.

This MD&A contains forward-looking statements. Particular attention should be given to the risk factors described in the "Risk Factors" section and to the "Cautionary note regarding forward-looking statements" section of this document.

The utilization of the "Company" or "Roxgold", refers to Roxgold Inc. or Roxgold Inc. and/or one or more or all its subsidiaries, as it may apply.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

Some of the statements contained herein, including, without limitation, financial and business prospects and financial outlooks, may be forward-looking statements which reflect management's expectations regarding future plans and intentions, growth, results of operations, performance and business prospects and opportunities. Words such as "may", "will," "should", "could", "anticipate", "believe", "expect", "intend", "plan", "potential", "continue" and similar expressions have been used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, changes in general economic and market conditions and other risks and uncertainties including those discussed under "Risk Factors" and elsewhere in this MD&A. Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors management believes to be reasonable and relevant in the circumstances and at the date that such statements are made, management cannot assure that actual results will be consistent with these forward looking statements. Investors should not place undue reliance on forward-looking statements. Some of the assumptions underlying forward-looking statements contained in this MD&A include, without limitation, assumptions regarding the future price of gold, cash flow forecasts, projected capital and operating costs, availability of financing, mine life, recovery and production rates, as well as other assumptions set forth in the feasibility study dated November 6, 2017 and entitled "Technical Report for the Yaramoko Gold Project, Burkina Faso" (the "Technical Report"), and in the Feasibility Study (the "Feasibility Study") for Bagassi South dated November 6, 2017.

Forward-looking statements and other information contained herein concerning mineral exploration and development, and management's general expectations concerning such industries, are based on estimates prepared by management using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which management believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While management is not aware of any misstatements regarding any industry data presented herein, mineral exploration and development involves risks and uncertainties and industry data is subject to change based on various factors.

Forward-looking statements included in this MD&A include, but are not limited to, statements with respect to:

- the Company's goal of creating shareholder value by concentrating on the acquisition and development of properties that have the potential to contain economic gold deposits;
- the focus of capital expenditures;
- future plans for the Yaramoko project and other property interests held by the Company or which may be acquired on a going forward basis, if at all, including proposed exploration, development and drilling programs for 2019;
- anticipated production and cost guidance of the Company for 2019;
- the Technical Report, Feasibility Study, Mineral Resource and Mineral Reserve estimates, the ability to realize estimated Mineral Resources and Mineral Reserves, the Company's expectations that the Yaramoko project will be profitable with positive economics from mining, recoveries, grades and annual production, the receipt of all necessary permitting and approvals, and the parameters and assumptions underlying the Mineral Resource estimates, Mineral Reserve estimates and financing analysis;
- successful execution of the development plans set forth in the Technical Report and Feasibility Study, and other exploration and development plans of the Company, including with respect to proposed future Bagassi South commercial production and stoping activities (including with respect to the anticipated costs, timing and benefits thereof);
- expectations regarding new Mineral Resource estimates at the 55 Zone and Bagassi South properties, including the nature and timing thereof;
- management's outlook regarding future trend and the impact of VAT in future periods;
- exploration, acquisition and development plans including with respect to the proposed acquisition of the Séguéla property and other related properties;
- the possibility of the Company obtaining future financing, including the satisfaction of conditions precedent for further drawdowns under the Amended Facility (as defined herein);
- the Company's CSR (as defined herein) focus and other business objectives for the upcoming year;
- expectations regarding the Company's funding needs on a going forward basis, including with respect to anticipated cash flow to be generated from production at the Yaramoko project and the Company's ability to fund its cash requirements, proposed debt and interest repayments and other activities for the next 12 months;
- the emergence of accretive growth opportunities;
- the Company's ability to benefit from the combination of growth opportunities and the ability to grow through the capital markets;
- expectations regarding the heightened risk of jihadist incursions near the Company's property interests;
- the quantity of Mineral Resources and Mineral Reserves, including any upgrading or extensions thereof, or any conversion of Mineral Resources to Mineral Reserves, and the nature and timing of a proposed updated Mineral Resource model;
- treatment under governmental, regulatory and environmental regimes and tax laws, including under the New Mining Code (as defined herein) if applicable;
- future purchases under the Company's NCIB (as defined herein), if any;
- the performance characteristics of the Company's mineral resource properties; and
- realization of the anticipated benefits of acquisitions and expansions.

Some of the risks and other factors, which could cause results to differ materially from those expressed in the forward-looking statements contained in this MD&A include, but are not limited to:

- general economic conditions in Canada, Burkina Faso, Cote d'Ivoire and globally;
- uncertainty regarding Technical Report and Feasibility Study assumptions, and estimates of Mineral Resources and Mineral Reserves;
- political, security and economic risks associated with operations in Burkina Faso;
- economic factors as they affect exploration, development and mining;
- parameters and assumptions underlying Mineral Resource estimates, Mineral Reserve estimates, and financial analyses being incorrect;
- the risk factors included in the Technical Report and Feasibility Study;
- the Company's ability to meet its working capital needs at the current level in the short and long term;
- environmental liability;
- industry conditions, including fluctuations in the price of gold and other metals and minerals;
- governmental regulation of the mineral resource industry, including environmental regulation;
- fluctuation in foreign exchange or interest rates and fuel costs;
- liabilities inherent in mineral exploration and development;
- geological, technical and processing problems;
- failure to obtain third party permits, consents and approvals, when required, or at all;
- stock market volatility and market valuations;
- competition for, among other things, capital, acquisition of reserves, undeveloped land, and skilled personnel;
- the need to obtain required approvals from regulatory authorities; and
- the other factors outlined under "Risk Factors".

In addition, statements relating to Mineral Resources and Mineral Reserves are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the Mineral Resources and Mineral Reserves described can be profitably mined in the future.

These forward-looking statements are made as of the date of this MD&A, and the Company disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise unless as required by applicable securities laws.

1. Description of business

Roxgold is a Canadian-based gold mining company with assets located in West Africa. The Company owns and operates the high-grade Yaramoko Gold Mine located on the Houndé greenstone belt in Burkina Faso and is also advancing the development and exploration of the Séguéla Gold Project located in Côte d'Ivoire. Roxgold trades on the TSX under the symbol ROXG and as ROGFF on OTC.

Roxgold owns a 90% beneficial interest in Roxgold SANU S.A., which owns the Yaramoko exploitation permit including the Bagassi South expansion. The government of Burkina Faso retains a 10% carried interest. In addition, the Company has a 100% undivided interest in the Bagassi South, Houko, Solhan, Teyango, Yantara, and Boussara exploration properties.

2. Q1 2019 Highlights

	Three months ended March 31 2019	Three months ended March 31 2018[1]
Gold ounces produced	33,652	40,452
Gold ounces sold[2]	32,798	40,050
Financial Data (in thousands of U.S. dollars)		
Gold Sales[2]	42,840	53,226
Mine operating profit[3]	13,485	25,544
EBITDA[4]	16,156	28,821
EBITDA margin[4]	38%	54%
Net income attributable to shareholders	962	12,183
Basic earnings per share attributable to shareholders	0.00	0.03
Adjusted net income[5]	4,048	13,710
Per share[5]	0.01	0.04
Cash flow from mining operations[6]	23,413	30,872
Per share[6]	0.06	0.08
Return on equity[7]	16%	25%
Cash on hand end of period	47,843	72,150
Total assets	283,186	252,485
Statistics (in dollars)		
Average realized selling price (per ounce)	1,307	1,329
Cash operating cost (per ounce produced)[8]	468	381
Cash operating cost (per tonne processed)[8]	147	216
Total cash cost (per ounce sold)[9]	527	451
Sustaining capital cost (per ounce sold)[10]	180	164
Site all-in sustaining cost (per ounce sold)[11]	711	615
All-in sustaining cost (per ounce sold)[11]	775	658

[1] In accordance with the transition provision in IFRS 16, Leases, the comparatives for the 2018 reporting periods have not been restated.
[2] For the period ended March 31, 2019, gold ounces sold, and gold sales include pre-commercial production ounces sold of 2,305 ounces and revenues of $3.0 million. The pre-commercial production gold sales and mine operating expenses were accounted against Property, Plant and Equipment.
[3] For the period ended March 31, 2019, mine operating profit includes mine operating profit includes $0.85 million relating to Bagassi South pre-production revenue net of expenses related to the 2,305 ounces sold.
[4] Earnings before interest, taxes and depreciation and amortization ("EBITDA") and EBITDA margin are non-IFRS financial performance measures with no standard definition under IFRS. See "Non-IFRS financial performance measures".
[5] Adjusted net income and adjusted net income per share are non-IFRS financial performance measures with no standard definition under IFRS. See the "Non-IFRS financial performance measures" section of this MD&A for all non-IFRS financial performance measures.
[6] Cash flow from mining operations and cash flow from mining operations per share are non-IFRS financial performance measures with no standard definition under IFRS. See the "Non-IFRS financial performance measures" section of this MD&A.
[7] Return on equity is calculated using adjusted net income divided by average shareholders equity for the period. The figure is calculated as a rolling twelve-month period. See the "Non-IFRS financial performance measures" section of this MD&A.
[8] Cash operating cost is a non-IFRS measure with no standard definition under IFRS and is calculated using ounces produced and tonnes processed. See the "Non-IFRS financial performance measures" section of this MD&A.
[9] Total cash cost is a non-IFRS financial performance measure with no standard definition under IFRS and represents the mine operating expenses and the government royalties per ounce sold. See the "Non-IFRS financial performance measures" section of this MD&A.
[10] Sustaining capital cost is a non-IFRS financial performance measure with no standard definition under IFRS and represents the investment in underground development per ounce sold. See the "Non-IFRS financial performance measures" section of this MD&A.
[11] Site all-in sustaining cost and all-in sustaining cost are non-IFRS financial performance measures with no standard definition under IFRS. See the "Non-IFRS financial performance measures" section of this MD&A.

During the quarter ended March 31, 2019 the Company:

Safety

- ✓ Continued a strong safety record with no lost time injuries recorded in Q1 2019 with a 12-month rolling lost time injury frequency rate ("LTIFR") of 0.39 per one million hours worked;

Operations

- ✓ Achieved solid production results of 33,652 ounces (Q1 2018- 40,452 ounces);
- ✓ Sold 32,798 ounces of gold[12] for a total of $42.8 million in gold sales[12] (40,050 ounces and $53.2 million respectively in Q1 2018);
- ✓ Cash operating cost[13] of $468 per ounce produced and all-in sustaining cost[14] of $775 per ounce sold were in line with guidance;
- ✓ Operating costs[13] of $147 per tonne processed were 32% lower than Q1 2018 as a result of increased throughput and improved efficiencies;
- ✓ Mined 98,140 tonnes and achieved a record quarterly throughput of 106,816 tonnes which exceeded increased nameplate capacity of 1,100 tonnes per day by approximately 8%;

Financial

- ✓ Achieved an EBITDA[15] of $16.2 million EBITDA margin[15] of 38% in Q1 2019 compared to $28.8 million and 54% respectively in Q1 2018;
- ✓ Generated cash flow from mining operations[16] totalling $23.4 million for cash flow from mining operations per share[16] of $0.06 (C$0.08/share);
- ✓ Maintained a strong balance sheet with a net cash position[17] of $13 million;
- ✓ Generated a strong return on equity[18] of 16%;
- ✓ Repurchased and cancelled 4,949,000 shares at an average price of C$0.84/share, for a total cost of $3.1 million (C$4.2 million);

Growth

- ✓ Announced the completion of the Séguéla gold project acquisition from Newcrest Mining in April 2019 and commenced RC drilling on the Antenna deposit on April 24th;
- ✓ First stoping ore mined at Bagassi South Mine at the end of April 2019.

[12] For the period ended March 31, 2019, gold ounces sold, and gold sales include pre-commercial production ounces sold of 2,305 ounces and revenues of $3.0 million. The pre-commercial production gold sales and mine operating expenses were accounted against Property, Plant and Equipment.
[13] Cash operating cost is a non-IFRS measure with no standard definition under IFRS and is calculated using ounces produced and tonnes processed. See the "Non-IFRS financial performance measures" section of this MD&A.
[14] All-in sustaining cost is a non-IFRS financial performance measure with no standard definition under IFRS. See the "Non-IFRS financial performance measures" section of this MD&A.
[15] Earnings before interest, taxes and depreciation and amortization ("EBITDA") and EBITDA margin are non-IFRS financial performance measures with no standard definition under IFRS. See "Non-IFRS financial performance measures".
[16] Cash flow from mining operations and cash flow from mining operations per share are non-IFRS financial performance measures with no standard definition under IFRS. See the "Non-IFRS financial performance measures" section of this MD&A.
[17] Net cash position is a non-IFRS measure with no standard definition under IFRS and is calculated as cash less long term debt.
[18] Return on equity is calculated using adjusted net income divided by average shareholders equity for the period. The figure is calculated as a rolling twelve-month period. See the "Non-IFRS financial performance measures" section of this MD&A.

3. Outlook

2019 PRODUCTION GUIDANCE AND COSTS

- Gold production between 145,000 and 155,000 ounces;
- Cash operating cost[19] between $440 and $470/ounce;
- All-in sustaining cost[20] between $765 and $795/ounce;
- Exploration budget of $10-$12 million;
- Bagassi South pre-commercial production development spend of $12-$15 million.

In 2019, Yaramoko is expected to produce stronger quarters in Q3 and Q4 due to the Bagassi South mine commencing stoping operations during Q2 2019.

4. Key drivers and trends

A. Gold price

The market price of gold is a significant factor determining the Company's financial results. As such, cash flow from operations and the Company's development and exploration activities may, in the future, be significantly adversely affected by a decline in the price of gold. The gold price fluctuates and is affected by factors beyond the control of the Company, such as the US dollar and other foreign currency exchange rates, the confidence in the global monetary system, along with the expectations of global political or economic events or conditions. In the first quarter of 2019, the average market gold price is based on the London Bullion Market Association PM Fix was $1,304 per ounce of gold while the Company's average realized selling price was $1,307 per ounce sold.

B. Currency

The U.S. dollar is the Company's reporting currency. The Company's revenue is denominated in U.S. dollars as gold is priced in U.S. dollars. The Company's main sources of foreign exchange exposure are the Canadian dollar, United States dollar and the Euro, which have a direct impact on the Company's Canadian activities and mining activities in Burkina Faso, where the local currency is fixed against the Euro. During the quarter ended March 31, 2019, the US dollar was stronger relative to both the Euro and the Canadian dollar. Therefore, the average foreign exchange had a positive impact on our total cash cost[21] and all-in sustaining cost[20].

C. Security

The French and Canadian government authorities continue to issue warnings of a heightened risk of jihadist incursions from Mali and Niger in certain areas along the northern and eastern borders of Burkina Faso. These zones are distant from the Yaramoko gold mine. The Company continues to monitor security risks in-country from a variety of sources.

Apart from this, and the risk factors noted in both the Company's 2018 Annual Management Discussion and Analysis and 2018 Annual Information Form available on SEDAR at www.sedar.com, 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.

[19] Cash operating cost is a non-IFRS measure with no standard definition under IFRS and is calculated using ounces produced and tonnes processed. See the "Non-IFRS financial performance measures" section of this MD&A.
[20] All-in sustaining cost is a non-IFRS financial performance measure with no standard definition under IFRS. See the "Non-IFRS financial performance measures" section of this MD&A.
[21] Total cash cost is a non-IFRS financial performance measure with no standard definition under IFRS and represents the mine operating expenses and the government royalties per ounce sold. See the "Non-IFRS financial performance measures" section of this MD&A.

5. Mine operating activities

	Three months ended March 31 2019	Three months ended March 31 2018
Operating Data		
Ore mined (tonnes)	98,140	88,607
Ore processed (tonnes)	106,816	71,576
Head grade (g/t)	10.0	16.8
Recovery (%)	98.3	99.0
Gold ounces produced	33,652	40,452
Gold ounces sold[22]	32,798	40,050
Financial Data (in thousands of dollars)		
Revenues – Gold sales[22]	42,840	53,226
Mine operating expenses[23]	(15,437)	(15,388)
Government royalties[23]	(1,976)	(2,662)
Depreciation and depletion[23]	(11,942)	(9,632)
Statistics (in dollars)		
Average realized selling price (per ounce)	1,307	1,329
Cash operating cost (per ounce produced)[24]	468	381
Cash operating cost (per tonne processed)[24]	147	216
Total cash cost (per ounce sold)[25]	527	451
Sustaining capital cost (per ounce sold) [26]	180	164
Site all-in sustaining cost (per ounce sold)[27]	711	615
All-in sustaining cost (per ounce sold)[27]	775	658

A. Health and safety performance

There were no Lost Time Injury ("LTI") incidents in the first quarter of 2019 and a 12-month rolling LTIFR of 0.39 per one million hours worked.

B. Operational performance

The Company's gold production in Q1 2019 was 33,652 ounces compared to 40,452 ounces in Q1 2018. The decrease in gold production was mainly driven by a lower head grade partially offset by higher tonnes processed in Q1 2019. The lower average head grade was primarily due to the ramp-up of the Bagassi South underground mine which is currently delivering development ore.

During the quarter, 98,140 tonnes of ore at 10.4 grams per tonne ("g/t") were extracted from the underground mine along with completing 2,264 metres of development compared to 88,607 tonnes of ore at 15.1 g/t and 1,437 metres of development in Q1 2018.

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[22] For the period ended March 31, 2019, gold ounces sold, and gold sales include pre-commercial production ounces sold of 2,305 ounces and revenues of $3.0 million. The pre-commercial production gold sales and mine operating expenses were accounted against Property, Plant and Equipment.

[23] For the period ended March 31, 2019, mine operating profit includes capitalized pre-commercial production costs of $1.9 million mine operating expenses, $0.1 million royalty costs and $0.1 million depreciation related to the 2,305 ounces sold.

[24] Cash operating cost is a non-IFRS measure with no standard definition under IFRS and is calculated using ounces produced and tonnes processed. See the "Non-IFRS financial performance measures" section of this MD&A.

[25] Total cash cost is a non-IFRS financial performance measure with no standard definition under IFRS and represents the mine operating expenses and the government royalties per ounce sold. See the "Non-IFRS financial performance measures" section of this MD&A.

[26] Sustaining capital cost is a non-IFRS financial performance measure with no standard definition under IFRS and represents the investment in underground development per ounce sold. See the "Non-IFRS financial performance measures" section of this MD&A.

[27] Site all-in sustaining cost and all-in sustaining cost are non-IFRS financial performance measures with no standard definition under IFRS. See the "Non-IFRS financial performance measures" section of this MD&A.

At the 55 Zone, 85,460 tonnes of ore were mined at 10.6 g/t Au and 1,272 metres of development were completed. During the quarter, approximately 80% of ore mined came from stoping activities as a result of extensive development in place at the 55 Zone. At Bagassi South, ramp-up activities continued with 992 metres of development completed.

In Q1 2019, decline development at the mine reached the 4879 level, approximately 440 metres below surface. Ore development was completed between the 4930 and 4896 levels. The mine continues to be well positioned to meet future production requirements with developed reserves for stoping in line with the Company's 18 months planned stoping objectives.

The plant processed a record 106,816 tonnes at an average head grade of 10.0 g/t in Q1 2019 compared to 71,576 tonnes of ore at 16.8 g/t in Q1 2018. The increase of 49% is due to the completion and successful commissioning of the plant expansion project and represents a unit throughput rate which is 8% above nameplate capacity. Plant availability was 95.4% and overall recovery was 98.3% in Q1 2019 compared to 97.9% and 99.0% respectively for the comparative quarter.

Cash operating costs[29] of $147 per tonne processed represented a 32% reduction compared to Q1 2018 driven by increased throughput and cost control.

C. Financial performance

During the first quarter of 2019, a total of 32,798 ounces of gold[28] were sold resulting in revenue from gold sales[28] totalled $42.8 million. During this period, the Company's average realized gold price was $1,307 per ounce sold compared to an average realised gold price of $1,329 per ounce in the comparable period in 2018.

With the increase in nameplate capacity to 1,100 tonnes per day, the Company has continued to see reductions in cash operating cost[29] per tonne processed reduce by 32% from $216 in Q1 2018 compared to $147 in Q1 2019. The cash operating cost[29] per ounce produced totalled $468 per ounce for the period compared to $381 per ounce in the prior year mainly driven by the lower head grade.

The total cash cost[30] per ounce sold of $527 in Q1 2019 compared to $451 per ounce sold in Q1 2018. As a result, the Company achieved a site all-in sustaining cost[31] of $711 per ounce sold and an all-in sustaining cost[31] of $775 per ounce sold in Q1 2019 compared to $615 per ounce and $658 per ounce sold, respectively.

The Company generated a mine operating margin[32] of $780 which was 11% lower than Q1 2018. This is due to a 2% decrease in the average gold sales price and an increase in cash costs.

The Company invested $5.9 million in underground mine development at the 55 Zone mine during the first quarter of 2019 compared to $6.6 million for the comparable period in 2018. Additionally, the Company invested $6.0 million in pre-commercial production underground mine development at the Bagassi South mine.

The Company generated strong cash flow from mining operations[33] of $23.4 million in Q1 2019, for cash flow from mining operations per share[33] of $0.06 (C$0.08/share). Comparatively, the Company generated cash flow from mining operations[33] of $30.9 million and $0.08 (C$0.11/share) cash flow from mining operations per share[33] in the comparative period.

[28] For the period ended March 31, 2019, gold ounces sold, and gold sales include pre-commercial production ounces sold of 2,305 ounces and revenues of $3.0 million. The pre-commercial production gold sales and mine operating expenses were accounted against Property, Plant and Equipment.

[29] Cash operating cost is a non-IFRS measure with no standard definition under IFRS and is calculated using ounces produced and tonnes processed. See the "Non-IFRS financial performance measures" section of this MD&A.

[30] Total cash cost is a non-IFRS financial performance measure with no standard definition under IFRS and represents the mine operating expenses and the government royalties per ounce sold. See the "Non-IFRS financial performance measures" section of this MD&A.

[31] Site all-in sustaining cost and all-in sustaining cost is a non-IFRS financial performance measure with no standard definition under IFRS. See the "Non-IFRS financial performance measures" section of this MD&A.

[32] Mine operating margin is a non-IFRS measure with no standard definition under IFRS and is calculated by subtracting total cash cost per ounce sold from the average realized selling price per ounce sold.

[33] Cash flow from mining operations and cash flow per share are non-IFRS financial performance measures with no standard definition under IFRS. See the "Non-IFRS financial performance measures" section of this MD&A.

6. Exploration activities

i) ***55 Zone***

During the Q1 2019, the Company drilled 13 holes and completed the surface infill and depth extension program which commenced in April 2018. The program completed 46,444 metres with the objectives of upgrading inferred to indicated at depth, improving definition of the high-grade shoots within the wider ore envelope, and refining the inferred mineralization at depth.

While returned grades were low in drill holes YRM-19-DD-493 and 493W1, difficulties in maintaining hole direction resulted in both holes ending approximately 20-25m to the west of their target, the down plunge extension of the high grade shoot intersected in YRM-17-DD-443W1 (12.5m at 11.2g/t Au and 3.9m at 12.9g/t Au). All results from the program have been received in preparation for the forthcoming updated Mineral Resource Estimate which is due for release in Q2 2019.

Figure 1 below shows some results received during the first quarter:

- YRM-19-DD-493W1: 2.7m at 0.7g/t from 1,368m
- YRM-19-DD-426W1: 0.6m at 30.8g/t Au from 1,063.4m
- YRM-19-DD-439W1: 3.4m at 9.4g/t Au from 999.2m
- YRM-19-DD-488W1: 5.2m at 2.5g/t Au from 1,183.4m

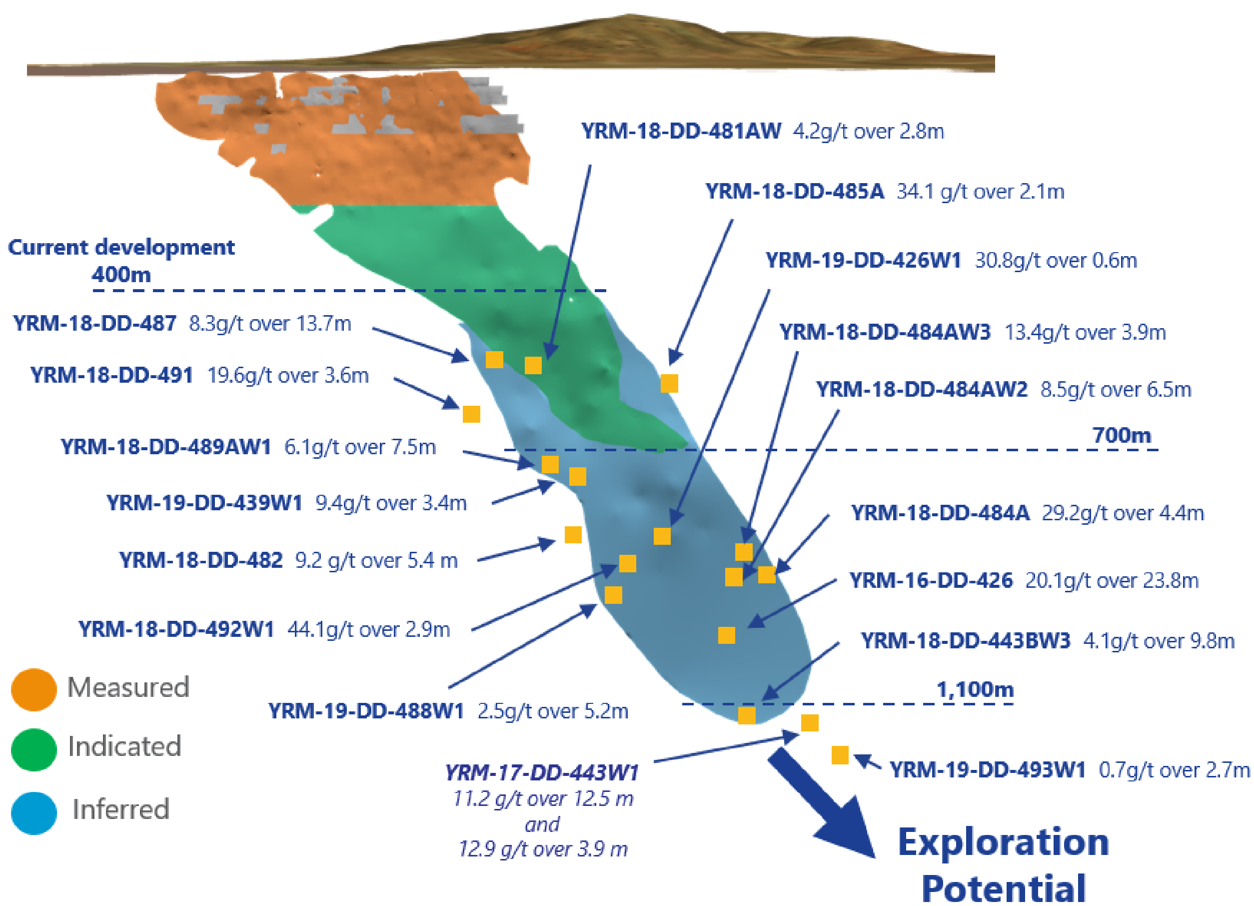

Figure 1: 55 Zone Longitudinal significant drilling results

ii) ***Bagassi South***

Drilling activity also continued at Bagassi South with six holes (2,529 metres) completed during the quarter. At QV1, four holes (1,504 metres) were designed to test interpreted contact zones 100 – 200 metres down plunge from the Western Shoot on the eastern side of a large cross-cutting dyke. While assays are pending, logging highlights the continuation of the QV1 structure as defined by a 10m-20m wide sheared zone with up to six metres of quartz veining and moderate sulphide development present.

At QV Prime, two holes were completed (1,025 metres), targeting the continuity of the QV Prime structure and its association with the granite-mafic volcanic contact approximately 200 metre down plunge. Geological logging indicates the contact may have shallowed slightly with the remaining four holes being redesigned as a result. The assay results are pending.

iii) **Regional Exploration**

Auger, RC and core drilling were carried out at several prospects following up earlier geochemistry and structural anomalies during the quarter (Figure 2). Key work programs included:

Kaho –19 core holes (2458 metres) were completed during the quarter testing previous RC anomalies along coincident structural and geochemical corridors intersected several moderate to strongly sheared zones with sericite alteration, quartz veining and pyrite. The best results were from YRM-19-DD-KOA-018 with 2m at 1.6 g/t Au. Importantly the presence of shearing, quartz veining and alteration supports the regional structural interpretation associated with the Yaramoko and Bagassi South mineralization.

Haho – 3 core holes (383 metres) were completed with one hole confirming the down dip extension of mineralization previously intersected during the 2017/18 field season, intersecting shearing with associated quartz veining, alteration and minor pyrite.

Zone 109 – 3 core holes (449 metres) were completed following up a shear zone previously intersected in YRM-13-K109-003 (2013 program), with each hole intersecting a well-developed shear zone (up to 12m width) with associated chlorite and carbonate alteration, quartz veining and minor pyrite.

Tarkwaian West Contact – 7,990 metres of RC drilling on 200 metre spaced lines have been completed at the Tarkwaian West ("TW West") Contact zone, testing an extensive array (+6km) of soil geochemistry anomalies along the western interpreted contact between a Tarkwaian inlier and volcaniclastic sediments/mafic volcanic. This contact is also interpreted as a splay from the regional Boni Shear. RC drilling has also identified a set of regional north-east trending shear zones which coincide with several of the geochemical anomalies, with shearing typically associated with broad alteration zones, quartz veining and minor pyrite. Several zones of low-grade mineralization were intersected, typically in the range of 2m-4m at 0.1-0.3g/t Au. A full interpretation will be carried out once all results have been received in the second quarter.

SAN – 3,741 metres of RC drilling was completed, testing coincident soil geochemistry anomalies and structural contacts between Birimian sediments and a granodioritic intrusive, with encouraging visual results from YRM-19-RC-SAN-30 to -34. Drilling was continuing at the end of the first quarter and assay results are pending.

300 Zone – auger drilling started late in the quarter testing conceptual targets associated with the interpreted intersection of a structure parallel to the Yaramoko Shear and a series of granodiorites. Two small historic soil geochemistry grids previously highlighted anomalism in this area so this program will provide a more extensive coverage and targets.

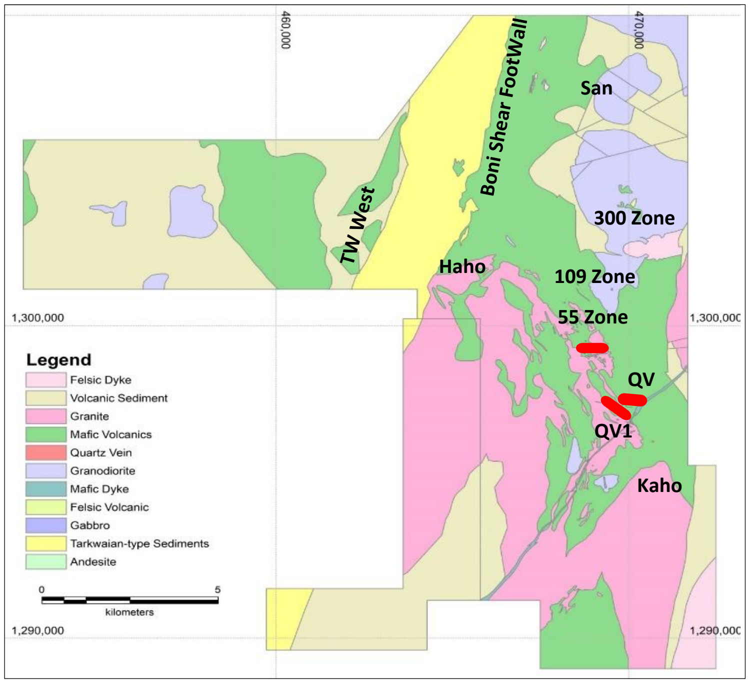

Figure 2. Regional exploration targets.

iv) **2019 Exploration Program**

Regional exploration will continue to test previously identified geochemical and geophysical anomalies with auger, RC and core drilling across several prospects, including completing testing of the TW West anomalies, continuing with drill testing of the 300 Zone and SAN anomalies, and preparations for extending the auger grid to the north-east of SAN across interpreted favourable structural targets.

Drilling commenced at the recently acquired Séguéla project with a 4000-metre RC and Diamond drilling program starting on April 24th 2019 at the advanced Antenna project and a 15,000 metre AC drilling program at the Kwenko prospect at the end of April 2019. The Antenna program is designed to infill certain sections and to test for strike extensions to the current drill defined 800-meter strike length, while drilling at Kwenko is designed to test a 3 kilometer long soil anomaly and several coincident areas of artisanal mining.

7. Events subsequent to March 31, 2019

On February 11, 2019, the Company entered into an agreement with Newcrest West Africa Holdings Pty Ltd ("Newcrest") to acquire a portfolio of 11 exploration permits in Côte d'Ivoire which includes the Séguéla gold project for a total consideration of $20 million, with $2 million deposit paid in Q1 2019. On April 18, 2019, the Company completed the acquisition with Newcrest.

8. Review of Q1 2019 financial results[34]

A. Mine operating profit

During the quarter ended March 31, 2019, revenues totalled $39.8 million (2018 - $53.2 million) while mine operating expenses and royalties totalled $13.6 million (2018 - $15.4 million) and $1.8 million (2018 - $2.7 million), respectively. The decrease in sales is primarily due to the decrease in production of 17% and a lower average realized gold price. During the quarter, the Company achieved total cash cost[35] per ounce sold of $527 and a mine operating margin[36] of $780 per ounce sold.

For more information on the cash operating costs[37] see the financial performance of the Mine Operating Activities section of this MD&A.

In Q1 2019 depreciation included in mine operating profit totalled $11.8 million compared to $9.6 million in Q1 2018. The increase in depreciation is a result of the Company's continued investment in the underground development combined with higher throughput.

B. General and administrative expenses

General and administrative expenses totalled $1.5 million for the quarter ended compared to $1.4 million for the comparative period.

C. Sustainability and other in-country costs

Sustainability and in-country costs totalled $0.6 million for the quarter compared to $0.4 million for the comparative period. The increase in expenditures correspond to the increased community projects associated with the Bagassi South project.

D. Exploration and evaluation expenses ("E&E")

Exploration and evaluation expenses totalled $3.2 million for the quarter compared to $3.7 million in the comparative period.

Drilling costs totalling $2.2 million related to converting resources to reserves or to extend the existing resource body have been capitalized in accordance with the Company's accounting policy as future economic benefits are expected.

For more information on the Company's exploration program see the Exploration Activities section of this MD&A.

E. Share-based payment

Share-based payments totalled $0.4 million in the quarter compared to $0.2 million in the comparative period. The increase is consistent with the increase in share RSU and PSU outstanding and associated vesting schedules.

F. Financial income (expenses)

Net financial expense totalled $3.5 million in the quarter compared to $1.8 million in the comparative period. The increase is mainly attributed to the foreign exchange movement, with a foreign exchange loss of $0.6 million in Q1 2019 compared to a foreign exchange gain of $1.2 million in the comparable period in 2018.

[34] In accordance with the transition provision in *IFRS 16, Leases*, the comparatives for the 2018 reporting periods have not been restated.
[35] Total cash cost is a non-IFRS financial performance measure with no standard definition under IFRS and represents the mine operating expenses and the government royalties per ounce sold. See the "Non-IFRS financial performance measures" section of this MD&A.
[36] Mine operating margin is a non-IFRS measure with no standard definition under IFRS and is calculated by subtracting total cash cost per ounce sold from the average realized selling price per ounce sold.
[37] Cash operating cost is a non-IFRS measure with no standard definition under IFRS and is calculated using ounces produced and tonnes processed. See the "Non-IFRS financial performance measures" section of this MD&A.

G. Current and deferred income tax expense

All past cumulative losses were fully utilized in 2018 and has resulted in the recognition of current income tax expense in Q1 2019. The deferred income tax expense is due to the recognition of the deferred income tax liability as the Company is making a profit from its operations in Burkina Faso.

H. Net income & EBITDA

The Company's net income and EBITDA[38] in the first quarter of 2019 was $1.9 million and $16.2 million, respectively. The lower earnings were primarily due to lower gold sales, an unfavourable foreign exchange movement, and higher depreciation.

I. Income Attributable to Non-Controlling Interest

For the three months ended March 31, 2019, the income attributable to the non-controlling ("NCI") interest was $0.9 million. The Government of Burkina Faso holds a 10% carried interest in Roxgold SANU SA and as such is considered Roxgold's NCI. The NCI attributable income is based on IFRS accounting principles and does not reflect dividend payable to the minority shareholder of the operating legal entity in Burkina Faso.

9. Other comprehensive income

For the three months ended March 31, 2019, the Company reported other comprehensive income of $0.4 million compared to other comprehensive income of $0.3 million for the comparable period in 2018. The variation between periods is essentially related to the effects of the foreign exchange rate of USD to Canadian dollars at the end of the reporting period as it relates to the conversion of the legal entities, which have a different functional currency than the presentation currency of the Company.

[38] EBITDA and EBITDA margin are non-IFRS financial performance measures with no standard definition under IFRS. See "Non-IFRS financial performance measures".

10. Cash flows

The following table summarizes cash flow activities:

For the three months ended March 31,	**2019**	2018
($ thousands)		
Operations	19,585	26,494
Changes in non-cash working capital	(4,487)	(10,610)
Operating activities	15,098	15,884
Financing activities	(8,393)	(2,230)
Investing activities	(18,351)	(7,039)
Change in cash and cash equivalents during the period	**(11,646)**	**6,615**
Effect of foreign exchange rates on cash	(344)	2,502
Cash and cash equivalents, beginning of period	**59,833**	**63,033**
Cash and cash equivalents, end of period	**47,843**	**72,150**

Operating

During the three months ended March 31, 2019, the Company generated cash flow from mining operations[39] and operating cash flow before changes in non-cash working capital of $23.4 million and $19.6 million respectively, compared to $30.9 million and $26.5 million respectively in the comparative period.

The Company disbursed $0.6 million for the settlement of hedging contracts in Q1 2019, compared to $0.7 million in 2018. As of March 31, 2019, the Company had 30,602 ounces of gold forward outstanding.

The net working capital was mainly impacted by the increase in value added taxes recoverable.

Financing

The Company made $3.6 million in loan repayments in Q1 2019 compared to $1.8 million in Q1 2018.

Payments pertaining to the lease obligation embedded within the African Underground Mining Services ("AUMS") mining services agreement have increased from $1.6 million in Q1 2019 compared to $0.7 million in Q1 2018. This is due to the extension of the AUMS contract in Q3 2018 and the adoption of *IFRS 16 – Leases* on January 1, 2019.

The Company repurchased and cancelled 4,949,000 common shares at an average price of C$0.84 per share totalling $3.1 million.

Investing

During the three months ended March 31, 2019, the Company invested $17.3 million (Q1 2018 – $7.0 million) of cash additions to property, plant and equipment ("PPE") which mainly relate to $5.9 million in underground development at the 55 Zone and $7.2 million of Bagassi South development costs. During the quarter, Bagassi South pre-production revenue net of expenses in the amount of $0.9 million was offset in PPE. This will continue to occur until Bagassi South mine is in commercial production.

During the quarter, a deposit of $2.0 million of the purchase price associated with the Séguéla gold project was recognised as an investing activity.

[39] Cash flow from mining operations and cash flow from mining operations per share are non-IFRS financial performance measures with no standard definition under IFRS. See "Non-IFRS financial performance measures".

11. Financial position

At March 31, 2019, the Company had $47.8 million in cash and cash equivalents with $33.0 million of long-term debt (face value of $34.8 million). The restricted cash totalling $1.0 million relates to funds restricted for the purposes of future restoration costs of the Yaramoko property.

As at **(in thousands)**	**March 31** **2019**	**December 31** **2018**
Cash and cash equivalents	47,843	59,833
Other current assets	47,962	41,257
Total current assets	**95,805**	**101,090**
Property, plant and equipment ("PP&E")	176,895	170,020
Other non-current assets	10,486	10,080
Total assets	**283,186**	**281,190**
Total current liabilities	**58,100**	**52,606**
Long-term debt	20,882	24,181
Derivative financial instruments	4,329	4,863
Lease obligation	5,206	4,862
Other non-current liabilities	19,529	19,080
Total liabilities	**108,046**	**105,592**
Equity attributable to equity shareholders	164,128	165,553
Non-controlling interests	11,012	10,045
Total Equity	**175,140**	**175,598**
Total Liabilities and Equity	**283,186**	**281,190**

The Company's total assets as at March 31, 2019 has increased by $2.0 million when compared to December 31, 2018 reflecting the Company's investment in underground mining, capitalized costs for Bagassi South development and an increase in lease assets due to the adoption of *IFRS 16 – Leases* partially offset by lower cash on hand.

Total liabilities have increased due to a net increase in lease obligations of $2.6 million mainly related to the adoption of *IFRS 16 - Leases* effective January 1, 2019 and an increase in contract liability of $2.8 million for ounces sold but not yet shipped as at March 31, 2019.

12. Financial risk factors

The Company's risk exposure and impact on the Company's financial instruments are summarized in note 20 of its annual consolidated financial statements for the year ended December 31, 2018.

13. Commitments

The Company's financial commitments consist contracts with service providers and consultants.

For the year ended December 31,	2019	2020	2021
Lease agreements	53	-	-
Service agreements	451	169	27
	504	**169**	**27**

The Company entered into an agreement with AUMS (a mining contractor) wherein the Company could be subject to an early termination payment, which is reduced monthly over 30 months and, in certain conditions, could be subject to other payments that will be negotiated between the Company and the service provider. If the Company had terminated the agreement at March 31, 2019, it would have been subject to an early termination payment of $9.3 million (March 31, 2018: $1.7 million).

Future minimum lease payments pursuant to the Company's lease obligations are as follows:

	Up to 1 year	1-5 years	Total
Minimum lease payments	8,148	5,775	13,923

As of March 31, 2019, future minimum principal and interest payments for the Amended Facility are as follows:

	Up to 1 year	1-5 years	Total
Minimum principal and interest payments	10,046	26,544	36,590

The government of Burkina Faso retains a 10% carried interest in Roxgold SANU S.A. In Burkina Faso, all shipments with gold spot prices lower or equal to $1,000 per ounce are subject to a royalty rate of 3%, a 4% rate is applied to all shipments with gold spot prices between $1,000 and $1,300 per ounce, and a 5% royalty rate is applied to all shipments with a gold spot price greater than $1,300 per ounce. During the three months ended March 31, 2019, the Company was subject to royalty rates of 4% and 5%. For the three months ended March 31, 2019, government royalties amounting to $1.8 million (March 31, 2018: $2.7 million) were incurred with the Government of Burkina Faso.

14. Contingencies

Under the Burkina Faso 2015 mining code, the government introduced a levy of 1% of revenues to be contributed to the Mining fund for local development. The Company is governed under the 2003 Mining code that includes a fiscal stability clause and therefore should not be subjected to this tax. To date the Company has been issued an invoice for approximately $2.0 million for 2017, 2018 and 2019. The Company disputes this levy and ongoing negotiations are occurring with the government. The final outcome of this matter is not determinable at this time and no provision has been recorded as at December 31, 2018 and March 31, 2019. Any provision will be recognized by the Company once it is probable that an outflow of funds will occur.

The Company received from the Burkinabe tax authorities in December 2018 a tax assessment for the years 2015 and 2016 with a maximum exposure of $12.6 million (plus an additional $0.3 million in penalties). The assessment covers mainly three items: value added tax, withholding taxes on foreign mining-related suppliers, and corporate income taxes. The Company is vigorously defending its positions. The final outcome of this matter is not determinable at this time and no provision has been recorded as at December 31, 2018 and March 31, 2019. Any provision will be recognized by the Company once it is probable that an outflow of funds will occur.

15. Critical accounting estimates and judgements

The Company's critical accounting estimates and judgments are summarized in note 3 of its annual consolidated financial statements for the three months ended December 31, 2018 filed on SEDAR at www.sedar.com on March 26, 2019.

16. New Accounting Standards Issued and adopted by the Company

IFRS 16, Leases

On January 1, 2019, the Company adopted IFRS 16. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, which is the customer ("lessee") and the supplier ("lessor"). IFRS 16 replaces IAS 17, Leases, and related interpretations. All leases result in the lessee obtaining the right to use an asset at the start of the lease and, if lease payments are made over time, also obtaining financing. Accordingly, IFRS 16 will eliminate the classification of leases as either operating leases or finance leases as is required by IAS 17 and, instead, introduces a single lessee accounting model. Applying that model, a lessee is required to recognize:

I. The right of use assets and related lease liabilities for any lease with a term of more than 12 months, unless the underlying assets are of low value; and
II. Depreciation of the right of use assets separately from the interest related to the lease liabilities in the consolidated statement of income.

The Company adopted IFRS 16 using the simplified transition approach and, consequently, did not restate comparative figures for 2018. Practical expedients applied include the use of a single discount rate to a portfolio of leases with reasonably similar characteristics and the accounting for operating leases with a remaining lease term of less than 12 months as at January 1, 2019 as short-term leases.

On adoption of IFRS 16, the Company recognized lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17. As at December 31, 2018, the Company had operating lease commitments of $7,482,000 relating to mobile fleet contracts and office leases of which $4,227,000 would be considered debt obligations upon adoption of IFRS 16 on January 1, 2019. These leases were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of January 1, 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on January 1, 2019 was 6%.

Operating lease commitments as at December 31, 2018	7,482
Discounted using the incremental borrowing rate as at January 1, 2019	(762)
Less: Short term leases recognized on a straight-line basis as an expense	(706)
Less: Commitments not in effect as at January 1, 2019[40]	(1,787)
Lease liabilities on initial application of IFRS 16	4,227
Add: Finance lease liabilities as at December 31, 2018	9,931
Lease liabilities as at January 1, 2019	**14,158**

The associated right-of-use assets were measured at the amount equal to the lease liability as at January 1, 2019. The right-of-use assets recognized upon adoption of IFRS 16 are recognized in property, plant and equipment and are disclosed in furniture, mining vehicles, and computer equipment within note 6.

Segment assets and segment liabilities at March 31, 2019 increased as a result of the change in accounting policy. Mining operations, Burkina Faso segment increased assets and liabilities by $2,257,000 and Corporate segment increased assets and liabilities by $330,000.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

As a result of the adoption of IFRS 16, the accounting policy for leases applied starting from January 1, 2019 as follows:

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

I. the contract involves the use of an identified asset
II. the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
III. the Company has the right to direct the use of the asset.

[40] Represents lease contracts entered into, but not recognized under IFRS 16 as the underlying asset is not yet available for use from the lessor.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

17. Non-IFRS financial performance measures

The Company provides some non-IFRS measures as supplementary information that management believes may be useful to investors to explain the Company's financial results.

A. Cash operating cost

''Cash operating cost'' and "total cash cost" are common financial performance measures in the gold mining industry but with no standard meaning under IFRS. Management believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance and ability to generate cash flow. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measure, along with sales, is a key indicator of a Company's ability to generate earnings and cash flow from its mining operations.

Cash operating cost and total cash cost figures are calculated in accordance with a standard developed by The Gold Institute, which was a worldwide association of suppliers of gold and gold products and included leading North American gold producers. The Gold Institute ceased operations in 2002, but the standard is the accepted standard of reporting cash cost of production in North-America. Adoption of the standard is voluntary, and the cost measures presented may not be comparable to other similarly titled measures of other companies. Other companies may calculate these measures differently. Cash operating cost per ounce produced and tonne processed are derived from mining operating costs such as mining, processing, mine site general and administrative expenses. Total cash cost represents mining operations expenses plus royalties and selling expenses divided by ounces sold.

The table below shows a reconciliation of cash operating cost per ounce produced and tonne processed as well as the total cash cost per ounce sold.

Per ounce produced	**Three months ended March 31 2019**	**Three months ended March 31 2018**
Gold ounces produced	**33,652**	40,452
(in thousands of dollars except per ounce)		
Mine operating expenses (excluding royalties)	**13,551**	15,388
Pre-production operating expenses	**1,886**	-
Selling expenses	**(82)**	(79)
Effects of inventory adjustments (doré)	**500**	121
Inventory NRV adjustment	**(117)**	-
Operating cost (ounces produced)	**15,738**	15,430
Cash operating cost (per ounce produced)	**468**	381

Per tonne processed	Three months ended March 31 2019	Three months ended March 31 2018
Tonnes of ore processed	**106,816**	71,576
(in thousands of dollars except per ounce)		
Mine operating expenses (excluding royalties)	**13,551**	15,388
Pre-production operating expenses	**1,886**	-
Selling expenses	**(82)**	(79)
Effects of inventory adjustments (doré)	**500**	121
Inventory NRV adjustment	**(117)**	-
Operating cost (tonnes processed)	**15,738**	15,430
Cash operating cost (per tonne processed)	**147**	216

B. Site all-in sustaining costs and All-in sustaining cost

In June 2013, the World Gold Council, a non-regulatory association of the world's leading gold mining companies established to promote the use of gold to industry, consumers and investors, provided guidance for the calculation of the measure "Site all-in sustaining cost per ounce" and "All-in sustaining cost per gold ounce", which have no standard meaning under IFRS. These standards became effective January 1, 2014. Management believes that the all-in sustaining cost per gold ounce measure provides additional insight into the costs of producing gold by capturing all the expenditures required for the discovery, development and sustaining of gold production and allows the Company to assess its ability to support capital expenditures to sustain future production from the generation of operating cash flows. Additionally, management also finds it beneficial to the readers to disclose site all-in sustaining costs per ounce which is calculated by removing sustaining and other in-country cost and corporate general and administrative expenses from the all-in sustaining cost per ounce metric. Management believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance. However, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS and is not necessarily indicative of cash flow from operations under IFRS or operating costs presented under IFRS. It should also be noted that the adoption of the standard is voluntary, and the cost measures presented may not be comparable to other similarly titled measures of other companies. Other companies may calculate these measures differently.

Consistent with guidance announced in 2013 by the World Gold Council, Roxgold defines all-in sustaining cost per ounce as the sum of total cash cost, underground development that is sustaining in nature, corporate general and administrative costs, in country and corporate social responsibility expenditures related to current operations, and reclamation liability accretion, all divided by the total gold ounces produced to arrive at a per ounce figure.

As this measure intends to represent the cost of selling gold from current operations, it does not include capital expenditures attributable to development projects or mine expansions including economic evaluation for such projects, non-cash share-based payments, exploration expenses that are not sustainable in nature, income tax payments, working capital defined as current assets less current liabilities (except for inventory adjustments) or interest costs.

The table below shows a reconciliation of site all-in sustaining costs per ounce sold and all-in sustaining cost per ounce to costs as extracted from the consolidated financial statements:

Per ounce sold	Three months ended March 31 2019	Three months ended March 31 2018
Gold ounces sold[41]	**32,798**	40,050
(in thousands of dollars except per ounce)		
Mine operating expenses (excluding royalties)	**13,551**	15,388
Pre-production operating expenses	**1,886**	-
Royalties	**1,834**	2,662
Pre-production royalties	**142**	-
Inventory NRV adjustment	**(117)**	-
Total Cash Cost	**17,296**	18,050
Total cash cost per ounce sold	**527**	451
Investment in underground development		
For period over the next 18 months	**5,919**	6,573
For period beyond 18 months	**-**	-
Inventory NRV adjustment	**117**	-
Site all-in sustaining cost	**23,332**	24,623
Site all-in sustaining cost per ounce sold	**711**	615
Sustaining and other in-country costs	**628**	388
Corporate and G&A expenses	**1,452**	1,350
All-in sustaining cost	**25,412**	26,361
All-in sustaining cost per ounce sold	**775**	658

C. Cash flow from mining operations

The following table sets forth a reconciliation of cash flow from mining operations, a non-IFRS measure which the Company believes to be relevant to assess the Company's ability to generate cash flow from operations.

(in thousands of dollars)	Three months ended March 31 2019	Three months ended March 31 2018
Cash flow from operating activities excluding changes in non-cash working capital items	**19,585**	26,494
Exploration and evaluation expenditures	**3,181**	3,665
Settlement of hedging contracts	**647**	713
Cash flow from mining operations	**23,413**	30,872

[41] For the period ended March 31, 2019, gold ounces sold includes pre-commercial production ounces sold of 2,305 ounces.

D. Cash flow per share

The following table sets forth the calculation of the cash flow per share, a non-IFRS measure which the Company believes to be relevant to assess the Company's ability to generate cash flow from operations.

(in thousands of dollars except share and per share amounts)	Three months ended March 31 2019	Three months ended March 31 2018
Cash flow from mining operations	**23,413**	30,872
Weighted average number of common shares outstanding - basic	**374,117,439**	372,852,429
Cash flow per share	**0.06**	0.08
Cash flow per share in Canadian dollars[42]	**0.08**	0.11

E. Adjusted net income

The following table sets forth a reconciliation of adjusted net income, a non-IFRS measure which the Company believes to be relevant to assess the Company's profitability.

(in thousands of dollars)	Three months ended March 31 2019	Three months ended March 31 2018
Net income	**1,929**	13,923
Change in fair value of derivative financial instruments	**634**	1,024
Foreign exchange loss (gain)	**636**	(1,237)
Bagassi South pre-production revenue net of expenses	**849**	-
Adjusted net income	**4,048**	13,710

F. Adjusted earnings per share

The following table sets forth the calculation of the adjusted earnings per share, a non-IFRS measure which the Company believes to be relevant to assess the Company's profitability.

(in thousands of dollars except share and per share amounts)	Three months ended March 31 2019	Three months ended March 31 2018
Adjusted net income	**4,048**	13,710
Weighted average number of common shares outstanding - basic	**374,117,439**	372,852,429
Adjusted earnings per share	**0.01**	0.04
Adjusted earnings per share in Canadian dollars[42]	**0.02**	0.05

[42] Translated at average closing rates of USD/CAD rate of 1.3295 and 1.2647, respectively.

G. Return on Equity

The following table calculates the rolling twelve-month net income to calculate return on equity, a non-IFRS measure which the Company believes to be relevant to assess the Company's operating profitability.

	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Twelve months ended March 31 2019
(thousands of dollars)					
Net income	1,929	4,745	6,599	10,838	**24,111**
Change in fair value of derivatives	634	2,816	(2,570)	(2,991)	**(2,111)**
Foreign exchange gain	636	1,914	1,180	1,156	**4,886**
Bagassi South pre-production revenue net expenses	849	313	-	-	**1,162**
Adjusted net income	4,048	9,788	5,209	9,003	**28,048**
Shareholders equity	175,140	175,598	169,907	162,469	**170,779**[43]
Return on equity percentage					**16%**

	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Twelve months ended March 31 2018
(thousands of dollars)					
Net income	13,923	6,758	6,936	5,717	**33,334**
Change in fair value of derivatives	1,024	1,300	2,210	(485)	**4,049**
Foreign exchange gain	(1,237)	(474)	(538)	(710)	**(2,959)**
Net impact of contract liability and costs	-	-	673	710	**1,383**
Reverse the impact of net contract liability in prior periods	-	(673)	(710)	-	**(1,383)**
Adjusted net income	13,710	6,911	8,571	5,232	**34,424**
Shareholders equity	152,113	137,170	133,185	124,273	**136,685**[43]
Return on equity percentage					**25%**

H. Earnings before interest, taxes, depreciation and amortization ("EBITDA")

The following table sets forth the calculation of EBITDA, a non-IFRS measure which the Company believes to be relevant to assess the Company's operating performance.

	Three months ended March 31 2019	Three months ended March 31 2018
(in thousands of dollars)		
Net income	**1,929**	13,923
Interest expense	**820**	1,074
Income tax expense	**1,387**	3,974
Depreciation	**12,020**	9,850
EBITDA	**16,156**	28,821

18. Share capital information

The Company's authorized share capital is unlimited common shares without par value. As of May 14, 2019, there are 369,904,295 common shares outstanding. In addition, there are 21,180,528 common shares issuable on the exercise of 7,571,945 options, 6,087,015 RSUs, 2,967,332 PSUs and, 4,554,236 DSUs with dilutive impact.

[43] Average shareholders' equity for the rolling twelve-month period calculated as the average of each quarter.

19. Summary of quarterly results[44]

The following information is derived from and should be read in conjunction with the unaudited condensed interim consolidated financial statements for each of the past eight quarters. All amounts are stated in thousands of US dollars except for the income or earnings per share amounts.

	Q1 2019 $	Q4 2018 $	Q3 2018 $	Q2 2018 $	Q1 2018 $	Q4 2017 $	Q3 2017 $	Q2 2017 $
Financial results ($ thousands)								
Revenue	39,823	31,956	37,890	45,787	53,226	45,455	36,279	34,703
Mine Operating profit	12,636	9,116	13,878	20,596	25,544	19,316	15,446	12,577
Operating profit	6,775	8,234	8,473	14,054	19,684	13,999	9,554	7,037
EBITDA[45]	16,156	13,447	16,932	23,160	28,821	22,397	14,308	14,986
Net profit	1,929	4,745	6,599	10,838	13,923	6,758	6,936	5,717
Net profit attributable to shareholders	962	4,092	5,893	9,732	12,183	6,064	5,594	4,767
Income per share - basic	0.00	0.01	0.02	0.03	0.03	0.02	0.02	0.02
Income per share - diluted	0.00	0.01	0.02	0.02	0.03	0.02	0.02	0.02
Adjusted net income[45]	4,048	9,475	5,209	9,003	13,710	7,584	9,281	4,522
Adjusted EPS[45]	0.01	0.03	0.01	0.02	0.04	0.02	0.03	0.01
Cash flow from mining[45] operations[45]	23,413	13,690	18,593	25,669	30,872	22,035	18,099	19,423
Cash flow per share[45]	0.06	0.04	0.05	0.07	0.08	0.06	0.05	0.05
Operational results								
Ore mined (tonnes)	98,140	88,277	87,975	86,831	88,607	108,094	76,480	66,044
Ore processed (tonnes)	106,816	82,241	78,357	75,417	71,576	70,815	66,670	65,159
Head grade (g/t)	10.0	10.8	12.3	14.4	16.8	17.6	13.6	12.8
Recovery (%)	98.3	98.2	98.5	98.8	99.0	99.1	98.6	99.0
Gold ounce produced (oz)	33,652	25,844	30,532	35,828	40,452	35,016	28,410	27,970
Gold ounce sold (oz)[46]	32,798	26,260	31,400	35,320	40,050	34,876	27,912	28,788
Financial results per unit[45]								
Average realized selling price (oz)	1,307	1,229	1,207	1,296	1,329	1,270	1,286	1,254
Cash operating cost (tonne)	147	156	177	201	216	206	190	214
Cash operating cost (oz)	468	432	454	424	381	417	445	498
Total cash cost (oz)	527	490	499	483	451	488	522	545
Site all-in sustaining cost (oz)	711	740	734	672	615	554	779	829
All-in sustaining cost (oz)	775	836	788	718	658	609	833	873

20. Risk factors

Roxgold is subject to several risks and uncertainties which could have a material adverse impact on its operations, its financial condition and the trading price of its shares. For a comprehensive discussion on the risks and uncertainties the reader is directed to the Company's latest AIF filed on SEDAR at www.sedar.com on March 26, 2019. Careful attention should also be paid to the section in this MD&A entitled "Cautionary Note Regarding Forward Looking Statements".

The AIF, which is filed and viewable on www.sedar.com is available on the Company's website at www.roxgold.com hereby incorporated by reference into this MD&A The following discussion summarizes the principal risk factors that apply to our business and that may have a material adverse effect on our business, financial condition and results of operations, or the trading price of the Company's Common Shares.

[44] In accordance with the transition provision in IFRS 16, Leases, the comparatives for the 2018 reporting periods have not been restated.
[45] Financial results per unit are non-IFRS financial performance measures with no standard definition under IFRS. See "Non-IFRS financial performance measures" section of this MD&A.
[46] For the period ended March 31, 2019, gold ounces sold includes 2,305 ounces related to pre-commercial production.

21. Internal control over financial reporting and disclosure controls and procedures

Disclosure Controls and Procedures

The Company's management, with the participation of its Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), have evaluated the effectiveness of the Company's disclosure controls and procedures ("DC&P") as such term is defined under National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"). Based upon the results of that evaluation, the Company's CEO and CFO have concluded that, during the period ended March 31, 2019, the Company's DC&P were effective to provide reasonable assurance that the information required to be disclosed by the Company in reports it files is recorded, processed, summarized and reported, within the appropriate time periods and is accumulated and communicated to management, including the CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Internal Control Over Financial Reporting

The Company's management, with the participation of its CEO and CFO, is responsible for establishing and maintaining adequate internal control over financial reporting ("ICFR") as such term is defined under NI 52-109. Under the supervision of the CEO and CFO, the Company's ICFR has been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. During the period ended March 31, 2019, there have been no changes in the Company's DC&P or ICFR that materially affected, or are reasonably likely to materially affect, the Company's ICFR.

Limitations of Controls and Procedures

The Company's management, including the CEO and CFO, believe that any DC&P and ICFR, no matter how well designed, can have inherent limitations and may not prevent or detect all misstatements and fraud. Therefore, even those systems determined to be effective can provide only reasonable assurance that the objectives of the control system are met.

22. Approval

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee. This Committee meets quarterly with management and quarterly with the Company's independent auditors to review the scope and results of the annual audit and quarterly reviews, respectively, and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board of Directors and submitted to the shareholders. The Board of Directors has approved the Financial Statements and the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

23. Nature of securities

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

24. Qualified person

Iain Cox, FAusIMM, Interim Chief Operating Officer for Roxgold Inc., a Qualified Person within the meaning of National Instrument 43-101, has verified and approved the technical disclosure contained in this MD&A.

Paul Weedon, MAIG, VP Exploration for Roxgold Inc., a Qualified Person within the meaning of National Instrument 43-101, has verified and approved the technical disclosure contained in this MD&A. This includes the QA/QC, sampling, analytical and test data underlying this information. For more information on the Company's QA/QC and sampling procedures, please refer to the Company's Annual Information Form dated December 31, 2018, and available on SEDAR at www.sedar.com.

25. Additional information

Additional information related to the Company is available for viewing on SEDAR at www.sedar.com and at the Company's website at www.roxgold.com.