

Pacific Ridge Exploration Ltd.
Management's Discussion and Analysis
For the nine months ended September 30, 2015

This management's discussion and analysis ("MD&A") of Pacific Ridge Exploration Ltd. ("Pacific Ridge" or the "Company") is dated November 24, 2015 and provides an analysis of Pacific Ridge's financial results for the nine months ended September 30, 2015 ("2015") compared to the same period in 2014 ("2014").

The following information should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2014 and condensed interim financial statements ended September 30, 2015 and the related notes thereto. The Company reports its financial position, results of operations and cash flows in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All amounts contained herein are in Canadian dollars, unless otherwise indicated.

The financial statements for the nine months ended September 30, 2015 were approved by the Board of Directors on November 24, 2015.

The Company's shares are listed on the TSX Venture Exchange under the symbol "PEX". Additional information related to Pacific Ridge is available on the Company's website at www.pacificridgeexploration.com or on SEDAR at www.sedar.com.

The mineral exploration business is not without risk and most exploration projects will not become mines. The Company is subject to a number of risks and uncertainties due to the nature of its business and the early stage of its exploration projects. A detailed discussion of risks is presented in the 2014 year-end MD&A.

Pacific Ridge's disclosure of a technical or scientific nature has been reviewed and approved by Dr. Gerald G. Carlson, Ph.D., P. Eng., President and CEO of the Company, and a Qualified Person under the definition of National Instrument 43-101.

Results of Operations

During the nine months ended September 30, 2015, the Company received a \$610,001 (US\$500,000) payment from Sandstorm Gold Ltd. ("Sandstorm") in consideration for the sale of selected package of mineral royalties; a \$100,000 cash payment and shares with a value of \$125,000 from MinQuest Limited ("MinQuest") as part of MinQuest's option to earn an interest in the Company's Fyre Lake project.

In addition, the Company completed a 12 hole, 655 m rotary air blast drill program on its Mariposa gold property in the White Gold district, Yukon. The results of this program were announced on November 12, 2015, and are summarized below. The Company terminated its option on the Sophie property, a part of its King Solomon Project.

Mariposa Property

The Mariposa property was acquired by Pacific Ridge in September 2009, by way of an option agreement with the Tintina Syndicate. The Mariposa property was subsequently expanded to include 1,477 claims covering a 30 x 10 km area, or approximately 295 km². In the fourth quarter of 2014, the Company completed its earn-in and now owns a 100% interest in the Mariposa property subject to a 2% NSR, half of which can be purchased for \$1 million.

The Mariposa property is located 120 kilometres southeast of Dawson City, Yukon. It is 40 kilometres southeast of the Underworld/Kinross White Gold discovery and 30 kilometres east-northeast of Kaminak's

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Coffee property. It lies within a regional major northwest trending structural corridor which hosts numerous gold and copper deposits. Prior exploration identified an open-ended 7 km long horizon of altered sulphide bearing quartz mica schist in the Skookum Zone area. This unit is locally flanked by intrusive and mafic rock units, a setting favorable for hosting a gold-mineralizing system.

Exploration History

The history of gold exploration within the Mariposa property dates to 1898, when gold was first discovered in Scroggie and Mariposa Creeks. Large scale mechanized placer mining began in 1980 and has continued uninterrupted up until the present. It has been estimated that approximately 100,000 ounces of gold has been produced. The first lode gold exploration in the area was reported in 1917, when claims were staked over a reported quartz vein occurrence in the area of the Mariposa Creek placer workings in the general vicinity of the current Skookum Main Zone anomaly. It is only in the last 15 years that a serious effort has been made to discover a lode or bedrock gold source.

From 2010 through to the end of the 2013 field season, the Company spent approximately \$6.6 million exploring the Mariposa property. Soil sampling and trenching led to a core drilling program in 2011 as well as additional soil sampling, an aeromagnetic survey, ground magnetics and VLF surveys. In 2012, additional trenching, drilling and soil sampling surveys were carried out. A comprehensive discussion of the Mariposa property exploration history can be found on the Company's web site.

2015 Exploration Program

In September, 2015, the Company completed a 12 hole, 655.3 m rotary air blast ("RAB") drill program on the property. The program tested a 125 m strike length of the Skookum Main discovery encountered in drill hole 11MP-01. That hole intersected 2.44 grams per tonne ("gpt") gold over 38.9 m, including 6.44 gpt gold over 11.1 m and 26.58 gpt gold over 2.1 m.

Subsequent to the quarter, on November 12, 2015, the Company announced the results of that program. The results demonstrate continuity of mineralized structures to shallow depth for a strike length of 125 m within the Skookum Main mineralized zone. The structures appear to dip approximately 50° to the SE and thus the intervals in the table below are interpreted to be close to true thickness. The zone is open along strike in both directions and at depth.

Summary Results – 2015 RAB Program

Hole Number	From(m)	To(m)	Width(m)	Au(gpt)
15MPR-01	0.00	6.10	6.10	0.926
includes	3.05	6.10	3.05	1.579
and	27.43	35.05	7.62	1.624
includes	27.43	32.00	4.57	2.276
15MPR-02	4.57	13.72	9.14	0.536
and	24.38	27.43	3.05	1.035
15MPR-03	7.62	9.14	1.52	2.281
and	30.48	36.58	6.10	0.935
15MPR-04	32.00	42.67	10.67	0.593
15MPR-06	12.19	19.81	7.62	0.512
includes	13.72	16.76	3.05	0.663
and	35.05	41.15	6.10	0.954
15MPR-07	30.48	59.44	28.96	0.841
includes	30.48	35.05	4.57	2.660
and	51.82	59.44	7.62	1.217
includes	53.34	56.39	3.05	2.153
15MPR-08	3.05	7.62	4.57	0.932
includes	4.57	6.10	1.52	2.241
and	45.72	62.48	16.76	0.559
includes	50.29	57.91	7.62	0.876
15MPR-09	47.24	56.39	9.14	0.948
includes	47.24	53.34	6.10	1.276
15MPR-10	24.38	48.77	24.38	0.586
includes	24.38	41.15	16.76	0.703
includes	35.05	36.58	1.52	1.142
15MPR-11	0.00	41.15	41.15	0.619
includes	12.19	22.86	10.67	1.066
15MPR-12	12.19	19.81	7.62	0.583

Fyre Lake Massive Sulphide Project

The Company holds a 100% interest in the Fyre Lake copper-gold-cobalt massive sulphide project in the Yukon's Finlayson Lake District. Historically, the Company has spent approximately \$6.0 million on an extensive program of diamond drilling that resulted in definition of a NI 43-101 compliant mineral resource estimated, at a 1.0% copper cut-off, to contain an indicated mineral resource of 3.6 million tonnes grading 1.57% copper, 0.10% cobalt and 0.61 grams gold per tonne and an inferred mineral resource of 5.4 million tonnes grading 1.5% copper 0.08% cobalt and 0.53 grams gold per tonne. The resource remains open for expansion.

In July 2014, the Company entered into an option agreement with MinQuest who can earn an initial 51% interest in the property over three years. Upon earning a 51% interest in the property, MinQuest will then have the option to increase its interest to 70% by completing an additional \$3,000,000 in exploration expenditures by January 10, 2018. Should MinQuest earn a 70% interest, the Company will have the option of retaining a 30% participating joint venture interest or reducing to a 20% interest, carried through to a feasibility study. In October 2014, MinQuest completed a field program including an airborne VTEM electromagnetic and magnetic survey and re-sampling of selected 1996-97 drill core.

Proposed Future Work

MinQuest has not completed any field work in 2015. They are now preparing for a 2016 exploration program that is planned to include geological mapping, soil sampling and infill and extensional drilling with the objective of increasing the size of the Kona resource. MinQuest also plans to test priority drill targets within the Fyre Lake Property that hold potential for discovery of additional copper-gold massive sulphide mineralization.

King Solomon Project

In May 2013, the Company entered into an agreement with prospector Shawn Ryan and Wildwood Exploration Inc. whereby Pacific Ridge would have the right to earn a 100% interest in the King Solomon property, comprising 331 claims (6,700 ha) located in the Klondike Gold District. On June 17, 2015, the Company announced that it had terminated its option to acquire an interest in the Ryan/Wildwood property.

In July 2013, the Company announced that it had entered into an agreement with 39242 Yukon Inc. to acquire a 100% interest in the Sophie property consisting of 40 claims adjoining the southern boundary of the Ryan/Wildwood property. Subsequent to the quarter, on November 12, 2015, the Company announced that it had terminated its option on the Sophie property.

General, Administration and Corporate

The Company has not yet determined whether any of its resource properties contain mineral reserves that are economically recoverable. All direct costs associated with the exploration of these properties have been expensed as incurred. During the nine months ended September 30, 2015, the Company had a net income of \$378,522 as compared to net loss of \$210,530 in 2014.

On July 2, 2015, the Company renewed its office sublease agreement with Adamera Minerals Corp. for a term from September 1, 2015 to August 31, 2016 at \$2,325 per month.

A summary of comparative administrative and other expenses for 2015 and 2014 is provided in the table below reflecting the Company's continued effort to reduce costs.

- The \$33,927 increase in professional fees was related to legal costs for a proposed financing that the Company decided not to pursue further under the current market conditions.
- With the proceeds from the royalty sale, the Company planned and completed a 12 hole, 655.3 meter rotary air blast drilling program as a result of the \$33,981 increase in exploration.
- Share-based payments were determined by the Black-Scholes option pricing model recognized over the vesting period of options based on each stock option grant. The \$18,103 share-based payment in 2015 reflected 868,000 options granted on Feb 2, 2015 at an exercise price of \$0.05. No options were issued or vested in 2014.
- The carrying value of the Company's mineral properties are reviewed by management quarterly, or when events or circumstances indicate that its carrying amount may not be recovered. The potential impairment indicators include but are not limited to the amount of work performed on the property, results of exploration to date, and plans or budgeting for the future exploration. No impairments were recorded in the nine months ended September 30, 2015.

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	Nine months end September 30,		Increase
	2015	2014	(decrease)
Administrative expenses			
Depreciation	\$ -	\$ 4,257	\$ (4,257)
Insurance	5,000	6,105	(1,105)
Professional and consulting fees	51,109	17,182	33,927
Management and administrative services	42,017	64,121	(22,104)
Office operations and facilities	43,225	37,556	5,669
Investor relations	5,385	15,264	(9,879)
Share-based payments	18,103	-	18,103
Transfer agent and regulatory fees	18,226	19,849	(1,623)
	183,065	164,334	18,731
Other expenses (income)			
Exploration and evaluation costs	131,613	97,632	33,981
Sale of mineral property royalties	(508,200)	-	(508,200)
Loss (gain) on sale of marketable securities	-	(1,204)	1,204
Property option payment	(185,000)	(50,000)	(135,000)
Interest	-	(232)	232
	(561,587)	46,196	(607,783)
Total income and (expenses)	\$ 378,522	\$ (210,530)	\$ (589,052)

Summary of Quarterly Results

The following table sets forth a comparison of information for the previous eight quarters ending with September 30, 2015:

	September 30,	June 30,	March 31,	December 31 ,
	2015	2015	2015	2014
Total revenue	\$ -	\$ 508,200	\$ -	\$ -
Interest income	-	-	-	-
General and administration	(72,630)	(46,523)	(45,807)	(102,649)
Exploration and evaluation costs	(114,813)	(7,500)	(9,300)	14,104
Gain (loss) on sale of marketable securities	-	-	-	(916)
Impairment	-	-	-	(135,712)
Mining tax credit and government grant	-	-	-	50,000
Property option payment	185,000	-	-	(20,591)
Share-based payments	-	-	(18,103)	-
Write off of equipment	-	-	-	(7,333)
Loss on sale of equipment	-	-	-	(4,332)
Net income (loss) for the period	(2,443)	454,177	(73,210)	(207,429)
Basic and diluted income (loss) per share	\$ -	\$ 0.02	\$ -	\$ (0.01)

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	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013
Total revenue	\$ -	\$ -	\$ -	\$ -
Interest income	-	-	232	457
General and administration	(44,382)	(65,663)	(54,288)	(54,657)
Exploration and evaluation costs	(51,400)	(20,530)	(25,702)	(16,640)
Gain (loss) on sale of marketable securities	2,120	-	-	-
Gain on sale of property	-	-	-	181,324
Impairment	-	-	-	(415,000)
Mining tax credit and government grant	-	-	-	70,000
Property option payment	50,000	-	-	-
Recognition of flow through share premium	-	-	-	24,550
Recover and other	-	-	-	61,684
Share-based payments	-	-	-	(23,837)
Net loss for the period	(43,662)	(86,193)	(79,758)	(172,119)
Basic and diluted loss per share	\$ -	\$ -	\$ -	\$ (0.01)

Liquidity and Capital Resources

The Company is dependent on raising funds by the issuance of shares or disposition of interests in resource properties it may own or otherwise acquire in order to finance further acquisitions, undertake exploration of other resource properties and meet general and administrative expenses in the immediate and long terms. As at November 24, 2015, the Company has cash on hand of approximately \$500,000 and 5,636,525 common shares of MinQuest worth approximately \$130,000.

During the nine months ended September 30, 2015, the Company received \$610,001 (US\$500,000) from Sandstorm Gold Ltd. for the mineral royalty sale, and \$100,000 cash payment from MinQuest Limited as an option payment for the Fyre Lake property.

The Company spent \$231,444 in operating activities (2014 - \$256,273), and incurred \$131,613 in exploration and evaluation activities (2014 - \$97,632). The ability of the Company to continue its exploration program is dependent on the continuing success of its exploration programs coupled with available funding through sale of its share capital or disposition of property interests.

Outstanding Share Data

As at November 24, 2015, the Company has

- a) 24,390,884 common shares issued and outstanding;
- b) 2,281,500 stock options outstanding and exercisable at a weighted exercise price of \$0.20;
- c) 2,000,000 and 1,063,750 warrants outstanding which expire on November 18 and December 23, 2016, respectively. These warrants are exercisable at \$0.06 per share for the 1st year and \$0.075 for the 2nd year.

Off-Balance Sheet Arrangements

None

Proposed Transactions

None

Disclosure Controls and Procedures

Current securities policies in Canada require that management of the Company certifies that it has assessed the effectiveness of the Company's disclosure controls and procedures at period ends. Management has concluded that the disclosure controls as at September 30, 2015 were effective in ensuring that all material information required to be filed had been effected in a timely manner, and that the information was recorded, processed and reported within the time period necessary to prepare the filings.

The Company continues to review and assess its internal control over financial reporting. There were no significant changes made to internal controls over financial reporting during the period ended September 30, 2015.

Changes in Accounting Policies and Recent Accounting Pronouncements

The Company has not made any changes to its significant accounting policies, as described within Note 2, during the year ended December 31, 2014. Certain requirements were issued by the IASB that are mandatory for annual years beginning on or after January 1, 2015. These changes have not yet been early adopted and have been evaluated to have no major impact on the Company.

Forward Looking Statements

This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, which address future production, reserve potential, exploration activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance, that the Company expressly disclaims any responsibility for revising or expanding the forward-looking statements to reflect actual results or developments, and that actual results or developments may differ materially from those projected, in the forward-looking statements.