

Management Discussion and Analysis

2008



Third Quarter

September 30, 2008

THREEGOLD Resources Inc.

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TSX-V: THG

Management's Discussion and Analysis

This management's discussion and analysis ('MD&A') should be read in conjunction with Threegold Resources' September 30, 2008 quarterly financial statements (unaudited). The Company's interim financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The Company presents its results in Canadian (CDN) dollars. All amounts in this MD&A are in Canadian dollars unless otherwise indicated.

Date

This MD&A was produced as of November 25, 2008.

Description of the Business

Threegold Resources Inc. (the Company) was incorporated under Part1A of the Quebec Companies Act on March 19, 2002 and began its operations in December of 2003. The Company currently focuses on the acquisition and exploration of properties showing a strong potential for mineralization, primarily gold or base metals, with a view toward developing mineral occurrences and leading to the discovery of an economic mineral deposit.

In the course of 2005, the Company initiated the process to list its common shares on the TSX Venture Exchange. This operation was completed with success in June 2006 following the completion of a private placement. The Company's common shares are now trading on the TSX Venture Exchange under the symbol "THG".

Overview

Since the listing of the Company's shares in June 2006 on the TSX Venture Exchange, management has focused on advancing exploration on various projects, mainly located in the Abitibi region and Gaspesia region. In fact, exploration work commenced on the Vital and Gasse-Lemieux Properties for the discovery of copper mineralization, on Adanac for gold, on Frotet -Robert for copper, zinc and precious metals, and Mercier for copper mineralization in the Abitibi region. Fieldwork will help to advance future exploration by way of systematic geological, geophysical and geochemical surveys.

2006

On July 5, 2006 Dianor Resources Inc. (Dianor) distributed 5,943,876 shares of the Company to its shareholders. Each Dianor's shareholder, listed at the closing of records on July 5, 2006, received one common share of the Company for every 21 shares of Dianor. Following the distribution of shares, Dianor's shareholders held a total of 61,7% of the Company's 9,636,058 common shares issued and outstanding. Dianor held 1,796,134 shares of the Company or 18,6% outstanding shares and 19,7% were purchased by private investors. This transaction had no impact on the financial position of the Company since it was only a change in the control of the Company. After the completion of a private placement of 1,714 units and by issuing 8,570,000 common shares on December 28, 2006, totalling \$2,999,500, the percentage of common shares held by Dianor was then reduced to 9.1%.

2007

On June 6, 2007, the Company announced that it had completed a private placement and issued 1,000,000 units. Each unit consisted of one common share and one full warrant. Each warrant entitled the holder to purchase an additional common share of the Company for a period of twelve months.

On September 13, 2007, the Company completed a \$594,785 private flow-through financing by issuing 1,699,642 shares.

On September 28, 2007, the Company converted its debt owed to Dianor by issuing 878,237 common shares and 1,363,253 common shares, therefore cancelling the 613,464 preferred shares Series A held by Dianor.

On December 27, 2007, the Company completed a financing composed of A and B Units comprising 5,512,750 flow-through shares and common shares and issued 300,000 common shares warrants, which entitled the holder to purchase an additional common share of the Company for a period of twelve months.

As at December 31, 2007, the total shares issued and outstanding of the Company was 29,388,511, including 100,000 shares to be issued. Dianor then held 4,037,624 common shares of the Company and the percentage held increased to 13.74% of the outstanding shares.

2008

Third quarter

On July 11, 2008, the Company has closed a private placement by issuing an aggregate of 648,000 units at a price of \$0.25 per unit, for gross proceeds of \$162,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share of Threegold at a price of \$0.35 per share for a period of twelve months, and at a price of \$0.45 for a period of twelve months thereafter.

On July 25, 2008, the Company issued in advance 100,000 common shares at a price of \$0.19 per unit to Mr. Vital Arseneault in virtue of the option agreement signed November 21, 2005 for the acquisition of a 100% interest in the Vital property. The Company will ask for the claim transfer since the issuance of 100,000 common shares was the final condition of the option agreement and the required work exploration (\$300,000) was conducted (\$1,639,890). The mining titles to be transferred upon the signature of the option agreement have been on July 2007.

On September 30, 2008, the Company's outstanding common shares totalled 30,536,511, from which Dianor held 4,037,624 common shares or 13.22%.

Exploration Work - Summary

Third quarter

During the third quarter of 2008, the Company conducted work exploration based on the drill program previously planned on the Vital, Gasse-Lemieux, Cascapedia and Mont-de-l'Aigle projects, all located in the Gaspesia region. Core logging and sampling were conducted on the Mercier project and a geological modelling for the Adanac project, located in the Abitibi region, was obtained. The company's exploration team, backed by experienced consultants and employees, conducted exploration work and data compilation.

Acquisition of Mining Properties

In 2006, accounting methods for mining titles was modified. For the current year, the renewal of mining titles for a property are accounted in the operating costs whereas the costs of acquisition of a mining title for a new property or to add titles to a property are calculated as property acquisition.

During the third quarter of 2008, the Company added no property to its portfolio and met its commitments regarding existing properties.

Adanac

During the third quarter, the Company acquired 51 mining titles and incurred \$714 during the period, for a total of \$1,989 since the beginning of 2008.

Gasse-Lemieux

During the third quarter, the Company paid \$250 for the issuance of common shares for a total of \$22,250 since the beginning of 2008. The 100,000 common shares to be issued on June 30, 2008 have been issued on July 14, 2008.

Vital

During the third quarter, the Company requested from the applicable securities regulators the permission to issue 100,000 common shares pursuant to the option agreement signed November 21, 2005. The closing stock price was \$0.19 at this date, representing \$19,000 for the third quarter, in addition to the share issuance, for a total of \$19,250 since the beginning of 2008.

Exploration Work

Third quarter of 2008

Dome Lemieux project

The Dome Lemieux project is located approximately fifty kilometres south-east of Sainte-Anne-des-Monts in Gaspesia, Quebec. This property is centered over a circular 10 kilometre diameter domed structure. The first exploration work updated known lead-zinc and copper-silver mineralization in numerous veins intersecting sedimentary rock. The Dome Lemieux project consists of four (4) different properties; two of them acquired by option; one under an option agreement to acquire a fifty percent (50%) interest; and one by claim staking.

During the third quarter, exploration work continued with diamond drilling on Vital, Gasse-Lemieux, Appalaches option (Mont-de-l'Aigle) and Cascapedia.

Gasse-Lemieux project

During the third quarter, diamond drilling consisted of 7 holes and totalled 1,911 metres of core. The exploration work aimed the extension of the intercepted areas in 2007. In addition, 210 surface samples were collected for infrared spectroscopy to identify and quantify alteration minerals present in various rock types and target mineralization based on assess regional alteration. The prospecting program undertaken during the summer season continued.

Vital project

During the third quarter, diamond drilling consisted of 13 holes and totalled 3,790 meters of core. The exploration work aimed the extension of the intercepted areas in 2007. In addition, 260 surface samples were collected for infrared spectroscopy to identify and quantify alteration minerals present in various rock types and target mineralization based on assess regional alteration. The prospecting program undertaken during the summer season continued.

Mont-de-l'Aigle project

During the third quarter, diamond drilling consisted of 11 holes and totalled 3,347 meters of core. Approximately 375 samples were collected as part of the regional sampling for infrared spectroscopy to identify and quantify alteration minerals present in various rock types and target mineralization based on assess regional alteration.

Cascapedia project

During the third quarter, a reconnaissance exploration and 130 outcrop sampling for infrared spectroscopy were conducted in order to plan future exploration work.

Mercier project

During the third quarter, core logging and sampling were conducted on the property. Experts in petrology have helped resolve certain petrological issues with the project. Some 645 samples were sent for assay by ICP for a wide range of elements and metals.

Adanac project

During the third quarter, a geological modelling of a comprehensive database of all available exploration data was completed. A final report including maps, zones and recommendations is awaited shortly and will be used as a base for exploration work in 2009.

Property research

During the third quarter, a reconnaissance exploration program on a little-explored region was conducted at great cost. Localisation and targeting will be disclosed when a ground position is defined and whether the exploration work continued or not.

Summary of exploration expenses

Baie-James Project

During the third quarter, exploration work amounted to \$904 for a total of \$1,912 since the beginning of the year.

Mercier Project

During the third quarter, exploration work amounted to \$19,546 for a total of \$774,835 since the beginning of the year.

Adanac Project

During the third quarter of the current year, exploration work amounted to \$18,606 for a total of \$44,518 since the beginning of the year.

Gasse-Lemieux Property (Lemieux Dome Project)

During the third quarter, exploration work amounted to \$349,475 for a total of \$301,640 since the beginning of the year.

Frotet- Robert Project

During the third quarter, no exploration work was conducted. The total amount spent since the beginning of the year is \$3,668.

Vital property (Lemieux Dome Project)

During the third quarter, exploration work amounted to \$574,866 for a total of \$808,907 since the beginning of the year.

Cascapedia (Lemieux Dome Project)

During the third quarter, exploration work amounted to \$34,235 for a total of \$47,266 since the beginning of the year.

Mont-de-l'Aigle Option (Lemieux Dome Project)

During the third quarter, exploration work amounted to \$597,574 for a total of \$635,210 since the beginning of the year.

Hush Hush

During the third quarter, no exploration work was conducted. The total amount spent since the beginning of the year is \$180.

Property research

During the third quarter, exploration work amounted to \$219,317 for a total of \$231,165 since the beginning of the year.

Results of Operation

During the three months period ended September 30, 2008, the Company recorded a net loss of \$308,855 (\$0.01 per share), comparatively with a net loss of \$139,982 (\$0.006 per share) for the same period in 2007. The variation in the net loss is due mainly to the increase of travel expenses for \$27,592 (\$5,718 in 2007), of salaries and fringe benefits for \$36,354 (\$12,459 in 2007), of administrative fees for \$23,637 (\$18,537 in 2007), of stock-based compensation for \$137,774 (\$37,379 in 2007) and of Part XII,6 taxes for \$10,418 (\$0 in 2007), and to the decrease of interest revenues for \$10,400 (\$22,656 in 2007), of professional fees for \$27,827 (\$39,445 in 2007), and of registration and information to shareholders for \$22,242 (\$28,248 in 2007).

In 2008, the Company will be invoiced monthly for administrative expenses for \$11,000 by a related company which mainly covers salaries absorbed by the latter for a related work in the two companies. The other administrative expenses are cyclic and vary according to the events, which are not necessarily predictable.

Selected Financial Information

Years	2008			2007			2006	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Period								
Income \$ thousands	10	16	34	17	23	23	23	-
Loss from continuing operations	(309)	(214)	(171)	(318)	(140)	(150)	(95)	85
Income (loss) from discontinued operations	-	-	-	-	-	-	-	-
Net loss	(309)	(214)	(171)	(318)	(140)	(150)	(95)	85
Basic and diluted net loss per share from continuing operations	(0.009)	(0.006)	(0.005)	(0.01)	(0.005)	(0.007)	(0.005)	0.004
Basic and diluted net income (Net loss) per share from discontinued operation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Cash Flow and Sources of Financing

For the period ended September 30, 2008, the total of its liquidity was \$694,636 compared to \$4,098,238 for the period ending on December 31, 2007. The variation in the cash flow is due mainly to investments activities, which \$2,838,665 for deferred exploration expenses and to the decrease of the accounts payable for \$419,824.

Shortly, the Company will have to raise additional funds to pay the current exploration expenditures and keep or accelerate the exploration work rhythm.

Liquidity Situation

	September 30 2008	December 31 2007
Cash	\$ 325,591	\$ 940,201
Cash reserved for exploration	-	2,653,609
Short term investment	369,045	504,428
Total	694,636	4,098,238

Subsequent Events

In addition to pursuing the evaluation of new properties that are being proposed, the Company expects to undertake exploration work programs on its four major properties located in the Gaspesia region as well as Mercier, Adanac and James Bay properties located in the north of Quebec, which exploration work is estimated to approximately \$2,8 million in 2008

Off-balance Sheet Arrangement

None

Accounting Estimates and Policies

The following are the critical accounting policies as well as ones that require the most judgment and estimates in the preparation of the Company's financial statements:

Mining Properties and Deferred Exploration Expenditures

Mining properties are recorded at cost. Exploration and development expenditures, net of related government assistance, are deferred. When a decision is made to bring an ore body into production, the costs related to the ore body, recorded under mining properties and deferred exploration expenditures, are transferred to fixed assets. They will then be amortized based on the units of production for the year and proven and probable ore reserves. When a project is abandoned, the related costs are charged against earnings. These assets are revaluated for impairment when no more work is planned for the foreseeable future or if no work has been carried out for a period of more than three years.

Stock-based Compensation

The fair value of stock options granted during the year was calculated using the Black-Scholes option pricing model. The resulting value of \$137,774 (\$37,376 in 2007) was accounted for as compensation, in addition to an increase in deferred exploration expenses for \$4,862 (\$0 in 2007) for the period ended September 30, 2008 and a total of \$209,070 (\$84,452 in 2007) and \$4,862 (\$0 in 2007) respectively since the beginning of the year, with a corresponding credit to contributed surplus.

Financial Instruments and Other Instruments

The Company has determined the fair appraised value of its financial instruments. These estimates require use of judgement and may not represent the sums the Company could currently obtain on markets. Use of different hypothesis or methods may impact significantly the fair appraised value. The short term financial assets and liabilities included in the balance sheet are expressed in their book value and represent a reasonable estimate of their fair value, taking in consideration their proximal expiry date.

The Company is not exposed to the risk of currency fluctuations as it does no trade abroad. It is also not influenced by credit risk by not conducting sales; it strictly generates exploration and administrative expenditures. The Company is not influenced by interest rates because it has no long-term debt.

Related Party Transactions

During the nine month period, the Company incurred professional fees (six months) with a law firm, Heenan Blaikie S.E.N.C.R.L., SRL, where one employee, Mr. Kosta Kostic, was also a Director of the Company for a period. Also, the Company has paid office rental and administrative fees with a shareholder, Ressources Dianor Inc. The Company concluded transactions with a company, Nievex Geoconseil Inc., controlled by the president of the Company, Mr Antoine Fournier, for geology services.

These transactions took place under the normal course of business and are measured at the exchange amount, which is the amount of consideration established by the related parties. See the accompanying notes to Interim Financial Statements for details.

Changes in accounting policies

Financial instruments

During the year, the Company adopted the following recommendations of the Canadian Institute of Chartered Accountants:

- a) Section 3855, *Financial Instruments – Recognition and Measurement*. This Section describes the standards for recognizing and measuring financial instruments in the balance sheet and the standards for reporting gains and losses in the financial statements. Under the new standard, financial assets and liabilities are initially recorded at fair value. Subsequently, financial instruments classified as financial assets or liabilities held for trading, financial assets available-for-sale and derivative financial instruments, part of a hedging relationship or not, have to be measured at fair value on the balance sheet at each reporting date, whereas other financial instruments are measured at amortized cost using the effective interest method.

- b) Section 1530, *Comprehensive Income*. This Section describes reporting and disclosure recommendations with respect to comprehensive income and its components. Comprehensive income is the change in Shareholders' equity, which results from transactions and other events and circumstances from non-shareholder sources. These transactions and events include unrealized gains and losses resulting from changes in fair value of investments classified as available-for-sale and from foreign currency translation of self-sustaining foreign subsidiaries.
- c) Section 3865, *Hedges*. These recommendations expand the guidelines outlined in Accounting Guideline 13 ("AcG-13"), *Hedging Relationships*. This Section describes when and how hedge accounting can be applied, as well as disclosure requirements. Hedge accounting enables the recording of gains, losses, revenue and expenses from the derivative financial instruments in the same period as for those related to the hedged item. The Company did not designate any of its financial instruments for accounting purposes as hedges.
- d) Section 3861, *Financial instruments – Disclosure and Presentation*. This Section establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them.
- e) Section 3251, *Equity*. This Section establishes standards for the presentation of equity and changes in equity during the reporting period.
- f) The Company has made the following classification:
- Cash, cash reserved for exploration and bankers acceptance are classified as financial assets held for trading and are measured at fair value. Gains and losses related to periodical revaluation are recorded in net income.
 - Accounts receivable are classified as loans and receivables and are initially measured at fair value and subsequently at amortized cost using the effective interest method.
 - Accounts payable and accrued liabilities are classified as other liabilities and are initially measured at fair value and subsequently at amortized cost using the effective interest method.

The Company selected January 1, 2005 as its transition date for embedded derivatives. An embedded derivatives is a component of a financial instrument or another contract of which the characteristics are similar to a derivative. This had no impact on the financial statements.

Future accounting changes

a) Financial instruments

In December 2006, the CICA issued Section 3862, *Financial Instruments – Disclosures* and Section 3863, *Financial Instruments - Presentation*. All two Sections will be applicable to financial statements relating to fiscal years beginning on or after October 1, 2007. Accordingly, the Company will adopt the new standards for its fiscal year beginning January 1, 2008. Section 3862 on financial instruments disclosures, requires the disclosure of information about: a) the significance of financial instruments for the entity's financial position and performance and b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the balance sheet date, and how the entity manages those risks. Section 3863 on the presentation of financial instruments is unchanged from the presentation requirements included in Section 3861.

b) Capital disclosures

In December 2006, the CICA issued Section 1535, «*Capital Disclosures*». This Section applies to fiscal years beginning on or after October 1, 2007.

Section 1535 on capital disclosures requires the disclosure of information about an entity's objectives, policies and processes for managing capital.

The Company presents the adoption of these new Sections on its financial statements.

c) Adoption of international financial reporting standards in Canada

In 2006, the Canadian Accounting Standards Board («AcSB») adopted its Strategic Plan, which includes the decision to move financial reporting for Canadian publicly accountable enterprises to the International Financial Reporting Standards («IFRSs»), as issued by the International Accounting Standards Board («IASB»). Under the AcSB's plan, this new framework will be effective for fiscal years beginning on or after January 1, 2011. Information regarding the enterprise's plan for convergence and the anticipated effects is to be disclosed prior to the adoption, with the first disclosure by the Company expected to be made in the financial statements for the year ending December 31, 2008.

Managements' Report on Internal Control over Financial Reporting

Management, including the President and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Multilateral Instrument 52-109 of the Canadian Securities Administrators) as of September 30, 2008.

Management has concluded that, as of September 30, 2008, the Company's disclosure controls and procedures were effective to provide reasonable assurance that material information relating to the Company would be made known to them by others within the Company, particularly during the period in which this report was being prepared.

Management is responsible for and has designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian GAAP. There were no changes in internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Business Risks

Risks and Uncertainties

The following discussion involves a number of risks that management believes could impact the Company's business.

Financial Risk

Additional funds may be required in the future to finance exploration and development work. The Company has access to funds through the issuance of additional equity and borrowing. There can be no assurance that such funding will be available to the Company. Furthermore, even if such a financing is successfully completed, there can be no assurance that it will be obtained on terms favourable to the Company or provide the Company with sufficient funds to meet its objectives, which could adversely affect the Company's business and financial condition.

Title to Properties

Although the Company has taken reasonable measures to ensure proper title to its properties, there is no guarantee that titles to any of its properties will not be challenged or impugned. Third parties may have valid claims underlying portions of the Company's interests.

Industry Conditions

Mineral resource exploration and development involves a high degree of risk that even a combination of careful assessment, experience and know-how cannot eliminate. While the discovery of a deposit may prove extremely lucrative, few properties that undergo prospecting ever generate a producing mine. Substantial sums may be required to establish ore reserves, develop metallurgical processes and build mining and processing facilities at a given site. There can be no assurance that the exploration and development programs planned by the Company will result in a profitable mining operation. The economic life of a mineral deposit depends on a number of factors, some of which relate to the particular characteristics of the deposit, particularly its size, grade and proximity to infrastructure, as well as the cyclical nature of metals prices and government regulations, including those regarding prices, royalties, production limits, importation and exportation of minerals, and environmental protection. The impact of such factors cannot be precisely assessed, but may prevent the Company from providing an adequate return on investment.

Government Regulation

The Company's activities must comply with the applicable legislation on exploration and development, environmental protection, obtaining of permits and authorization of mining operations in general. The Company believes that it is in compliance in all material respects with such laws. Changing government regulations may have an adverse effect on the Company's operations.

Outlook

Management will continue to manage its funds very rigorously, its primary objective being to optimize return on investment for its shareholders. Its development strategy is focused on the discovery of economically viable deposits that will generate profits from mining and ensure the Company's survival. In applying its development strategy, management will take into account the global exploration context, stock market trends and the prices of gold and other metals.

Forward Looking Statements

Certain statements in this document that are not supported by historical facts are forward-looking, which means that they are subject to risks, uncertainties and other factors that may result in actual results differing from those anticipated or implied by such forward-looking statements. There are many factors that may cause such a disparity, notably unstable metals prices, the impact of fluctuations in foreign exchange markets and interest rates, poor reserves estimates, environmental risks (more stringent regulations), unexpected geological situations, unfavourable mining conditions, political risks arising from mining in developing countries, changing regulations and government policies (laws or policies), failure to obtain required permits and approval from government authorities, or any other risk related to mining and development.

Even though the Company believes that the assumptions relating to the forward-looking statements are plausible, it is unwise to rely unduly on such statements, which were only valid as of the date of this document. The Company does not intend and is not obliged to update or revise any forward-looking statement, whether or not such statement warrants revision based on new information, new situations or any other new factor.

Disclosure of data with respect to securities outstanding (NI 51-102)

Disclosure on November 25, 2008

Outstanding common shares: 30,536,511

Outstanding warrants: 1,612,200

Number of warrants	Exercise price	Expiry
	\$	
300,000	0.65	December 27, 2008
514,200	0.35	December 28, 2008
150,000	0.65	February 14, 2009
648,000	0.35	July 11, 2009
1,612,200	0.47	

Outstanding options: 2,455,000

Exercise Price	Number of options	Weighted average exercise price	Weighted average contractual life
\$		\$	
0.25	1,095,000	0.25	4.7 years
0.29	860,000	0.29	3.8 years
0.35	500,000	0.35	2.8 years
	2,455,000	0.28	3.7 years

Val-d'Or, November 25, 2008

GENERAL INFORMATION

EXCHANGE LISTING

Exchange: TSX Venture Exchange
Symbol: THG

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BOARD MEMBERS

Daniel Duval, Chairman of the Board
Antoine Fournier, P.Geo
Richard Tanguay
John Ryder
Octavio Soares, FCA
Kosta Kostic, Company Secretary

