

Pacific Ridge Exploration Ltd.
Management's Discussion and Analysis
For the year ended December 31, 2015

This management's discussion and analysis ("MD&A") of Pacific Ridge Exploration Ltd. ("Pacific Ridge" or the "Company") is dated April 21, 2016 and provides an analysis of Pacific Ridge's financial results for the year ended December 31, 2015 ("2015") compared to the prior year in 2014 ("2014").

The following information should be read in conjunction with the Company's audited financial statements for the year ended December 31, 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 Company's shares are listed on the TSX Venture Exchange under the symbol "PEX". Additional information related to Pacific Ridge is available on its 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 end of this MD&A.

Pacific Ridge's disclosure of a technical or scientific nature has been reviewed and approved by Mr. 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.

Highlights

During the year ended December 31, 2015, the Company:

- received a \$610,001 (US\$500,000) payment from Sandstorm Gold Ltd. in consideration for the sale of selected package of mineral royalties;
- received 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.
- 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.
- terminated its option on the Sophie property in the fourth quarter of 2015.

Mariposa Property

The 295 km² Mariposa property was acquired by Pacific Ridge in September 2009, by way of an option agreement with the Tintina Syndicate. In the fourth quarter of 2014, the Company completed its earn-in and now owns a 100% interest in the Mariposa property.

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 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. 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 magnetic 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.

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.

The results, announced on November 12, 2015, demonstrate continuity of mineralized structures to shallow depth for a strike length of 125 m within the Skookum Main mineralized zone. The zone is open along strike in both directions and at depth.

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. 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 by making cash payments of \$650,000 and issuing common shares worth of \$650,000 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 \$3.0 million in exploration expenditures by July 14, 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 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.

Eureka Dome Project

In April, 2009, the Company acquired by staking a 100% interest in 156 Moose and EU quartz claims, covering approximately 32 km². The Property lies between the well explored and geologically complex Klondike gold field to the north and the Stewart River area to the south. Placer mining activity in Eureka Creek dates back to the 1896 gold rush. During the period 1978-82, Eureka was the first-ranked placer creek in Yukon. The reported historical placer production from Eureka & Black Hills Creeks is estimated to be greater than 140,000 oz. Au. In 2010 and 2011, the Company completed a preliminary evaluation of the property, including prospecting and reconnaissance ridge and spur soil sampling. That program identified several areas anomalous in gold and pathfinder elements and hydrothermal alteration.

On March 24, 2016, the Company announced plans to carry out a program of prospecting and grid soil sampling followed by high resolution geophysical surveys on the property during the 2016 field season, with the objective of defining drill targets for future follow-up.

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 property.

In July 2013, the Company 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 King Solomon property. 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. The Company has continued to reduce its general administration costs where possible. During the year ended December 31, 2015, total general administration costs were reduced by \$41,687, and the Company had a net income of \$253,186 as compared to net loss of \$417,042 in 2014 mainly due to the mineral royalty sale in 2015.

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.

- With the proceeds from the royalty sale, the Company completed a 12-hole, 655.3 meter rotary air blast drilling program resulting in the \$94,001 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.

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- 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. As of December 31, 2015, the Sophie property was written down to nil.

	Years ended December 31,		Increase (decrease)
	2015	2014	
Administration expenses	\$	\$	\$
Depreciation	-	4,257	(4,257)
Insurance	5,000	6,105	(1,105)
Professional and consulting fees	60,159	80,545	(20,386)
Management and administrative services	59,748	86,196	(26,448)
Office operations and facilities	57,061	49,228	7,833
Shareholder communications	6,046	19,229	(13,183)
Share-based payments	18,103	-	18,103
Transfer agent and regulatory fees	19,178	21,422	(2,244)
	225,295	266,982	(41,687)
Other expenses (income)			
Exploration and evaluation costs	177,529	83,528	94,001
Sale of mineral property royalties	(508,200)	-	(508,200)
Loss (gain) on sale of marketable securities	1,887	(1,204)	3,091
Impairment of marketable securities	51,569	-	51,569
Government grant	(40,000)	(50,000)	10,000
Property option payment	(185,000)	(29,409)	(155,591)
Impairments	23,734	135,712	(111,978)
Interest	-	(232)	232
Write-off of equipment	-	7,333	(7,333)
Loss on sale of equipment	-	4,332	(4,332)
	(478,481)	150,060	(628,541)
Net income (loss) for the year	253,186	(417,042)	670,228

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Selected Annual Information

Selected annual information from the Company's three most recently completed financial years is summarized as below:

	2015	2014	2013
	\$	\$	\$
Total income	508,200	-	-
Net income (loss) for the year	253,186	(417,042)	(909,602)
Basic and diluted income (loss) per share	0.01	(0.02)	(0.05)
Total assets	1,129,161	853,519	1,132,095
Long-term financial liabilities	-	-	-
Cash dividends declared	-	-	-

The Company has had no revenue from mining operations other than sale of mineral property royalty in 2015 and its results have been largely driven by the level of its exploration activities.

Summary of Quarterly Results

The following table sets forth a comparison of information for the previous eight quarters ending with December 31, 2015:

	December 31,		September 30,		June 30,		March 31,	
	2015		2015		2015		2015	
Total revenue	\$	-	\$	-	\$	508,200	\$	-
Interest income				-		-		-
General and administration		(42,232)		(72,630)		(46,523)		(45,807)
Exploration and evaluation costs		(45,916)		(114,813)		(7,500)		(9,300)
Loss on sale of marketable securities		(1,887)		-		-		-
Impairments		(75,303)		-		-		-
Government grant		40,000		-		-		-
Property option payment		-		185,000		-		-
Share-based payments		-		-		-		(18,103)
Net income (loss) for the period		(125,338)		(2,443)		454,177		(73,210)
Basic and diluted income (loss) per share	\$	(0.01)	\$	-	\$	0.02	\$	-

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	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014
Total revenue	\$ -	\$ -	\$ -	\$ -
Interest income	-	-	-	232
General and administration	(102,649)	(44,382)	(65,663)	(54,288)
Exploration and evaluation costs	14,104	(51,400)	(20,530)	(25,702)
Gain (loss) on sale of marketable securities	(916)	2,120	-	-
Impairment	(135,712)	-	-	-
Government grant	50,000	-	-	-
Property option payment	(20,591)	50,000	-	-
Write-off and loss on sale of equipment	(11,665)	-	-	-
Net loss for the period	(207,429)	(43,662)	(86,193)	(79,758)
Basic and diluted loss per share	\$ (0.01)	\$ -	\$ -	\$ -

Quarterly Information Trends

The Company's results have been largely driven by the level of its property holding costs, exploration activities and recoveries from partners. The Company has had no revenue from mining operations since its inception other disposal its assets and mineral royalties. Major variations in costs are summarized below:

- General exploration expenditures can vary widely from quarter to quarter depending on the stages and priorities of the exploration program and the availability of funds.
- The gain or loss on disposal of mineral properties is dependent on the negotiated sales proceeds and can vary significantly from property to property.
- Share-based payments can vary widely from quarter to quarter based on the timing, amount and tenure of stock option awards.

Liquidity and Capital Resources

The Company is dependent on raising funds by the issuance of shares or disposition of interests in resource properties to finance further acquisitions, undertake exploration and meet general and administrative expenses. As at April 21, 2016, the Company has cash on hand of approximately \$430,000 and 5,636,525 common shares of MinQuest worth approximately \$110,000.

During the year ended December 31, 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 as an option payment for the Fyre Lake property.

The Company spent \$356,033 in operating activities (2014 - \$317,691), and incurred \$177,529 in exploration and evaluation activities (2014 - \$83,528). 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 April 21, 2016, the Company has

- a) 24,390,884 common shares issued and outstanding;
- b) 2,221,500 stock options outstanding and exercisable at a weighted exercise price of \$0.16;
- c) 2,000,000 and 1,063,750 warrants outstanding exercisable at \$0.075 which expire on November 18 and December 23, 2016, respectively.

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 December 31, 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 December 31, 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, 2015. Certain requirements were issued by the IASB that are mandatory for annual years beginning on or after January 1, 2016. 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

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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.

Risk Factors

The Company is subject to a number of risks due to the nature of its business and the present stage of explorations. The following factors should be considered:

Mineral Exploration and Development

The Company's properties are in the exploration stage and are without a known body of commercial ore. Development of any of the Company's properties will only follow upon obtaining satisfactory exploration results. Mineral exploration and development involve a high degree of risk and few properties which are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in the discovery of a body of commercial ore on any of its properties. Several years may pass between the discovery and the development of commercial mineable mineralized deposits. Most exploration projects do not result in the discovery of commercially mineralized deposits.

Trends

The Company's financial success is dependent upon the discovery of mineral resources which could be economically viable to develop. Such development could take years to complete and the resulting income, if any, is difficult to determine. The sales value of any mineralization discovered by the company is largely dependent upon factors beyond the Company's control, such as market value of the products produced and availability of capital from the public market place. Other than as disclosed herein, the company is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect on the Company's results or financial position.

Operating Hazards and Risks

Mineral exploration involves many risks. The operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of resources, any of which could result in work stoppages and damage to persons or property or the environment and possible legal liability for any and all damage. Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are some of the risks involved in the operation of mines and the conduct of exploration programs. Although the Company will, when appropriate, secure liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liability and hazards might not be insurable, or the Company might elect not to insure itself against such liabilities due to high premium costs or other reasons, in any of which events the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Economics of Developing Mineral Properties

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract metal from ore and to develop the mining and processing facilities and infrastructure at

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any site chosen for mining. No assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operation or that the funds required for development can be obtained on a timely basis.

The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control and which cannot be predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Depending on the price of minerals produced, the Company may determine that it is impractical to commence or continue commercial production.

Environmental Factors

The Company conducts exploration activities in various parts of Canada and has previously conducted exploration activity within the United States. Such activities are subject to various laws, rules and regulations governing the protection of the environment, including, in some cases, posting of reclamation bonds. Extensive environmental legislation has been enacted in Canada by federal, provincial and territorial governments and in the United States by federal and state governments. All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which requires stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed properties and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or to preclude entirely the economic development of a property. Environmental hazards may exist on the Company's properties, which hazards are unknown to the Company at present, which have been caused by previous or existing owners or operators of the properties. The Company is not aware of any environmental hazards on any of the properties held or formerly worked by the Company. The approval of new mines in Canada is subject to detailed review through a clearly established public hearing process, pursuant to both the Federal Canadian Environmental Assessment Act and the provincial and territorial Environmental Review Agencies. Further, under such review process, there is no assurance that regulatory and environmental approvals will be obtained on a timely basis or at all. Failure to comply with the legislation may have serious consequences. Orders may be issued requiring operations to cease or be curtailed or requiring installation of additional facilities or equipment. Violators may be required to compensate those suffering loss or damage by reason of its mining activities and may be fined if convicted of an offense under such legislation.

Canadian provincial and territorial state mining legislation establishes requirements for the decommissioning, reclamation and rehabilitation of mining properties in a state of temporary or permanent closure. Such closure requirements relate to the protection and restoration of the environment and the protection of the public safety. Some former mining properties must be managed for long periods of time following closure in order to fulfill closure requirements. The costs of closure of mining properties, and, in particular, the cost of long term management of mining properties can be substantial. The Company intends to progressively rehabilitate its mining properties during their period of operation, should any properties become operational, so as to reduce the cost of fulfilling closure requirements after the termination or suspension of production.

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The Company has adopted environmental practices designed to ensure that it continues to comply with or exceeds all environmental regulations currently applicable to it. All of the Company's activities are in compliance in all material respects with applicable environmental legislation. The Company is currently engaged in exploration with minimal environmental impact.

Title

Although the Company has exercised the usual due diligence with respect to title to properties in which it has a material interest, there is no guarantee that title to the properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. In addition, certain of the mining claims in which the Company has an interest are not recorded in the name of the Company and cannot be recorded until certain steps are taken by other parties. Before a number of claims under option can be recorded in the Company's name, the underlying title holder has to assign title to the Company once the Company satisfies its option agreement obligations. There are no assurances that the underlying title holder will assign title. Land may be transferred by the State to businesses and citizens for possession and use based on leases.

Canadian Aboriginal Land Claims

Canadian Aboriginal rights may be claimed on properties or other types of tenure with respect to which mining rights have been conferred. The Company is aware of the mutual benefits afforded by cooperative relationships with indigenous people in conducting exploration activity and is generally supportive of measures established to achieve such cooperation. While there is, to the Company's knowledge, no specific existing claim in respect of any of its properties, the advent of any future aboriginal land claims and the outcome of any aboriginal land claims negotiations or related issues cannot be predicted.

Competition and Agreements with Other Parties

The Company competes with other mining companies for the acquisition of mineral claims and other mining interests as well as for the recruitment and retention of qualified employees and contractors. There is significant and increasing competition for a limited number of resource acquisition opportunities and as a result, the Company may be unable to acquire attractive mining properties on terms it considers acceptable. The Company competes with other companies that may have substantially greater financial resources than the Company. The Company may, in the future, be unable to meet its obligations under agreements to which it is a party and the Company may have its interest in the properties subject to such agreements reduced as a result. Furthermore, if other parties to such agreements do not meet their share of such costs, the Company may be unable to finance the cost required to complete recommended programs.

Governmental Regulation

Operations, development and exploration on the Company's properties are affected to varying degrees by: (i) government regulations relating to such matters as environmental protection, health, safety and labour; (ii) mining law reform; (iii) restrictions on production, price controls, and tax increases; (iv) maintenance of claims; (v) tenure; and (vi) expropriation of property. There is no assurance that future changes in such regulation, if any, will not adversely affect the Company's operations. Changes in such regulation could result in additional expenses and capital expenditures, availability of capital, competition, reserve uncertainty, potential conflicts of interest, title risks, dilution, and restrictions and delays in operations, the extent of which cannot be predicted.

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The Company is at the exploration stage on all of its properties. Exploration on the Company's properties requires responsible best exploration practices to comply with Company policy, government regulations, and maintenance of claims and tenure. The Company is required to be registered to do business and have a valid prospecting license (required to prospect or explore for minerals on Crown Mineral land or to stake a claim) in any Canadian province or territory in which it is carrying out work. Mineral exploration primarily falls under provincial or state jurisdiction. However, the Company is also required to follow the regulations pertaining to the mineral exploration industry that fall under federal jurisdictions, such as the Fish and Wildlife Act in Canada and the Environmental Protection Agency in the United States.

If any of the Company's projects are advanced to the development stage, those operations will also be subject to various laws and regulations concerning development, production, taxes, labour standards, environmental protection, mine safety and other matters. In addition, new laws or regulations governing operations and activities of mining companies could have a material adverse impact on any project in the mine development stage that the Company may possess.

Metals Prices

The Company's revenues, if any, and ability to attract equity financing is expected to be in large part derived from the discovery of mineral properties and the sale of minerals contained or interests related thereto. The price of those commodities has fluctuated widely, particularly in the last three years, and is affected by numerous factors beyond the Company's control including international economic and political conditions, expectations of inflation, international currency exchange rates, interest rates, global or regional consumptive patterns, speculative activities, levels of supply and demand, increased production due to new mine developments and improved mining and production methods, availability and costs of metal substitutes, metal stock levels maintained by producers and other and inventory carrying costs. The effect of these factors on the price of base and precious metals, and therefore the economic viability of the Company's operations, cannot accurately be predicted.

Management and Directors

The Company is dependent on its key management personnel. Loss of the key person could have an adverse effect on the Company. The Company does not maintain "key-man" insurance in respect of any of its management.

Conflicts of Interest

Certain of the Directors and Officers of the Company are also in their personal capacities, or as Directors or Officers of other companies, engaged in mineral exploration and development. Accordingly, exploration opportunities or prospects of which they become aware may not necessarily be made available to the Company. The Directors and Officers intend to allocate opportunities or prospects from time to time on the basis of prudent business judgment. The Directors are required by law to act honestly and in good faith with a view to the best interest of the Company and its shareholders and to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with the Company and to abstain from voting as a Director for the approval of such transaction.

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Price Fluctuations: Share Price Volatility

In recent years, the international securities markets have experienced high levels of price and volume volatility, and the market prices of securities of many mineral exploration companies have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that the continual fluctuations in market price will not occur which may impact the Company's market capitalization as well as its ability to facilitate equity financing.

Legal Proceedings

As at December 31, 2015 and the date of this document, there were no legal proceedings against or by the Company.