

Q-GOLD RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

**INTERIM REPORT FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014
DATED DECEMBER 1, 2014**

GENERAL

The following Annual Management's Discussion and Analysis ("MD&A") should be read in conjunction with the Consolidated Financial Statements for the nine months ended September 30, 2014 of Q-Gold Resources Ltd. ("Q-Gold", the "Company" or the "Corporation") and the notes thereto.

This MD&A was prepared in conformity with National Instrument 51-102F1 and has been approved by the Corporation's Board of Directors prior to release. Under this Instrument, the Corporation is defined as a "Venture Issuer".

The accompanying interim Financial Statements have been prepared by management and are in accordance with International Financial Report Standards ("IFRS"), see note 2 of the Financial Statements, and all amounts are expressed in Canadian dollars unless otherwise noted. Other information contained in this document has also been prepared by management and is consistent with the data contained in the Financial Statements.

The Company's certifying officers are responsible for ensuring that the Financial Statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company's officers certify that that the Financial Statements fairly present, in all material respects, the financial condition, result of operations and cash flows, of the Company as the date hereof.

OVERALL PERFORMANCE

During the Third Quarter of 2014, the mining industry in general and mining stocks remained at depressed levels. Funding for junior Canadian mining companies therefore continued to be difficult to obtain. Q-Gold continued to focus on exploring joint venture opportunities and conducting property maintenance on its two historic North American gold and silver mining camps, where it has extensive land holdings in both, Ontario and Arizona.

In view of the current slowdown in the mining industry, the Company is also evaluating other business opportunities.

Activity in the 3rd Quarter of 2014 was focused at Crown King in the prolific Central Arizona Volcanic Belt, which contains an extensive array of volcanogenic massive sulfide (VMS) gold, silver and copper prospects have been developed as the result of recent air and ground geophysical surveys by the Company. A "holding action" was maintained on the Company's 10,000+ acres of contiguous land holdings in the historic (1890-1900) mining camp of Mine Centre. During the

Quarter, several third party proposals were received and evaluated to reactivate the Company's ore processing facilities at the former Nipigon Gold mill site, purchased by the Company in 2006.

Both of these two camps were significant producers of gold (and silver at Crown King) during the 19th Century, yet have only incurred minor exploration and production since. Currently all of the above properties are only in the exploration stage, although the Company hopes to establish sufficient precious metals values through comprehensive exploration programs planned in both Arizona and Ontario to move the properties into the pre-feasibility stage. The ultimate goal is the commencement of the development and production of gold and silver in these two politically secure, camps within friendly mining jurisdictions of Arizona and Ontario.

Crown King, Arizona Properties

The Company holds an approved drill permit from the U.S. Forest Service ("USFS") for the Company's extensive "A" geophysical anomaly on its "Green Mohave 2" mining claim. Plans to initiate drilling activities in the 3rd Quarter of 2014 were hampered by damage to the road system in the Peck Mining District by heavy spring and summer monsoon rains. As a result, the Company applied for and received a six-month extension of its "A" anomaly drill permit from the U.S. Forest Service until August 2015. Drilling plans have been therefore been deferred until 2015.

Crown King, located in the southern Bradshaw Mountains of Yavapai County, was Arizona's most important gold and silver mining camp from 1870 to 1903. Over 2,000 mines covered the 40 mile extent of the Bradshaws, culminating in the construction of a narrow-gauge railroad from the desert floor to the mountain village of Crown King to haul out the ore. Over 5 million ounces of "bullion" (gold and silver) were extracted under primitive mining methods.

Beginning in 2008, Q-Gold has accumulated an important position in the Peck Mining District, near Crown King, which is famous for its extremely high-grade silver production. Here, the Company has 13 prospective U.S. Department of the Interior, Bureau of Land Management ("BLM") mining claims.

The "A" prospect is located in the extensive Central Arizona Volcanic Belt, a thick volcanogenic massive sulfide (VMS) zone created by Pre-Cambrian undersea volcanos in an "island arc" environment, extending over a distance of 80 miles from just north of Phoenix to Bagdad in the northwest of the State. Twenty-nine historic gold, silver, copper, lead and zinc mines are located in the Belt. Crown King was one of the most prolific historic gold and silver producers within the zone from 1870-1903.

This highly conductive anomaly was initially revealed over a 700 metre surface strike length by a GEOTECH airborne (helicopter) VTEM geophysical survey completed for Q-Gold in mid-2011. The anomaly was further confirmed and delineated as a "tabular body" to at least 1,000 metres, the first 400 of which revealed extremely high conductivity, from a hybrid, controlled-source magneto-tellurics (CSAMT) ground survey of the most conductive VTEM flight lines completed in late 2012.

The “A” anomaly is located on a virtually unexplored ridge in a series formed by compression, over-turning and block-faulting of the underlying volcanic meta-sediments. The two adjoining ridges to the southwest contain prolific historic silver mines, both hosting extremely high-grade silver deposits enriched by supergene fluids. These mines were exploited at the end of the 19th Century, when silver prices were 90 cents per ounce.

Mine Centre, Ontario Properties

At Mine Centre, the Company has concentrated its efforts over the past few years on delineation drilling of the known gold zones in the historic Foley gold producing mine (5,267 ounces of gold production from 1898-1900) and the McKenzie Gray gold/ silver zone discovered in 2009, where 45 of the 47 holes drilled by Q-Gold encountered the mineralized zone.

When market finance conditions improve, additional delineation drilling at the Foley Mine and the McKenzie Gray will be implemented to further delineate the extent of these sizable gold and silver deposits.

As no ore milling facilities exist in the burgeoning Kenora Mining District, in which Mine Centre occupies a central location, with the nearest ore processing facility over 450 km away, the Company is evaluating various proposals to rehabilitate its Nipigon milling facility. The small mill, last operational in the early 1990’s, if restored, would provide basic ore processing for not only Q-Gold’s extensive network of gold veins at Mine Centre, but also an outlet for bulk samples from the many “small miner” gold deposits in the District, which remain undeveloped for a lack of ore processing capacity in the area.

The Company believes that it can continue to create shareholder value through continued successful exploration of its historic gold mines and attractive precious metals prospects contained in its 10,000+ acres of contiguous exploratory properties at Mine Centre, located in the fast growing Kenora Mining District between the large Rainy River and Hammond Reef gold deposits. Along with 5 historic gold mines, over 100 gold-bearing surface quartz veins have been already identified in this classic high-grade, Archean lode gold system, where gold surface production facilities were destroyed by fire in 1900.

RESULTS OF OPERATIONS

As the Company is currently a mineral exploration company, it did not have any revenues or profits from operations during 2014, or as of the date of this MD&A.

Results from exploration activities, coupled with the price of gold and silver and the availability of exploration financing from Canadian sources, will materially affect any future development plans for the Company’s properties. Although the prices of gold and silver are presently at attractive levels, they are subject to severe fluctuations as a result of world events and economic conditions, which are obviously beyond the Company’s control.

The primary operational activities for the Company during the first nine months of 2014 consisted of geologic investigations and property maintenance programs on the Crown King and Mine Centre Properties (see Overall Performance section, above). In addition, the Company reviewed other business opportunities during the third quarter that were available to it, none of which came to fruition. The Company's expenditures related to the evaluation of these opportunities were insignificant. The Company incurred expenditures totaling \$37,350 (2013 – \$ 53,899) on its Arizona Properties and \$30,816 (2013 - \$9,540) on its Mine Centre Properties.

SUMMARY OF QUARTERLY RESULTS

The following table shows financial results from the Company's eight most recently completed quarters:

	2014				2013			2012
	3 rd Qtr.	2 nd Qtr.	1 st Qtr.	4 th Qtr.	3 rd Qtr.	2 nd Qtr.	1 st Qtr.	4 th Qtr.
Revenue	Nil	Nil	Nil	4	Nil	Nil	Nil	24,915
Income (Loss) from operations	(87,068)	(72,801)	(56,162)	(101,894)	(55,682)	(68,837)	(136,006)	(273,328)
Income (Loss) per Share	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	(0.03)
Income (Loss) per diluted share	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)
Net Income (Loss) before Taxes	(87,004)	(36,255)	(43,407)	(146,367)	(38,572)	(75,032)	(91,841)	(597,149)
Net Income (Loss) per Share	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	(0.06)
Net Income (Loss) per diluted share	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.03)

The Company's reported losses over the last eight Quarters have fluctuated as the Company has been unable to consistently raise funds for exploring its properties during a time of severely depressed markets for financing mineral exploration projects. The increased losses reported in the Third Quarter versus the First and Second Quarters of 2014 resulted from the Company's completion of a financing in September, which allowed for an increase in exploration expenditures on its properties.

FINANCIAL CONDITION

Losses for the nine months ending September 30, 2014 (prior to extraordinary items) totaled \$216,031 (\$0.01 per share), which were less than losses of \$260,525 (0.04 per share) for the same period in 2013, during which time the Company's exploration activities on its properties were more active because of the Company's stronger cash position in 2013.

All exploration costs are expensed and charged against earnings until economically recoverable reserves are established. Until Q-Gold can establish economically recoverable reserves and initiate mineral production on its properties, the outlook for both cash flow and profit will be

negative. In the near-term, the Corporation anticipates being able to fund much of its current exploration activities, as well as general corporate activities, from equity financings and joint ventures, for which it is actively seeking partners.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2014, the Corporation had a working capital deficit of \$400,519 (December 31, 2013 - \$622,373). The Company's monthly overhead is approximately \$16,430 (September 30, 2013 - \$21,898). The 2014 costs of maintaining the Arizona Properties and the Mine Centre Properties in good standing are \$2,015 and Nil, respectively.

The Company is hopeful that the outlook for precious metals prices will improve as will the Company's ability to raise the necessary capital to maintain and continue exploration on its principal properties as well as for general and administrative purposes during 2014. However, the Company recognizes that external factors, which it cannot control such as financial market instability and commodity prices, can adversely affect its ability to raise the necessary capital to maintain ongoing operations.

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not have any off-balance sheet arrangements as of September 30, 2014 and as of the date of this MD&A.

ADDITIONAL DISCLOSURES

For the nine months ending September 30, 2014, the Corporation incurred expenses on its mineral properties totaling \$68,166 (2013 - \$ 63,439). General and Administrative Expenditures for the period totaled \$147,871 (2013 - \$197,086).

INTERNATIONAL FINANCIAL REPORTING STANDARDS

In February 2008, the Accounting Standards Board confirmed the International Financial Reporting Standards will replace Canadian GAAP in 2011 for publicly accountable enterprises. Accordingly, Q-Gold adopted International Financial Reporting Standards ("IFRS") for its financial periods beginning on and after January 1, 2011, with a transition date of January 1, 2010.

The Company's IFRS conversion plan was comprehensive and addressed matters including changes in accounting policies, restatement of comparative periods, organizational and internal controls and any required changes to business processes. Through in-depth training and the preparation of reconciliations of historical Canadian GAAP financial statements to IFRS, the Company believes that it has obtained a thorough understanding of IFRS.

OUTSTANDING SHARE DATA

The Company's authorized capital consists of an unlimited number of common shares ("Common Shares") and an unlimited number of first and second preferred shares ("Preferred Shares"). On September 24, 2014, the Common Shares were consolidated on a basis of one new share for every 2 old shares. As of the date of this MD&A, Common Shares totaling 14,673,119 were issued and outstanding and 22,763,516 on a fully-diluted basis. No Preferred Shares were issued as of the date of this MD&A.

As of the date of this MD&A, the Company has 31,875 stock options outstanding to Directors, Officers, Employees and Consultants of the Company with exercise prices ranging from \$3.84 to \$5.94 per share, and expiration dates ranging from June 2, 2015 to April 27, 2016. As of the date of this MD&A, there are purchase warrants and Agent's Options outstanding, as a result of completed financings, allowing for the purchase of an additional 8,058,522 common shares of the Company, with exercise prices ranging from \$0.10 to \$0.21 and expiration dates from November 30, 2014 to January 25, 2016.

RELATED PARTY TRANSACTIONS

Pursuant to consulting contracts that were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, the Company paid fees to its Chief Executive Officer of \$ 19,025 (2013 - \$49,871) and \$ 29,708 (2013 – \$ 49,871) to its Chief Financial Officer.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments are comprised of cash, accounts receivable, marketable securities, accounts payable and accrued liabilities, promissory notes payable and long-term debt, see Note 2 to the Financial Statements. In that the Company's expenditures occur in both Canadian and U.S. Dollars, and that it obtains capital predominantly in Canadian Dollars, the Company is exposed to some currency risk. However, the Company believes this risk to be minimal and therefore, the Company is not exposed to any significant price, credit or liquidity risk.

FORWARD LOOKING STATEMENTS

Certain statements contained in the MD&A constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from actual future results and achievements expressed or implied by such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made.

ADDITIONAL INFORMATION

Additional Information on Q-Gold, including Quarterly and Annual Financial Statements, an Annual Information Form, an Information Circular and the NI 43-101 Qualifying Report on the Company's Mine Centre Properties are all available on SEDAR at www.sedar.com