

Pacific Ridge Exploration Ltd.
Management's Discussion and Analysis
For the three months ended March 31, 2015

This management's discussion and analysis ("MD&A") of Pacific Ridge Exploration Ltd. ("Pacific Ridge" or the "Company") is dated May 28, 2015 and provides an analysis of Pacific Ridge's financial results for the three months ended March 31, 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 March 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 financial statements for the three months ended March 31, 2015 is approved by the Board of Directors on May 28, 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

No exploration work has been carried out by the Company on any of its projects in 2015. The Company is planning a rotary air blast (RAB) drill program on its Mariposa gold project in the Klondike-White Gold district in the 2015 field season, subject to financing, and continues to evaluate new acquisition opportunities. MinQuest Limited ("MinQuest", formerly Merah Resources) holds the Company's Fyre Lake copper-gold project under option and is planning a 2015 drill program to confirm and expand the known mineralization.

King Solomon Property

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 heart of the Klondike Gold District. To earn a 100% interest, the Company is required to make \$500,000 in cash payments, issue 2,000,000 common shares of the Company, and incur exploration expenditures of \$2,500,000 by the end of 2017. 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 King Solomon property. The property is located approximately 40 kilometers southeast of Dawson City and is accessible by all-weather road.

Exploration History

Shawn Ryan acquired the King Solomon property by staking in 2004 and has added to the claims in subsequent years. During the period 2006 to 2012, Ryan collected 5,838 soil samples from several grids throughout the property. The KSD South soil anomaly was first defined as a significant target during the 2007 exploration program. In 2013 the Company carried out a program of soil sampling, high resolution IP/resistivity and deep penetrating soil and rock sampling on the KSD South Zone.

In September 2014, the Company optioned its King Solomon project to Centerra Gold Inc. ("Centerra"). Centerra completed a program of soil sampling, a ground magnetic survey, 12 lines of high resolution IP/Resistivity surveying and 918 m of rotary air blast (RAB) drilling in 17 holes. Despite positive results from the RAB drill program, Centerra terminated the option in December 2014.

The Company believes the 2014 program results may indicate the presence of a wide-spread gold mineralizing system on the King Solomon property. Subject to its ability to re-negotiate the King Solomon option agreement, the Company will examine alternatives for moving the property forward in 2015.

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 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. The first mechanized mining began in the mid 1950's, while large scale mechanized 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.

Recommended Future Work

Subject to availability of financing, a program of ongoing RAB drilling is recommended to further define and extend the strong Geoprobe results from the 2013 program, prior to core drill testing. The Company is also considering option or joint venture of the Mariposa property.

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.

2014 Project Activities

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. The VTEM survey successfully delineated magnetic and electromagnetic (EM) anomalies along a 1.8 km trend directly associated with the currently defined Kona Deposit massive sulphide. Additional magnetic and EM targets defined by the survey, similar in size and amplitude to the anomalies directly associated with the Kona Deposit, have been identified along strike and east and west of the Kona Deposit and represent high priority drill targets. The check assays show good agreement with the previous Pacific Ridge results, with an average 2.7% increase in Cu, 12% increase in Co and 0.1% increase in Au.

Proposed Future Work

MinQuest's exploration plans for the 2015 field season include infill and extensional drilling with the objective of increasing the size of the Kona resource as well as testing additional priority drill targets that were identified by the VTEM survey in combination with historical geological and geochemical results.

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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 three months ended March 31, 2015, the Company had a net loss of \$73,210 as compared to net loss of \$79,758 in 2014. Due to prolonged weak equity markets and limited cash balances, the Company has not conducted any exploration programs and continued to reduce its general administration and corporate activities on an ongoing basis.

During the first quarter of the year 2014, the Company continued a sublease agreement with Adamera Minerals Corp. for office premises at 1111 Melville Street, Vancouver for rental payment of \$2,300 per month.

A summary of comparative administrative and other expenses for 2015 and 2014 is provided in the table below with an analysis for the major changes.

	Three months end March 31,		Increase
	2015	2014	(decrease)
Administrative expenses			
Depreciation	\$ -	\$ 1,419	\$ (1,419)
Insurance	-	-	-
Professional and consulting fees	7,707	968	6,739
Management and administrative services	11,839	20,247	(8,408)
Office operations and facilities	15,093	13,047	2,046
Investor relations	2,788	9,084	(6,296)
Share-based payments	18,103	-	18,103
Transfer agent and regulatory fees	8,380	9,523	(1,143)
	63,910	54,288	9,622
Other expenses (income)			
Exploration and evaluation costs	9,300	25,702	(16,402)
Interest	-	(232)	232
	9,300	25,470	(16,170)
Total expenditures and expenses	\$ (73,210)	\$ (79,758)	\$ (6,548)

- Professional and consulting fees increased by \$6,739 due to the use of outside consultants in evaluating new project opportunities.
- Shareholders communications and investor relations decreased by \$6,296 reflecting the Company's reduced activities in investor relations coupled with overall weak market conditions.
- 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 these first quarters.

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Summary of Quarterly Results

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

	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014
Total revenue	\$ -	\$ -	\$ -	\$ -
Interest income	-	-	-	-
General and administration	(45,807)	(102,649)	(44,382)	(65,663)
Exploration and evaluation costs	(9,300)	14,104	(51,400)	(20,530)
Gain (loss) on sale of marketable securities	-	(916)	2,120	-
Impairment	-	(135,712)	-	-
Mining tax credit and government grant	-	50,000	-	-
Property option payment	-	(20,591)	50,000	-
Share-based payments	(18,103)	-	-	-
Write off of equipment	-	(7,333)	-	-
Loss on sale of equipment	-	(4,332)	-	-
Net loss for the period	\$ (73,210)	(207,429)	(43,662)	(86,193)
Basic and diluted loss per share	\$ -	\$ (0.01)	\$ -	\$ -

	March 31, 2014	December 31, 2013	September 30, 2013	June 30, 2013
Total revenue	\$ -	\$ -	\$ -	\$ -
Interest income	232	457	945	1,069
General and administration	(54,288)	(54,657)	(78,925)	(145,392)
Exploration and evaluation costs	(25,702)	(16,640)	(244,115)	(23,626)
Gain on sale of property	-	181,324	-	-
Impairment	-	(415,000)	-	(53,500)
Mining tax credit and government grant	-	70,000	-	-
Recognition of flow through share premium	-	24,550	-	-
Recover and other	-	61,684	-	-
Share-based payments	-	(23,837)	-	(7,312)
Net loss for the period	\$ (79,758)	\$ (172,119)	\$ (322,095)	\$ (228,761)
Basic and diluted loss per share	\$ -	\$ (0.01)	\$ (0.02)	\$ (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 May 28, 2015, the Company has cash and working capital of \$45,000 and 1,608,338 common shares of MinQuest worth of \$28,950.

During the three months ended March 31, 2015, the Company spent \$54,237 in operating activities (2014 - \$82,514), and incurred \$9,300 in exploration and evaluation activities (2014 - \$25,702). 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 May 28, 2015, the Company has

- a) 24,390,884 common shares issued and outstanding;
- b) 2,291,500 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 March 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 March 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, 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

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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.