



**Management's Discussion and Analysis
For Tan Range Exploration Corporation (the "Company")
of Financial Condition and Results of Operation
Three months ended November 30, 2005
(in Canadian dollars)**

The effective date of this MD&A is January 5, 2006.

Overall Performance

As of November 30, 2005 the Company had Current Assets of \$1,649,940 as compared to \$1,596,352 on August 31, 2005. Deferred Exploration Costs amounted to \$20,216,067 which includes \$476,792 (net) invested this quarter.

The Company has issued common shares in the amount of \$950,000 (442,478 shares) and received \$834,264 as share subscription receipts in the quarter ending November 30, 2005.

Selected Financial Information

	As at and for the year ended Aug 31, 2003	As at and for the year ended Aug 31, 2004	As at and for the year ended Aug 31, 2005	As at and for the three months ended Nov 30,2005	As at and for the three months ended Nov. 30,2004
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net Loss for the period	(3,014,778)	(1,616,364)	(2,931,063)	(402,926)	(444,024)
Basic and diluted loss per share	(0.04)	(0.02)	(0.04)	(0.005)	(0.005)
Total assets	21,424,565	22,092,373	22,257,683	22,765,252	22,344,173
Total long term financial liabilities	0	0	175,011	156,993	0
Cash dividends declared per share	0	0	0	0	0

Results of Operations

The operating loss for the first quarter ending November 30, 2005 was \$402,926 compared to \$444,024 for the comparable period in 2004. Due to the Company's emphasis on its drill program, spending on new property investigation was significantly



reduced from \$44,090 during the first quarter of 2004 to \$4,692 during the first quarter of 2005. Expenditures on press release also was reduced from \$22,854 in 2004 to \$5,190 in 2005. Foreign exchange loss was reduced from \$94,278 in 2004 to \$23,847 in 2005.

The increase in staff required to operate our drill program has caused an increase in salaries and benefits expense which increased from \$146,147 in 2004 to \$171,663 in 2005. Transfer agent listing has increased from \$8,395 to \$28,531 due to the additional listing on the American Stock Exchange. Travel and accommodation has increased from \$7,025 in 2004 to \$19,668 in 2005 due to additional travel for training and communication.

Summary of Quarterly Results (unaudited)

	2005 November	2004 November	2005 August	2004 August	2005 May	2004 May	2005 February	2004 February
Total Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Loss	(402,929)	(444,024)	(869,982)	(320,487)	(494,192)	(379,596)	(1,770,430)	(362,385)
Basic and diluted loss per share	\$0.005	\$0.005	\$0.010	\$0.004	\$0.006	\$0.005	\$0.021	\$0.004

There are two primary reasons for fluctuations in quarterly operating results. If a property is deemed not to be of economic interest, it results in a write-off of the deferred exploration cost which can result in a large one time loss. This explains the variation experienced in the quarter ending August 2005 and February 2005. Another cause for quarterly fluctuations is the amount of new property investigations in a given quarter. Exploration costs associated with investigating properties are not deferred but rather are expensed as incurred.

Liquidity

Because the Company does not currently derive any production revenue from operations, its ability to conduct exploration and development on properties is largely based upon its ability to raise capital by equity funding. Throughout the quarter, the Company issued 442,478 shares in privately placed tranches with Mr. Sinclair consisting of 379,054 shares issued for \$813,828 subscription receipts previously received and 63,424 shares for \$136,172 in cash received in the quarter. In addition, another \$834,264 has been received in the quarter from Mr. Sinclair for shares not issued before the close of the quarter.

As of November 30, 2005 the Company's working capital position was \$1,484,417 as compared to \$1,388,906 on August 31, 2005. The Company feels confident that it will continue to be able to raise capital through private placements with its Chairman and CEO at an anticipated rate of \$375,000 per month. Also, as the Company's mineral



properties advance under various exploration agreements, rental payments could increasingly play a role in funding exploration activities for our own account.

The following table sets out the Company's known contractual obligations as at November 30, 2005:

<i>Contractual Obligations</i>	Payments Due by Period				
	<i>Total</i>	<i>Less than 1 year</i>	<i>2-3 years</i>	<i>4-5 years</i>	<i>More than 5 years</i>
Vancouver Office Lease ⁽¹⁾	CDN\$10,500	CDN\$10,500	Nil	Nil	Nil
Capital Lease	US\$195,467.56 ⁽²⁾	US\$43,248.36	US\$86,496.72	US\$65,722.54	Nil

⁽¹⁾ Expires on May 31, 2006

⁽²⁾ Includes finance charges

Capital Resources

The Company acquires gold and other mineral concessions through its own efforts or those of its subsidiaries. All of the Company's concessions are located in Tanzania.

For each concession granted in Tanzania under a prospecting or a reconnaissance licence, the Company is required to carry out a minimum amount of exploration work before a mining licence is granted for further development. There are no set work requirements to keep the concessions in good standing. A prospecting licence is issued for a period of to three years and is renewable two times for a period of to two years each. At each renewal, at least 50% of the area must be relinquished. A reconnaissance licence is issued for one year and renewed for a period not exceeding a year. All prospecting licences granted by the Tanzanian government are subject to an annual rental fee of not more than U.S. \$30 per square kilometer, a minimum exploration work commitment, and employment and training of Tanzanians. In addition, the government of Tanzania imposes a royalty on the gross value of all gold production at the rate of 3%.

Many of the Company's mineral properties are being acquired over time by way of option payments. It is at the Company's option as to whether to continue with the acquisition of the mineral properties and to incur these option payments. Current details of option payments required in the future if the Company is to maintain its interest are as follows:



<i>Option Agreement Obligations</i>	Option Payments Due by Period (US\$)				
	<i>Total</i>	<i>Fiscal 2006</i>	<i>Fiscal 2007-2008</i>	<i>Fiscal 2009-2010</i>	<i>Fiscal 2011+</i>
	\$2,848,500	\$315,000	\$829,000	\$847,000	\$857,500

The Company feels confident that it will continue to be able to raise capital through Private Placements with James E. Sinclair, the Company's Chairman and CEO, at an estimated total of \$3,800,000 for the year ending August 31, 2006. As at November 30, 2005, \$1,784,264 of this funding had been received by the Company. Although no assurance can be given, the Company believes it will be able to raise additional capital as required to fund its commitments. In addition, if necessary, the Company would adjust the extent and timing of certain expenditures.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

Transactions with Related parties

During the quarter ended November 30, 2005, \$1,473 was paid or payable by the Company to existing directors and a former director for professional fees. Directors were paid \$24,375 in fees. The Company expects to continue paying directors and officers consulting and directing fees at a similar level.

All share capital issued during the quarter were issued to the Company's Chairman and CEO, and all share subscriptions received in the quarter were also received from him.

Changes in Accounting Policies including Initial Adoption

There have been no changes in accounting policies which effect the November 30, 2005 consolidated financial statements.

Critical Accounting Estimates

The Company's most critical accounting estimate relates to the write-off of exploration licenses and costs. Management assesses impairment of its exploration prospects regularly. If an impairment results, the capitalized costs associated with the related project or area of interest are charged to expense.



Included in the accounts payable and deferred exploration cost is an estimate for the drilling work performed on the Luhala project. Invoices have not been received for the work performed there but an accrual of \$50,000 has been made as an estimate for invoices to be received.

Disclosure of Outstanding Share Data

As at the date of this MD&A, there were 85,346,437 common shares outstanding. In addition, there were 380,000 director and employee stock options outstanding at an average weighted price of \$0.79. The Company had no share purchase warrants outstanding.

Financial Instruments and Other Instruments

The Company's financial assets and liabilities consist of cash and cash equivalents, short-term investments, other receivables and accounts payable and accrued liabilities. The fair value of the Company's financial assets and liabilities is estimated to approximate their carrying value.

Exploration Summary

Gold Exploration

During the three months ended November 30, 2005, biogeochemical (BGC) sampling was completed on the Lubeho, Bulanya and Malanguza licenses in the Igunga Project Area and each was botanically mapped to establish plant associations and distribution patterns.

RAB (Rotary Air Blast) and RC (Reverse Circulation) drilling commenced on the Shenda Project in early September 2005 and included 312 metres of RAB drilling in 121 holes and 258 metres of RC drilling in six holes. The drill rig was subsequently moved to the Luhala Project where all drilling was completed by October 9, 2005.

Previously analyzed BGC data for various licenses was processed using Surfer software, a contouring and 3D surface mapping program that converts data into contour, surface, wireframe, vector, image, shaded relief, and post maps. Separate maps are created for each assayed element, enabling the Company to pick out data trends by contouring value intervals.



Luhala Project: RC Drilling Results

A drill program consisting of 29 RC holes and aggregating 2,140 metres was completed on the principal mineralized zone at Luhala during the period ended November 30, 2005. The drilling at Kisunge Hill was largely aimed at extending the gold mineralization identified last year.

In this latest phase of exploration, a specific emphasis was placed on determining the structural controls on the higher grade mineralization at Luhala. Micromine was used to produce a 3-D model of the mineralization for follow-up in 2006.

To date, results have been returned for 15 of the 30 holes drilled at Luhala and they are encouraging. The majority of the holes are from the Kisunge Central and Kisunge West zones and one hole is from the new Kigingana anomaly.

Partial drill results were reported by news release on December 8, 2005 and are available on our web site at [www: tanrange.com](http://www.tanrange.com). The final results from the drill program should be available early 2006.

Luhala Project: RAB Drilling Results

Some of the RAB drilling at Luhala involved condemnation drilling in areas with heavy overburden (mbuga) that were subject to vendor option payments in the coming year but had remained untested. A portion of the RAB drilling program was dedicated to evaluating several BLEG (Bulk Leach Extractable Gold) and RAB anomalies that had been tested in the past.

In general, the RAB-based drilling program at Luhala ranged from 2-10 kilometres away from the main discovery announced last year. The mineralization encountered in the drilling occurs within the same host rock as the earlier discovery and appears to have the same alteration and structural style.

A total of 418 RAB holes comprising 8,287 metres were drilled on all seven of the Luhala Project Area prospecting licenses between September 17 and October 24, 2005. The drilling was aimed at untested soil anomalies and favourable lithological horizons under overburden that typically averages about eight metres in thickness.

A new mineralized zone was discovered approximately 1,500 metres north of the presently known gold mineralization and is designated the Kigingana anomaly.



Shinyanga Project Area: RAB Drilling Results

The RAB drilling program at Shinyanga was largely reconnaissance in nature and covered a strike length of approximately six kilometres. It was designed to test anomalous gold values identified in soils through BLEG and BGC sampling methodologies.

The drilling targeted the interface between the overburden and the underlying bedrock which was penetrated a few metres before the holes were terminated. Poor overburden conditions hampered the RAB drilling program in some cases and, as a result, a small amount of RC drilling was conducted in the most difficult areas. A total of 492 RAB holes were completed comprising 7,003 metres of drilling, while seven RC holes comprising 244 metres were drilled in the more difficult areas.

Five zones of gold mineralization were identified on the Shinyanga license, three of which will be followed up with RC drilling in the coming year. The zones are from 300-3,000 metres apart and it remains to be established whether they are associated with one particular geological structure.

Tulawaka Discovery

During the report period, Northern Mining Explorations Ltd. (MDN) made a significant gold discovery on a prospecting license held under option from Tan Range in the Tulawaka region of Tanzania.

The discovery area is located approximately 15 kilometres from the Tulawaka Gold Mine (Barrick 70% - MDN 30%) and extends for a strike distance of approximately 0.4 kilometres and across a width of 0.3 kilometres. It was tested initially by four drill fences comprising 23 drill holes for a total of 1,475 metres.

MDN reports that the target evaluated in the drill program was previously unknown and still remains open along strike and at depth. Detailed results were reported in a news release dated October 19, 2005 which is available on our web site.

Diamond Exploration

In September 2005, the Company began a due diligence study on its Nyamigunga license in the Mwadui region which included ground magnetic follow-up of a geophysical anomaly identified from historical data.



Surface sampling was also initiated to test for the presence of diamond indicator minerals. In addition, grid-based biogeochemical samples were taken on the Nyamigunga License which was botanically mapped to establish plant distribution patterns and associations.

Ground magnetics were also carried out in the Nzega Project Area where four diamondiferous pipes were known to exist in greenstone terrain.

A heavy mineral sampling program was conducted on every block in this license. Sample materials were washed at a field station before being dispatched to a laboratory to determine the presence of kimberlite indicator minerals.

Subsequently, positive indicator minerals were indicated on two blocks in the Nzega Project Area with ilmenites and some garnet grains shown to be well distributed over the sampling points. Two diamond bearing pipes are known to exist on an adjoining block that is owned by another company, increasing our confidence level in the geological potential of the Nzega area.

Kimberlite Drilling Program

A RAB drill program was initiated in the Mwadui area (comprising the Igunga and Nzega Project Areas) in November 2005. This program was designed to confirm the presence of five kimberlite pipes reported by previous operators; to test two magnetic targets that were never tested by earlier explorers; and to evaluate the presence and reported tonnage of gravel layers above these pipes.

All five kimberlite pipes discovered years earlier were intersected at depths ranging from 4-26 metres below the overlying gravels. The deepest kimberlite was intersected at 26 metres and is located in the central part of the block that also hosts the thickest gravel deposits. Two magnetic targets that were never tested by earlier explorers were drilled and both were found to be kimberlites.

For mineral indicator chemistry studies, approximately 25 kilograms of kimberlite material was collected from each pipe. Samples were dried in the field and were then shipped to a laboratory for heavy minerals separation and identification.

All told, 47 RAB holes were completed, aggregating some 835 metres, along with five RC holes comprising 81 metres.



Igunga Project Area

Two new kimberlite pipes were discovered in the Igunga Project Area, one of which was an internally generated geophysical target. The second is believed to be a pipe that was probably missed by a previous explorer.

One of the RAB holes penetrated 67 metres of lake bed overburden before intersecting kimberlite to a depth of 82 metres. A second hole penetrated 83 metres of similar material before encountering kimberlite from 83 to 102 metres. Both holes were terminated in kimberlite after the successful recovery of 25 kilogram samples for laboratory analysis.

Nzega Project Area

Two previously undiscovered kimberlite pipes were found in the Nzega Project Area, both of which were internally generated geophysical targets. One pipe occurs close to artisanal diamond activity in a nearby river bed.

Risk Factors

The Company is subject to a number of extraneous risk factors over which it has no control. These factors are common to most exploration companies and include, among others: project ownership and exploration risk, depressed equity markets and related financing risk, commodity price risk, fluctuating exchange rates, environmental risk, insurance risk and sovereign risk.

Approval

The Board of Directors of Tan Range Exploration Corporation has approved the disclosure contained in the Interim MD&A. A copy of this Interim MD&A will be provided to anyone who requests it and can be located, along with additional information, on the SEDAR website at www.sedar.com.

Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in the foregoing Management's Discussion and Analysis and elsewhere 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 any future results, performance or achievements expressed or implied by such forward-looking 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, and readers are advised to consider such forward-looking statements in light of the risk set above.

Additional Information

Additional information about the company and its business activities is available on SEDAR at www.sedar.com.