Management's Discussion and Analysis
For the Three and Six Months Ended June 30, 2019

Prepared by:
Sandspring Resources Ltd.
9137 East Mineral Circle, Suite 180
Centennial, Colorado, USA

Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Sandspring Resources Ltd. and its subsidiaries (collectively the "Company" or "Sandspring") constitutes management's review of the factors that affected the Company's financial and operating performance for the three and six months ended June 30, 2019. This discussion should be read in conjunction with the audited annual consolidated financial statements of the Company for the year ended December 31, 2018, and the related notes thereto. Information contained herein is presented as at August 29, 2019 unless otherwise indicated. Further information about the Company and its operations is available on Sandspring's website at www.sandspringresources.com or on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

The Company's outstanding common shares (the "common shares") are listed on the TSX Venture Exchange (the "TSXV") under the symbol "SSP".

This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. Results are reported in Canadian dollars, unless otherwise noted.

Company Overview

The Company was incorporated pursuant to the provisions of the *Business Corporations Act* (Alberta) on September 20, 2006. On November 24, 2009, the Company announced the completion of the acquisition (the "Acquisition") of 100% of the issued and outstanding shares of GoldHeart Investment Holdings Ltd. ("GoldHeart"). GoldHeart, through its wholly-owned subsidiary ETK Inc. ("ETK"), holds certain mineral and prospecting interests in an area within the Republic of Guyana, South America that the Company refers to as the Upper Puruni Property. In July 2018, the Company completed the acquisition of 100% interest in the Chicharrón Project, located in Antioquia, Colombia, which it holds through its wholly owned subsidiary, Industrias Argentum S.A.S. ("Argentum"), a Colombian corporation.

The Company's goal is to provide superior returns to its shareholders by (i) focusing on the exploration and development of its mineral and prospecting interests in both the Toroparu Project, located within the Upper Puruni Property (the "Toroparu Project"), and the Chicharrón Project, and (ii) evaluating, and acquiring if appropriate, other mineral opportunities.

The majority of Sandspring's efforts to date have been focused on exploring and advancing the Toroparu Project, located within the Upper Puruni Property. Through extensive exploration work, including more than 190,000 meters of drilling, Sandspring delineated the main Toroparu Pit, Southeast Pit and Sona Hill satellite deposits that are included in the June 2019 Preliminary Economic Assessment study (the "2019 PEA") that presented the results of a rescoping study of the Toroparu Project following the 2013 pre-feasibility study (the "2013 PFS").

At June 30, 2019, the Company had working capital of $1,332,417 (December 31, 2018: $2,001,402), an accumulated deficit of $156,347,108 (December 31, 2018: $152,547,651), incurred losses at June 30, 2019 amounting to $3,799,457 (2018: $5,702,784), and used cash in operating activities during the six months ended June 30, 2019 of $3,608,797 (2018: $4,244,795). In June 2019, the Company completed an equity financing for gross proceeds of $4,000,125. With this financing in place, management believes there is sufficient funding to finance the Company into 2020. Subsequent to June 30, 2019, the Company completed a financing of $7,500,000. Although the Company has been successful in the past obtaining financing, there is no assurance that it will be able to obtain adequate financing or that such financing will be on terms that are acceptable to the Company.

Chicharrón Project

In July 2018, the Company completed the acquisition of 100% of the rights to a land package in Antioquia, Colombia known as the Chicharrón Project, which includes the historic silver-gold producing Guía Antigua Mine. The Company acquired control of 100% of the Chicharrón Project through a series of transactions that included the issuance of shares, a cash payment, reimbursement of certain expenses and a commitment to complete a work program with a budget of a minimum of US$1.0 million (such work program determined by the Company in its sole discretion) within a period of 24 months following closing of the acquisition.

SRK Consulting (Denver) ("SRK"), the Company's primary technical consultant on the Toroparu Project, has worked extensively on Gran Colombia's Segovia Mining District operations including completing the Amended NI 43-101 Technical Report Prefeasibility Study Update Segovia Project, dated July 8, 2019. Sandspring worked with the SRK team in the Company's initial evaluation of the Chicharrón Project and after closing of the acquisition of the Chicharrón Project, the Company engaged the SRK team to conduct a geologic study of the Guía Antigua vein.

SRK delivered a proposed exploration plan to the Company in the 4th calendar quarter of 2018 which included initial recommendations for a 10-20-hole diamond drilling program to an average depth of approximately 100m from surface in areas extending the strike length to the northeast and southwest of the historical underground workings and across the faulted zone to the north. The drilling program commenced in December of 2018 and the initial phase of the drilling program was completed in March of 2019.

On March 26, 2019, the Company issued a press release (the "March 2019 Press Release") summarizing the results of the initial phase which consisted of ten diamond drill holes totaling approximately 1,546 meters.

Additional on-going validation and referencing of the historical database and additional surface mapping in the area indicates further potential exists in the hanging wall of the shear zones to the north-west in proximity to the Guia Antigua mine. The drill results, the geo-referenced intersections and the recent surface mapping, show there is potential to locate additional mineralization in the north, which is now the higher priority. A second phase drilling program will increase the geological understanding of this area and target potential extensions of the mineralization from the historical Guía Antigua mining area. See March 2019 Press Release for Figure 2.

Wheaton Agreement

In November 2013, the Company entered into a precious metals purchase agreement (the "Wheaton PMPA") with Silver Wheaton (Caymans) Ltd., who subsequently changed its name to Wheaton Precious Metals (Caymans) Ltd. ("Wheaton"). Under the Wheaton PMPA, Wheaton will pay Sandspring incremental up-front cash payments totaling US$148.5 million for 10% of the payable gold production from the Company's Toroparu Project

In addition, Wheaton will make continuing payments to Sandspring of the lesser of the market price and US$400 per payable ounce of gold delivered to Wheaton over the life of the Toroparu Project, subject to a

1% annual increase starting after the third three months of production. Sandspring has received an initial draw down of US$13.5 million of the cash payment, to be used primarily for advancement of the final feasibility study for the Toroparu Project.

In April 2015, the Company and Wheaton amended the Wheaton PMPA to include a silver stream under which Wheaton will pay Sandspring incremental up-front cash payments totaling US$5.0 million for 50% of the payable silver production from the Toroparu Project. In addition, Wheaton will make ongoing payments to Sandspring of the lesser of the market price and US$3.90 per payable ounce of silver delivered to Wheaton over the life of the Toroparu Project, subject to a 1% annual increase starting on the fourth anniversary of production. Sandspring received an initial draw down of US$2.0 million of the cash payment in four equal installments over the course of 2015, with the remaining US$3.0 million payable in installments during construction of the Toroparu Project.

As noted in the 2019 PEA, the Company has completed and delivered to Wheaton the Company's estimates of potential payments from Wheaton for the rescoped Toroparu Project as presented in the 2019 PEA due to changes in the initial capital expenditures for the Toroparu Project. Wheaton has not approved the Company's estimates as of the date of this MD&A.

Under the terms of the Wheaton PMPA, as amended, the Company is required to complete a final feasibility study (the "Feasibility Report") for its Toroparu Project before December 31, 2019, upon receipt of which Wheaton can elect to proceed and make payments, in amounts to be agreed upon by the Company and Wheaton, to finance construction of the Toroparu Project, or Wheaton can elect to terminate the PMPA.

The Company's ability to finance construction of the Toroparu Project is dependent on whether Wheaton elects to proceed after completion of the Feasibility Report or the Company secures alternative funding for the construction. There are no assurances that Wheaton will elect to fund construction of the Toroparu Project, or that the Company will be successful in securing alternative financing or, if available, on terms acceptable to the Company.

Toroparu Project Review and Outlook

In May 2013, the Company completed the 2013 PFS for the Toroparu Project. The 2013 PFS outlined the design of an open-pit mine producing more than 200,000 ounces of gold annually over an initial 16 year mine life. The 2013 PFS also estimated proven and probable gold reserves for the Toroparu Project using a 0.3 grams gold per ton ("g/t") cut-off grade, US$1,400/oz gold and $3.25/lb copper.

In a press release dated September 26, 2018, available on the Company's website and on SEDAR, the Company announced an updated Mineral Resource Estimate (2018 MRE) for the Toroparu Project. Highlights of the 2018 MRE include an increase of 459,000 ounces of the Measured resource and 60,000 ounces of the Inferred gold resource as compared to the Company's previous Mineral Resource Estimate provided in the 2013 PFS. The 2018 MRE was completed by SRK, the same group that prepared the previous Mineral Resource Estimate. The 2018 MRE was done at a 0.30 g/t cutoff at a $1,350 per ounce gold price.

On June 4, 2019, the Company issued a press release (the "June 2019 Press Release") announcing the completion of a rescoping study for the Toroparu Project. The Toroparu Project was re-scoped to (i) include the Sona Hill satellite deposit, (ii) adopt a modification of the Project's processing strategy to start with gold-only production from a carbon-in-leach circuit ("CIL") for the initial ten years, followed by an expansion of the Project in year 11 to add flotation processing capacity and (iii) include the effects of the Wheaton PMPA. The 2019 PEA summarizes the results of the re-scoping at base case metal prices of US $1,300 gold (Au), $16.00 silver (Ag), $3.00 copper (Cu). The 2019 PEA Report, dated as of July 18, 2019, is available on the Company's website and SEDAR.

The 2019 PEA Report documentation of mining production quantities supercedes and replaces the 2013 PFS Statement of Mineral Reserves. The 2019 PEA Report is based on exploitation of measured, indicated and inferred mineral resources while the 2013 PFS is based on the exploitation of proven and probable mineral reserves. Inferred resources from the Mineral Resource Estimate identified in the Company's September 26, 2018 press release comprise 5% of the resources used in the production schedule reported in the 2019 PEA Report.

Key aspects and findings from the 2019 PEA Report include:

- 4.5 Million ozs Au production, with 3.64 Million ozs produced in Au doré bars, over 24-year life of mine ("LoM") – up from 3.7 Million ozs from the 2013 PFS
    - 1.476 Million ozs (mozs) Au Doré over 10-Year Initial Phase
    - 2.148 Million ozs Au Doré and 876,000 ozs Au in concentrate produced at 217,000 ozs/year during 14-Year Second Phase

- $1.25 Billion After-Tax Free Cash Flow (with Wheaton PMPA)
    - $378 Million Pre-Production Capex – down from $501 Million in the 2013 PFS
    - $272 Million Pre-production financing required with Wheaton PMPA
    - $232 Million Phase 2 expansion financed from internal cash flow
    - Payback Period 2.92 years

- Project Global Gold Resource: 7.353 Million ozs M&I; 3.150 Million ozs Inferred[1]

Project economic results from the 2019 PEA Report Base, with and without the Wheaton PMPA[2], Downside, and Upside Sensitivity Cases are presented in Table 1. The Toroparu Project, with Wheaton's participation, generates an 18.16% after tax IRR at a $1,250/oz Au price, 24.2% at $1,400/oz of Au, and 27.68% at $1,500/oz of Au, indicating that project returns are both robust at historic Au prices and positively leveraged to higher Au prices.

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[1] The Company press released an updated Mineral Resource Estimate on September 26, 2018. This Press Release can be found at www.sandspringresources.com and www.sedar.com.

[2] Wheaton and the Company have agreed to extend the due date for delivery of the Feasibility Report in prior years and the Feasibility Report is now due on or before December 31, 2019. Wheaton can elect, in its sole discretion, to proceed or terminate the Wheaton PMPA after Sandspring has delivered the Feasibility Report to Wheaton. Accordingly, to reflect the potential of Wheaton electing not to proceed, the economic parameters of the model's base case without the Wheaton PMPA are set forth in Table 1.

Table 1: Projec t Economics	**Base Case**		**Sensitivity to Gold Price**		
Metric	**w/o PMPA**	**w/ PMPA**	**w/ PMPA**	**w/ PMPA**	**w/ PMPA**
Gold Price (incl $16/oz Ag & $3.00/Lb Cu)	**$1,300 /oz**		**$1,250 /oz**	**$1,400 /oz**	**$1,500 /oz**
LoM (Years)	24	24	24	24	24
Gold Production (koz)	4,516	4,516	4,516	4,516	4,516
Payable Gold (koz)	4,488	4,488	4,488	4,488	4,488
Payable Silver (koz)	4,460	4,460	4,460	4,460	4,460
Payable Copper (klb)	124,730	124,730	124,730	124,730	124,730
After-Tax FCF	$1,389 M	$1,251 M	$1,121 M	$1,511 M	$1,771 M
After-Tax IRR	16.56%	20.25%	18.16%	24.20%	27.68%
After-Tax Payback (yr)	3.67	2.92	3.27	2.34	2.02
After-Tax NPV (5%)	$519 M	$495 M	$428 M	$628 M	$760 M
Payback (years)	3.67	2.92	3.27	2.34	2.02
Capital Requirements					
Initial Capital (US$M)	$360 M	$360 M	$360 M	$360 M	$360 M
Capitalized Pre-Stripping	$18 M	$18 M	$18 M	$18 M	$18 M
Wheaton Finance	$0 M	$(106) M	$(106) M	$(106) M	$(106) M
Net Financing Requirement*	**$378 M**	**$272 M**	**$272 M**	**$272 M**	**$272 M**
Sustaining Capital (US$M)	$614 M	$614 M	$614 M	$614 M	$614 M
Cost Structure					
Direct Operating Costs	($541.16)	($541.16)	($541.16)	($541.16)	($541.16)
Indirect Costs	($109.55)	($102.02)	($98.43)	($109.20)	($116.38)
Total Cash Op Costs	**($650.71)**	**($643.18)**	**($639.59)**	**($650.36)**	**($657.54)**
Sustaining Capex	($136.75)	($136.75)	($136.75)	($136.75)	($136.75)
Corporate G&A + Exploration ($6m/y)	($32.08)	($32.08)	($32.08)	($32.08)	($32.08)
Total AISC	**($819.55)**	**($812.01)**	**($808.42)**	**($819.20)**	**($826.38)**

Toroparu Project Acquisition and Agreements

Property Description and Location

The Toroparu Project is located in the Upper Puruni River Area, Region 7 of northwestern Guyana, South America. The Toroparu Project is currently comprised of three main deposits: the Toroparu Main (the "Main Deposit") the Toroparu SouthEast deposit (the "Southeast Deposit"), and the Sona Hill Deposit. The Main Deposit and SouthEast Deposit are adjacent to each other and are located near the property Main Camp and the Sona Hill Deposit is located approximately 5 km to the southeast of the Main Camp.

The Toroparu Project is located within the Mazaruni Mining District, which is one of six mining districts in Guyana. This mining district is in turn located within Region 7 of Guyana, the Cuyuni – Mazaruni Region which is one of ten administrative regions within the Country of Guyana.

Mineral tenures in Guyana allow for four scales of operation. These include Small Scale claim licenses of 460 m x 245 m or a river claim consisting of one mile of a navigable river. Prospecting Permits Medium Scale ("PPMS's) and Mining Permits ("MP's") cover between 150 to 1,200 acres each and are restricted to ownership by Guyanese. However, foreigners may enter into joint venture arrangements whereby the two parties jointly develop the property. Prospecting Licenses ("PL's") covering between 500 and 12,800 acres are granted to local or foreign companies. Large areas for geological surveys are granted as Permission for Geological and Geophysical Surveys with the objective of applying for PL's over favorable ground.

<u>Toroparu Project</u>

The Toroparu Project is the Company's primary resource properties, and is held and operated through ETK, the Company's wholly-owned subsidiary.

Sandspring acquired its interest in the Toroparu Project pursuant to the terms of a share purchase agreement dated May 11, 2009, as amended. The share purchase transaction closed on November 24, 2009.

At closing in 2009 the Toroparu Project covered an area of 242,691 acres (98,214 ha). Following systematic surface and sub-surface exploration (geophysical, geochemical, and drilling) from 2011 to 2014 the property holdings were modified to focus on permits within the Puruni Shear Corridor, a regional geologic structure that can be traced for more than 150 km within the Puruni volcano-sedimentary belt into producing gold fields in Venezuela, and that hosts the Toroparu Main Deposit, the Southeast Pit, and the Sona Hill Deposits.

In 2015, the Company acquired rights to 25,605 acres (10,361 ha) within the Otomung concession extending the exploration area 25 km to northwest of the Toroparu Deposit within the Puruni Shear Corridor. A regional geochemical survey of the Otomung concession permits identified Au anomalous features that indicate the potential for new mineralized systems. These features have not been fully explored.

In June 2016, as a second step in the land restructuring, the Company finalized the surrender of 138,162 acres (55,912 ha) of property that was not deemed to be prospective for large scale mineral resources.

ETK currently has four positions of claim ownership in the Upper Puruni Area: seven Small Scale claims, 88 PPMS's, 24 MP's and two contiguous PL's that collectively cover an area of 131,134 acres or 53,149 ha.

The Company will consider further land adjustments as additional exploration work is completed.

<u>Location of Mineral Deposits</u>. The Main Deposit and SouthEast deposits are located on property that is subject to the Alphonso Joint Venture, described below. The Sona Hill Deposit is located on property that is subject to the Godette Joint Venture, described below.

<u>The Alphonso Joint Venture</u>. The Alphonso Joint Venture was originally entered into in 1999 and was amended and restated in its entirety in 2008. References to the Alphonso Joint Venture are to include the Amended and Restated Agreement as it has been amended through the date of this MD&A.

The Alphonso Joint Venture stipulates that ETK is the sole operator and has the sole decision-making discretion in all matters related to the conduct of prospecting, exploration, development, and mining activities for the recovery of Au or other metals, minerals or gemstones from all of the claims subject to the Alphonso Joint Venture. Royalty payments of 6% are payable to Mr. Alphonso on mineral production from the properties mined by either placer or conventional mining operations.

The royalty payments to Mr. Alphonso are in addition to the royalties payable to the Government of Guyana however, the Alphonso Joint Venture grants ETK the option of purchasing 100% of Mr. Alphonso's interest in the Toroparu Project for the sum of US$20 million. There are no credits against the US$20 million option price for royalty or other payments made by ETK to Mr. Alphonso.

Mr. Alphonso has retained the right to conduct alluvial mining activities on all lands subject to the Alphonso Joint Venture.

The Alphonso Joint Venture provided that ETK would commence commercial production, defined as production of 50,000 ounces of Au per year, beginning on January 1, 2013 or, in lieu thereof, pay Mr. Alphonso an annual sum of the Guyana dollar equivalent of US$250,000 until commercial production has commenced. As production was not achieved by January 1, 2013, the Company began paying Mr. Alphonso the required annual sum in 2013 and has continued making the annual payments.

The Alphonso Joint Venture further provides that in the event ETK has not achieved commercial production by January 1, 2020, Mr. Alphonso may declare a default under the terms of the agreement. ETK is currently in discussions with Mr. Alphonso to amend the termination of ETK's rights.

As an alternative to an amendment of the Alphonso Joint Venture, the Company, as noted, has the right to buy out Mr. Alphonso's entire interest in the Upper Puruni Agreement for US$20 million.

However, it must be expressed that there are no assurances the Company will be able to successfully re-negotiate the commercial production requirement or implement the buyout on terms acceptable to the Company and if it fails to do so, Mr. Alphonso will have the right to declare the Company in default of the Alphonso Joint Venture and potentially terminate the Alphonso Joint Venture, causing the Company to lose its interest in the Main Deposit and the SouthEast Deposit areas of the Toroparu Project.

Godette Agreement.

The Company, through its wholly-owned subsidiary ETK, has rights to three MPs pursuant to the Godette Joint Venture Agreement (the "Godette Agreement") which was originally entered into in 2008. ETK has sole operatorship and sole decision-making discretion in all matters pertaining to Au exploration on the lands subject to the Godette Agreement. ETK also has the sole and exclusive right to sell all Au, other precious metals or gemstones it may recover from the properties.

The Sona Hill deposit is located on lands subject to the Godette Agreement.

ETK purchased 100% of the Godette's interest in the Godette Agreement for the sum of US$300,000 in 2016.

B.M. Mining Agreement

In September 2015, ETK entered into an agreement (the "B.M. Mining Agreement") with Bryan Stephens, d/b/a B.M. Mining, to acquire the right to explore 25,605 acres of property in the Otomung River area (the "Otomung Block") which is located immediately adjacent to the northwestern boundary of ETK's current property block in the Toroparu Project area.

Under the terms of the final B.M. Mining Joint Venture Agreement (the "B.M. Mining Joint Venture") as signed on October 12, 2017, ETK has the option to extend the B.M. Mining Agreement annually by making certain payments to B.M. Mining as described in the B.M. Mining Joint Venture. ETK has made the optional payments to extend the B.M. Mining Agreement and intends to keep the B.M. Mining Agreement in force.

ETK has the right to buy B.M. Mining's interest in the B.M. Mining Agreement for US$200,000 and the issuance of a 3% net smelter royalty ("NSR"). ETK also has the right to buy all of the 3% NSR upon payment to B.M. Mining of an amount that is tied to the price of Au per ounce at the time ETK exercises its option to purchase.

Summary of Property Holding

After the restructuring efforts undertaken by the Company with regard to the PPMSs held under the agreement with Mr. Alphonso, the assignment of the three PLs to Mr. Alphonso, the addition of the B.M. Mining PPMSs, and other adjustments, as of December 31, 2018, the Toroparu Project covers a total of 131,334 acres (53,149 hectares) comprising seven small scale claims, 88 PPMSs, 13 MPs, and two contiguous PLs.

Rentals and Royalties

The Company has executed a mineral agreement with the Government of Guyana (the "Mineral Agreement") that stipulates a royalty of 8% on gold (1.5% on copper) produced from its mineral claims payable in cash or in kind to the Government of Guyana.

Mineral claims are also subject to annual rentals. The rental rates for each of the MPs are US$1.00 per acre per annum. Rental rates for PLs are US$0.50 per acre for the first year, US$0.60 per acre for the second year, and US$1.00 per acre for the third year. The PLs held by the Company were issued in October 2013 and have been extended to February 21, 2020. An application fee of US$100 and a work performance bond equal to 10% of the approved budget is also required. Rentals on the claims controlled by ETK are payable annually by the expiry date of each claim.

Environmental Liabilities

The Toroparu Project is not the subject of any known environmental liabilities.

Toroparu Project Permits

ETK has all the necessary permits and permissions currently required to conduct its exploration work and medium-scale mining and gravity recovery of gold and other minerals on the Toroparu Project. In addition, the project has its Environmental Authorization, Mineral Agreement and Fiscal Stability Agreement in place.

Sandspring has also signed a Memorandum of Understanding with the Guyana Government giving Sandspring exclusive rights to develop the Kurupung Hydro Project, approximately 50 km south of the Toroparu Project. Optimizing the project's power supply by building the proposed run-of-river hydroelectric facility could significantly reduce the project's life-of-mine operating costs. The Memorandum of Understanding is effective through December 31, 2021.

Exploration Expenditures

The following table sets forth a breakdown of material components of the Company's exploration expenditures for the three and six months ended June 30, 2019 and 2018.

	Three Months Ended		Six Months Ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Chicharron Project exploration costs				
Camp expenses	$ 10,876	$ -	$ 27,044	$ -
Consulting	33,711	-	72,675	-
Drilling	-	-	417,709	-
Engineering studies	1,045	-	5,513	-
Lab fees	-	-	940	-
Office and administrative costs	2,560	-	6,653	-
Salaries and benefits	40,267	-	79,697	-
Travel and accommodation	115	-	873	-
Total Chicharron Project exploration costs	$ 88,574	$ -	$ 611,104	$ -
Toroparu Project exploration costs				
Camp expenses	$ 147,354	$ 146,651	$ 347,521	$ 564,483
Consulting	60,839	52,715	114,461	377,724
Drilling	-	35,356	-	1,077,439
Engineering studies	202,071	544,589	535,484	942,241
Lab fees	27,301	37,760	27,301	307,380
Office and administrative costs	26,497	70,787	49,631	130,231
Salaries and benefits	93,591	96,352	198,043	207,897
Travel and accommodation	42,485	102,355	97,441	279,615
Production commitment fees	1,935	58,314	300,893	405,741
Prospecting licenses	39,329	52,189	116,248	204,009
Toroparu Project exploration costs sub-total	$ 641,402	$ 1,197,068	$ 1,787,023	$ 4,496,761
Depreciation	27,060	11,469	38,561	22,770
Total Toroparu Project exploration costs	$ 668,462	$ 1,208,537	$ 1,825,584	$ 4,519,531
Total exploration costs	$ 757,036	$ 1,208,537	$ 2,436,688	$ 4,519,531
Less: Depreciation	$ (27,060)	$ (11,469)	$ (38,561)	$ (22,770)
Total exploration costs net of depreciation	$ 729,976	$ 1,197,068	$ 2,398,127	$ 4,496,761

Summary of Quarterly Results

The selected quarterly financial information prepared in accordance with IFRS for the past eight financial quarters is outlined below.

Three Months Ended	Net Loss $	Basic and Diluted Loss Per Share $
Jun 30, 2019	(1,404,718)	(0.01)
Mar 31, 2019	(2,394,739)	(0.01)
Dec 30, 2018	(2,058,628)	(0.01)
Sep 30, 2018	(2,423,784)	(0.01)
Jun 30, 2018	(1,696,812)	(0.01)
Mar 31, 2018	(4,005,972)	(0.03)
Dec 31, 2017	(2,553,387)	(0.02)
Sep 30, 2017	(801,319)	(0.01)

The Company's net loss related primarily to exploration expenditures in Guyana. All other expenses related to general working capital purposes and management compensation.

Results of Operations

Six Months Ended June 30, 2019, compared with Six Months Ended June 30, 2018

The Company's net loss totaled $3,799,457 for the six months ended June 30, 2019, with basic and diluted loss per share of $0.02. This compares with a net loss of $5,702,784 with basic and diluted loss per share of $0.04 for the six months ended June 30, 2018. The decrease in net loss of $1,903,327 was due to:

- Exploration expenditures decreased $2,098,634 during the six months ended June 30, 2019 as compared to the six months ended June 30, 2018, primarily due to a decrease of $189,918 for camp expenses, $659,730 for drilling, $401,244 for engineering, $190,588 for consulting, $279,139 for lab fees, $181,301 for travel, $73,947 for storage and $87,761 for prospecting licenses. The Chicharrón Project exploration costs of $611,104 are included in the decrease for six months ended June 30, 2019.

- Investor relations and marketing costs for the six months ended June 30, 2019 increased $366,824 as compared to the six months ended June 30, 2018. The increase is due to the addition of a digital marketing firm, and additional trade show participation.

- A foreign exchange loss of $8,479 was incurred during the six months ended June 30, 2019, driven by variance with the U.S. dollar relative to the Canadian dollar.

- All other expenses related to general working capital purposes.

Three Months Ended June 30, 2019, compared with Three Months Ended June 30, 2018

The Company's net loss totaled $1,404,718 for the three months ended June 30, 2019, with basic and diluted loss per share of $0.01. This compares with a net loss of $1,696,812 with basic and diluted loss per share of $0.01 for the three months ended June 30, 2018. The decrease in net loss of $292,094 was due to:

- Exploration expenditures decreased $457,988 during the three months ended June 30, 2019 as compared to the three months ended June 30, 2018, primarily due to a decrease of $35,356 for drilling, $341,473 for engineering, $59,755 for travel, $41,730 for storage and $56,379 for prospecting licenses; offset by an increase of $41,835 for consulting and $37,506 for Argentum salaries and benefits. Chicharrón Project exploration costs of $88,574 are included in the net decrease for three months ended June 30, 2019.

- Investor relations and marketing costs for the three months ended June 30, 2019 increased $183,743 as compared to the three months ended June 30, 2018. The increase is due to the addition of a digital marketing firm, and additional trade show participation.

- A foreign exchange gain of $63,141 was incurred during the three months ended June 30, 2019, driven by variance with the U.S. dollar relative to the Canadian dollar.

- All other expenses related to general working capital purposes.

Deferred Management Compensation

At June 30, 2019, the Company has a remaining obligation of $597,760 (December 31, 2018: $633,666) pertaining to management compensation and severance amounts owed in connection with a corporate restructuring that occurred in the fourth quarter of 2014.

In November 2017, the Company agreed to settle $432,852 of its deferred management compensation through the issuance of an aggregate of 1,234,745 units. Each unit consisted of one common share and one share purchase warrant entitling the holder to acquire one additional common share at a price of $0.50 for a period of five three months. In January 2018, the units were issued with a fair value of $668,858 and the liability of $432,852 was extinguished, resulting in a loss on settlement of debt of $236,006. The remaining balance due of $597,760 has been extended to December 31, 2019.

Liquidity and Capital Resources

There is no assurance that equity, or any other form of capital, will be available to the Company in the amounts or at the times desired by the Company, or on terms that are acceptable to the Company. See "Risk Factors" below and "Note 1 to the Annual Financial Statements for going concern discussion".

At June 30, 2019, the Company had working capital of $1,332,417 (December 31, 2018: $2,001,402), an accumulated deficit of $156,347,108 (December 31, 2018: $152,547,651), incurred losses at June 30, 2019 amounting to $3,799,457 (2018: $5,702,784), and used cash in operating activities during the six months ended June 30, 2019 of $3,608,797 (2018: $4,244,795). In June 2019, the Company completed an equity financing for gross proceeds of $4,000,125. With this financing in place, management believes there is sufficient funding to finance the Company into 2020. Subsequent to June 30, 2019, the Company closed a financing of up to $7,500,000. Although the Company has been successful in the past obtaining financing, there is no assurance that it will be able to obtain adequate financing or that such financing will be on terms that are acceptable to the Company.

The Company's liquidity and ability to access capital resources fluctuates based on the trends identified under the heading "Trends". Apart from these and the risk factors noted under the heading "Risk Factors" below, management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's liquidity and capital resources.

The Company remains debt free and maintains nominal credit or interest rate risk. Accounts payable and accrued liabilities are short-term and non-interest bearing. The Company's credit risk with financial instruments is minimal as excess cash is invested with major Canadian chartered banks in guaranteed investment certificates.

Trends

The Company anticipates that it will continue to experience net losses as a result of operating costs and ongoing exploration and evaluation of the Toroparu Project and the Chicharrón Project until such time as revenue-generating activities are commenced. The Company's future financial performance is dependent on many external factors. Both the price of, and the market for, gold is volatile, difficult to predict, and subject to changes in domestic and international political, social, and economic environments. Circumstances and events such as current economic conditions and ongoing volatility in the capital markets could materially affect the future financial performance of the Company.

Contingencies

The Company's mining and exploration activities are subject to various government laws and regulations relating to environmental protection. As at June 30, 2019, the Company does not believe that there are any significant environmental obligations requiring material capital outlays in the immediate future and anticipates that such obligations will arise only when mine development commences.

Off-Balance Sheet Arrangements

As of the date of this MD&A, the Company has no material off-balance sheet arrangements, such as guarantee contracts, derivative instruments, or any other obligations that would trigger financing, liquidity, market or credit risk to actual or proposed transactions.

Commitments

Under the terms of the Wheaton PMPA, Wheaton may purchase 10% of the gold produced from the Company's Toroparu Project in exchange for funding of US$148.5 million and 50% of the silver produced from the Company's Toroparu Project in exchange for funding of US$5 million, for a total commitment from Wheaton of US$153.5 million which amount may change under the Toroparu Project rescoping as detailed in the 2019 PEA. Up-front payments of US$15.5 million have already been received, with the remainder to be paid out in installments during project construction. In addition, Wheaton will make ongoing payments to the Company of the lesser of the market price and US$400 per payable ounce of gold delivered to Wheaton over the life of the Toroparu Project, subject to a 1% annual increase starting after the third three months of production. With regard to silver production, Wheaton will make ongoing payments to Sandspring of the lesser of the market price and US$3.90 per payable ounce of silver delivered to Wheaton over the life of the Toroparu Project, subject to a 1% annual increase starting on the fourth anniversary of production.

In November 2011, the Company executed a mineral agreement with the Government of Guyana that stipulates a royalty of 8% on gold (1.5% on copper) produced from its mineral claims payable in cash or in kind to the Government of Guyana. Mineral claims are also subject to annual rentals, as previously described.

An in-kind royalty of 6% is payable to Mr. Alphonso on all gold and other mineral production from the claims subject to the Alphonso Joint Venture as well as the commencement of commercial production by ETK by January 1, 2020, or Mr. Alphonso has the right to declare a default under the terms of the agreement unless the Upper Puruni Agreement is amended or the Company exercises its purchase option under the Agreement.

The Company has certain commitments to maintain its rights under the B.M. Mining Agreement consisting of annual payments in 2019 of US$90,000 increasing to US$100,000 in 2020 and onwards.

The Company also has a commitment to complete US$1,000,000 of exploration work on the Chicharrón Project within twenty-four months, on a best efforts basis, of which $1,067,605 has been incurred as of June 30, 2019.

The Chicharrón Project is subject to a 1% net smelter returns royalty ("NSR") on 70% of the project, payable in kind or in cash at the election of the royalty holder.

Subsequent Events

Subsequent to the six months ended June 30, 2019, the Company completed a non-brokered private placement of 37,500,000 units at a price of $0.20 per unit for gross proceeds of $7,500,000. Each unit consists of one common share of the Company and one share purchase warrant entitling the holder to purchase one share at $0.35 for a period of five years from the date of issuance.

Share Capital

The Company is authorized to issue an unlimited number of common shares.

As of the date of this MD&A, the Company had 273,978,672common shares outstanding on a non-diluted basis. The Company also had 17,385,000 stock options and 159,798,118common share purchase warrants outstanding, which are exercisable to acquire one common share of the Company.

In June 2019, the Company completed a private placement for gross proceeds of $3,350,125 through the issuance of 26,801,000 units where each unit consisted of one common share and one share purchase warrant entitling the holder to acquire one additional common share at a price of $0.165 until June 12, 2024. The warrants issued in connection with the financing were allocated a fair value of $2,816,161 on a relative fair value basis. The fair value of the warrants was determined using the Black Scholes valuation model with the following assumptions: i) expected share price volatility of 75%; ii) risk free interest rate of 1.4%; iii) dividend yield of $nil; and iv) expected life of 5 years.

Cash transaction costs of $118,959 were incurred as share issue costs related to the private placement of which $73,518 and $45,441 were deducted from share capital and reserves respectively, based on the pro rata allocation of the fair value on issuance of the units to share capital and reserves.

In addition, in June 2019, the Company completed a subscription receipt financing for gross proceeds of $650,000. Each receipt will automatically convert into a unit upon the Company receiving shareholder approval for the creation of Gran Colombia as a "control person" of the Company at its annual general meeting to be held by the end of 2019.

Each unit will consist of one common share and one share purchase warrant entitling the holder to acquire one additional common share at a price of $0.165 until June 12, 2024. In the event the receipts have not converted into units prior to December 31, 2019, Gran Colombia will be entitled to a refund of the proceeds received from the receipts, $650,000, along with annual interest at the rate of five percent per annum.

The Company recorded the $650,000 liability as subscriptions received in advance in the statements of financial position.

Proposed Transactions

As of the date of this MD&A, there are no proposed transactions of a material nature being considered by the Company, other than those disclosed in this document.

Related Party Transactions

As consideration for the 30% interest in the Chicharrón Project, Gran Colombia received 15,000,000 common shares of the Company, and has the right to nominate at least two members to the Company's board of directors. As at June 30, 2019, Gran Colombia owned 20.42% of the Company on an undiluted basis, excluding the impact of warrants held and the subscriptions received in advance.

The Company's transactions are in the normal course of business and all amounts due to related parties are non-interest bearing and payable on demand.

a) Included in accounts payable and accrued liabilities is $34,962 (December 31, 2018: $34,259) due to officers and directors of the Company.

b) Included in accounts payable and accrued liabilities is $Nil (December 31, 2018: $87,547) due to Gran Colombia for reimbursement of exploration expenditures.

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

	Six Months Ended	
	June 30, 2019	June 30, 2018
Salaries and benefits for management	$ 197,372	$ 190,208
Stock-based compensation	-	-
	$ 197,372	$ 190,208

The Company's Directors elected to waive fees for 2019.

Financial Instruments

The Company's activities potentially expose it to a variety of financial risks including credit risk, liquidity risk, currency risk and interest rate risk.

Credit Risk

Credit risk is the risk of financial loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligation. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The maximum credit risk represented by the Company's financial assets is represented by their carrying amounts. The Company holds its cash and guaranteed investment certificates with reputable financial institutions, from which management believes the risk of loss to be minimal.

Liquidity Risk and Fair Value Hierarchy

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered whether as a result of a downturn in stock market conditions generally or as a result of conditions specific to the Company. The Company generates cash primarily through its financing activities. At June 30, 2019, the Company had cash and restricted cash of $3,459,131 (December 31, 2018: $3,252,657) to settle current liabilities of $2,293,089 (December 31, 2018: $1,455,981). In June 2019, the Company completed an equity financing for gross proceeds of $4,000,125. With this financing in place, management believes there is sufficient funding to finance the Company into 2020. Subsequent to June 30, 2019, the Company announced a financing of up to $7,500,000 (Note 16). Although the Company has been successful in the past obtaining financing, there is no assurance that it will be able to obtain adequate financing or that such financing will be on terms that are acceptable to the Company.

The Company's cash and restricted cash are measured using Level 1 inputs as at June 30, 2019.

Currency Risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company funds certain operations, exploration and administrative expenses in Guyana and Colombia on a cash call basis using U.S. dollar currency and maintains U.S. dollar and Guyanese dollar bank accounts. The Company is subject to gains and losses from fluctuations in the U.S. dollar, Guyanese dollar and Colombian peso against the Canadian dollar.

Management of Capital

The Company manages its capital to ensure that funds are available or are scheduled to be raised to provide adequate funds to carry out the Company's planned exploration programs and to meet its ongoing administrative costs. The Company considers its capital to be total shareholders' equity (managed capital) which, at June 30, 2019, totaled $18,916,696 (December 31, 2018: $19,484,987).

This capital management is achieved by the Board of Directors' review and acceptance of exploration budgets that are achievable using existing resources and the timely matching and release of the next stage of expenditures with the resources made available from private placements or other fundraising.

The Company's capital management objectives, policies and processes have remained unchanged during the six months ended June 30, 2019.

Changes in Accounting Policies

IFRS 16 – *Leases*

The Company adopted IFRS 16 *Leases* ("IFRS 16") on January 1, 2019 which introduces a single, on-balance sheet accounting model for lessees. As a result, the Company, as a lessee, has recognized right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments. The Company has elected not to apply IFRS 16 to leases with a term of less than 12 months or leases where the underlying asset is of low value.

The Company adopted IFRS 16 using the modified retrospective approach; therefore, the comparative information for 2018 has not been restated.

As at January 1, 2019, the applicable leases consisted of office leases that had previously been classified as operating leases. On transition, lease liabilities for these leases were measured at the present value of remaining lease payments, discounted at the Company's incremental borrowing rate as of January 1, 2019, which was estimated at 6.5%. The Company elected to measure the right-of-use assets at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

On transition to IFRS 16, the Company recognized right-of-use assets and lease liabilities for its office leases resulting in an increase to its property plant and equipment of $166,283 as at January 1, 2019 with a corresponding increase in lease liabilities, included in accounts payable and accrued liabilities.

The following is the new accounting policy for leases under IFRS 16:

A contract is or contains a lease when the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain re-measurements of the lease liability. The cost of the right of use asset includes the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs; and if applicable, an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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. The incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or, as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Company does not recognize right-of-use assets and lease liabilities for leases of low-value assets and leases with lease terms that are less than 12 months. Lease payments associated with these leases are instead recognized as an expense over the lease term on either a straight-line basis, or another systematic basis if more representative of the pattern of benefit.

The Company has applied judgment to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Company is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognized.

Right-of-use assets are presented in the same line item as it presents underlying assets of the same nature that it owns. The Company presents lease liabilities in accounts payable and accrued liabilities in the statement of financial position.

Disclosure of Internal Controls

Management has established processes to provide sufficient knowledge to support representations that it has exercised reasonable diligence that (i) the audited consolidated 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 is made, as of the date of and for the periods presented by the consolidated financial statements, and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with the issuer's GAAP.

Technical Disclosure

Certain information set out herein is based on the 2019 PEA Technical Report which was prepared by SRK with an effective date of July 18, 2019, entitled "Preliminary Economic Assessment Report Toroparu Gold Project Upper Puruni River Area, Guyana".

Cautionary Note Regarding Forward-looking Statements

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the potential of Sandspring's properties to contain copper and gold deposits that can be profitably extracted; the Company's ability to meet its working capital needs at the current level for the 12-month period ending December 31, 2019; the plans, costs, timing and capital for future exploration and development of Sandspring's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations; management's outlook regarding future trends; sensitivity analysis on financial instruments, which may vary from amounts disclosed; market prices and price volatility for gold, silver and copper; and general business and economic conditions.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond Sandspring's ability to predict or control. These risks, uncertainties and other factors include, but are not limited to, price volatility, changes in debt and equity markets, timing and availability of external financing on acceptable terms, the uncertainties involved in interpreting geological data, uncertainty regarding Sandspring confirming title to its properties, the possibility that future exploration results will not be consistent with Sandspring's expectations, increases in costs, environmental compliance and changes in environmental and other local legislation and regulation, interest rate and exchange rate fluctuations, changes in economic and political conditions and other risks involved in the mining industry, as well as those risk factors listed in the "Risk Factors" section below. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect the forward-looking statements. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions that may prove to be incorrect, including, but not limited to, assumptions about the availability of financing for Sandspring's exploration and development activities; operating and exploration costs; the Company's ability to retain and attract skilled staff; timing of the receipt of regulatory and governmental approvals for exploration projects and other operations; market competition; and general business and economic conditions.

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

Additional Information

Additional information relating to the Company is available on SEDAR at www.sedar.com, or on the Company's website at www.sandspringresources.com.