(An Exploration Stage Company)

Management's Discussion and Analysis (MD&A)

(Form 51-102F1)

Three months ended March 31, 2022

This Management's Discussion and Analysis ("MD&A") of Pacific Ridge Exploration Ltd. ("Pacific Ridge" or the "Company"), dated **May 18, 2022**, provides an update on the Company's business activities, financial condition, financial performance and cash flows for the three months ended March 31, 2022. The Company reports its financial position, financial performance and cash flows in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") in Canadian dollars (unless otherwise indicated). The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3", and "Q4" respectively.

The following information should be read in conjunction with the Company's audited consolidated financial statements for the years ended December 31, 2021 and 2020, the annual MD&A for the year ended December 31, 2021, and the condensed consolidated interim financial statements for the three months ended March 31, 2022 (together, the "Financial Statements"), available on the SEDAR website at www.sedar.com.

The Company's shares are listed on the TSX Venture Exchange under the symbol "PEX" and on the Over-the-Counter Venture Markets (OTC-QB) under symbol PEXZF. Additional information related to Pacific Ridge is also available on the Company's website at www.pacificridgeexploration.com or on SEDAR at www.sedar.com

Forward Looking Statements and Risk Factors

This MD&A contains forward-looking statements that are related to the Company's activities and future financial results. The results for the current periods are not necessarily indicative of the results for any future period. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance as 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 annual MD&A for the year ended December 31, 2021, under its *Risk Factors* section.

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

Highlights for the first quarter of 2022

On January 31, 2022, the Company announced results of the second hole from the 2021 drill program on its Kliyul copper-gold porphyry project. Hole KLI21-037 returned 566.7 m of 0.48% copper equivalent or 0.76 gpt gold equivalent, comprising 0.20% Cu and 0.44 gpt Au, including 316.7 m of 0.75% CuEq or 1.17 gpt AuEq, comprising 0.30% Cu and 0.70 gpt Au.

On January 27, 2022, the Company entered into a property purchase agreement to acquire a 100% interest in the Onjo copper-gold porphyry project ("Onjo) in north-central British Columbia. The Company paid $50,000 in cash and issued 750,000 common shares with a fair value of $0.35 per share or $262,500. The vendor of Onjo retains a 2% NSR, with the Company having an option to purchase one quarter of the NSR at any time for USD $1,500,000.

On February 8, 2022, the Company announced that it had signed an earn-in agreement with Antofagasta Minerals S.A. on the Company's RDP copper-gold project, located in north-central British Columbia. The Agreement grants Antofagasta an option to acquire a 75% interest in RDP by making payments of $1,350,000, plus a success payment of $800,000 upon exercise of the option, by spending $10,000,000 on exploration over eight years, of which $1,000,000 should be spent during the first year, and by delivering a NI 43-101 compliant preliminary economic assessment report.

On February 15, 2022, the Company announced results of the third and final hole from the 2021 drill program on its Kliyul copper-gold porphyry project. KLI-21-038 returned 0.40% copper equivalent or 0.63 gpt gold equivalent, or 0.15% Cu and 0.39 g/t Au, over 507 m, from the top of bedrock, including 88.0 m of 0.80% CuEq or 1.25 gpt AuEq, comprising 0.26% Cu and 0.84 gpt Au.

On February 22, 2022, the Company entered into a sale and purchase agreement to acquire a 100% interest in four internal claims at Onjo by paying $25,000 cash and issuing 250,000 common shares with a fair value of $0.265 per share or $66,250. With the acquisition of these claims, Pacific Ridge now owns 100% of the claims within the Onjo project boundary.

On March 14, 2022, the Company announced that it had contracted Dorado Drilling Ltd., based in Vernon, B.C., as its diamond drill contractor for the planned 6,000 metre drill campaign at the Kliyul copper-gold porphyry project.

On March 17, 2022, the Company announced a brokered private placement, which closed on April 21, 2022, raising gross cash proceeds of $ 7,431,200 and detailed under *Financing Activities*, below.

Mineral Properties

Kliyul and Redton, British Columbia

In January 2020, the Company entered into an earn-in property agreement, as amended on April 7, 2020, and on July 22, 2020, with Aurico Metals Inc., with respect to the Kliyul and Redton properties located in British Columbia.

Kliyul is a 6,000 ha advanced exploration project located 50 km southeast of the Kemess mine and 5 km from the Omineca mining road and power line, in one of the most geochemically anomalous areas for copper and gold in the Quesnel Terrane. The property contains several Minfile database occurrences, including four major target areas: Kliyul, Bap Ridge, Ginger-Shadow and M39, each representing an interpreted porphyry centre over a 4 km strike length.

Redton is a porphyry copper-gold property that adjoins Northwest Copper Corporation's Kwanika property along its eastern and northern boundary. The property is road accessible in a proven porphyry belt, underlain by rocks of the Hogem Batholith within the prolific Quesnel Terrane.

In 2020, the Company completed a surface exploration program at Kliyul designed to extend the depth of investigation of the chargeability and resistivity response related to the Kliyul mineralization as well as to define vectors to mineralization for a drill test of priority copper-gold targets planned for 2021. At Redton, the Company completed a one-hole, 434 m drill program. The drill hole tested the Redton North target, a 550 m by 250 m magnetic and IP chargeability anomaly with a coincident 500 m x 100 m copper-molybdenum soil anomaly, located 2.5 km north of Northwest Copper's Kwanika Central Zone deposit. No significant copper or gold assays were encountered in the hole.

During August and September of 2021, Pacific Ridge completed 1,544 m of diamond drilling in three holes at Kliyul. All three holes encountered porphyry-style mineralization consisting of pyrite, chalcopyrite and lesser bornite in veins and as disseminations. Logging of the drill core has identified an early magnetite-chlorite alteration and veining which is cross-cut by later-stage banded quartz-magnetite veins as well as later generations of quartz+magnetite+chalcopyrite veining. The later stage veining brings in chalcopyrite+bornite with quartz as well as epidote and/or anhydrite+magnetite. Early magnetite and quartz-magnetite veins are interpreted to represent the higher temperature part of the porphyry system at Kliyul Main Zone. The presence of bornite is also an indication of proximity to the higher temperature core of a porphyry system and may be a positive vector towards the core of Kliyul Main Zone. All these characteristics are associated with classic porphyry copper occurrences.

Pacific Ridge's 2021 drill program produced the longest and highest-grade intervals ever returned from Kliyul. A summary of assay results from the three holes is shown in the table below:

Hole	From(m)	To(m)	Width(m)	Cu(%)	Au(gpt)	CuEq(%)	AuEq(gpt)
KLI-21-036	12.0	449.0*	437.0	0.22	0.60	0.61	0.96
including	12.0	33.0	21.0	0.34	1.30	1.17	1.84
including	**294.0**	**435.0**	**141.0**	**0.36**	**1.11**	**1.07**	**1.68**
KLI-21-037	12.3	579.0*	566.7	0.20	0.44	0.48	0.76
including	**12.3**	**329.0**	**316.7**	**0.30**	**0.70**	**0.75**	**1.17**
including	243.9	268.0	24.1	1.09	2.21	2.50	3.92
KLI-21-038	9.0	516.0*	507.0	0.15	0.39	0.40	0.63
including	**9.0**	**351.0**	**342.0**	**0.17**	**0.50**	**0.50**	**0.78**

*CuEq = ((Cu%) x $Cu x 22.0462) + (Au(g/t) x $Au x 0.032151)) / ($Cu x 22.0462)
**AuEq = ((Cu%) x $Cu x 22.0462) + (Au(g/t) x $Au x 0.032151)) / ($Au x 0.032151)
Commodity prices: $Cu = US$4.00/lb and $Au = US$1,750/oz.
Factors: 22.0462 = Cu% to lbs per tonne, and 0.032151 = Au g/t to oz per tonne
Recovery for Cu and Au is assumed to be 100%

The Company is planning an expanded, 6,000 m drill program at Kliyul during the 2022 field season.

RDP, British Columbia

In May 2021, the Company acquired an option on the RDP copper-gold porphyry project in central British Columbia, approximately 40 km west of its flagship Kliyul copper-gold project. Pacific Ridge has the option to earn a 100% interest in RDP by making payments of $125,000, issuing 1,200,000 shares and completing $860,000 in exploration in stages by December 15, 2023. In addition, the Company will issue 300,000 shares to the vendor on completion of 5,000 m of drilling and an additional 500,000 shares upon defining a 1,000,000 ounces of gold equivalent resource in the inferred or greater category. The property is also subject to a 2% NSR payable to the vendor, half of which can be purchased at any time for $1.5 million.

RDP is a 3,800 ha project lying within the Stikine Terrane, which is host to numerous significant porphyry deposits in northern British Columbia, including Kemess, Red Chris, Kerr- Sulphurets and Galore Creek. Exploration at RDP since the early 1970's has included prospecting and mapping, various geochemical surveys, ground and airborne geophysical surveys, trenching and a limited amount of drilling. This work has identified three porphyry centres. Mineralization at the Roy showing consists of a quartz-magnetite-chalcopyrite stringer stockwork within a monzonite intrusive. Trenching in 1991 encountered 0.121% Cu and 0.55 gpt Au over 62 m within an 80 m trench. Only a single hole has been documented at Roy, in 2011, and it encountered 0.11% Cu and 0.64 gpt Au over 122.95 m. At the Day showing, mineralization includes pyrite, magnetite, chalcopyrite, minor molybdenite, and traces of bornite as disseminations and fracture fillings in diorite and adjacent altered volcaniclastic rocks. Historical drill highlights include 0.67% Cu and 0.93 gpt Au over 58.8 m in hole D-74-13 and 0.54% Cu and 0.75 gpt Au over 57 m in hole C-92-13. The Porcupine target was initially explored as a stratabound massive sulphide target, but recent interpretation of the alteration and soil geochemistry suggests the potential for porphyry style mineralization.

During 2021, the Company completed a mapping and sampling program at RDP, focusing on the Roy and Day showing areas.

On February 8, 2022, the Company announced that it had signed an earn-in agreement with Antofagasta Minerals S.A. on RDP. The Agreement grants Antofagasta an option to acquire a 75% interest in RDP by making payments of $1,350,000, plus a success payment of $800,000 upon exercise of the option, by spending $10,000,000 on exploration over eight years, and of which $1,000,000 is to be spent during the first year, and delivering a NI 43-101 compliant preliminary economic assessment report. Antofagasta is planning a drill program at RDP in 2022.

Onjo, British Columbia

On January 27, 2022, the Company entered into a property purchase agreement to acquire a 100% interest in the Onjo copper-gold porphyry project in north-central British Columbia. The Company paid $50,000 in cash and issued 750,000 common shares with a fair value of $0.35 per share or $262,500. The vendor retains a 2% NSR, with the Company having an option to purchase one quarter of the NSR at any time for USD $1,500,000. On February 22, 2022, the Company entered into a sale and purchase agreement to acquire a 100% interest in four internal claims at Onjo by paying $25,000 cash and issuing 250,000 common shares with a fair value of $0.265 per share or $66,250. With the acquisition of these internal claims, Pacific Ridge now owns 100% of the claims within the Onjo project boundary.

The 9,700 ha road accessible Onjo property lies in the 1,300 km long Quesnel Trough which hosts numerous alkalic porphyry copper-gold deposits from southern to northern B.C., and on the same magnetic trend that hosts the Mt Milligan, Chuchi and Kwanika porphyry discoveries.

The Onjo property hosts skarn and alkalic porphyry copper-gold mineralization associated with monzonitic phases of the Witch Lake intrusions cutting Takla volcanic rocks, similar to the mineralization and host rocks at the Mount Milligan Mine. The style of copper-gold mineralization returned in historical drilling, combined with the presence of nearby skarn occurrences, leads Pacific Ridge to believe that past operators at Onjo encountered the upper levels of an alkalic porphyry system. Based on the above exploration hypothesis, the Company believes that the Project has the potential to host an alkalic porphyry copper-gold deposit at depth.

The Company is planning a compilation program of historical exploration data prior to a surface exploration program planned for the 2022 field season, with the objective of defining future drill targets.

Spius, British Columbia

On April 27, 2018, as amended on December 12, 2019, October 25, 2020, and December 27, 2021, the Company acquired an option to earn a 100% interest in the Spius Cu-Mo porphyry property by making payments of $110,000 ($50,000 paid), issuing 1,400,000 shares (400,000 issued) and completing $825,000 in exploration by December 31, 2022. The property is road accessible and located 40 km southwest of Merritt, British Columbia.

The Spius property was explored for its porphyry potential in the 1960's and early 1970's. Exploration focused on a gossan area where work included an IP survey, trenching and 27 percussion and core drill holes. The drilling was shallow, with none of the drill holes exceeding 100 m. Recent exploration has defined a central copper soil geochemical anomaly. Two float samples of porphyry style mineralization with disseminated chalcopyrite assayed 2.53% Cu and 1.43% Cu.

Due to the weak results from a four-hole drill program during the year ended December 31, 2019, the Company decided to impair the $71,000 carrying value for Spius.

On October 20, 2020, the Company entered into an Option Agreement with Arctic Fox Ventures Inc. whereby the Company granted Arctic Fox an option to acquire a 60% interest in Spius by making payments of $50,000, issuing 1,000,000 shares and spending $550,000 on exploration by December 31, 2022. With this agreement, Arctic Fox assumes all the Company's obligations under the original agreement with the underlying owners of Spius, including its amendments.

In June 2021, Arctic Fox completed a two-hole 457.4 m drill program at Spius. The first hole encountered porphyry style mineralization, averaging 0.114% Cu, 23.5 ppm Mo and 0.7 ppm Ag over 41.45 m from 35.85 m to the bottom of the hole, including a higher-grade copper zone: 0.886% Cu over 1.3 m (66.05 to 67.35 m).

The second hole encountered porphyry style mineralization throughout its length, including 0.155% Cu, 71 ppm Mo and 0.8 ppm Ag over 15.2 m (341.25 to 356.45 m), with two intervals of higher-grade copper: 0.832% Cu over 0.65 m (257.5 to 258.4 m) and 0.658% Cu over 1.32 m (346.18 to 347.5 m). These higher-grade intervals occur within zones of quartz-sericite-pyrite veins with potassium feldspar altered selvages, with chalcopyrite and traces of molybdenite. Arctic Fox is evaluating these results to determine its future plans for the property.

Mariposa, Yukon

The Company's 100% owned 295 km² Mariposa property is in the Yukon's White Gold District, 120 km southeast of Dawson City, 40 km southeast of White Gold's Golden Saddle deposit and 30 km east-northeast of Newmont's Coffee property. Prior exploration identified an open-ended 7 km long horizon of altered sulphide bearing quartz mica schist in the Skookum Zone area, in a setting favorable for hosting gold mineralization.

Since 2010, The Company has spent over $6 million exploring the Mariposa property, including geological mapping, soil geochemical surveys, geophysical surveys, trenching and drilling. Results are summarized on the Company's web site.

The plans for advancing Mariposa include seeking a potential farm-out for the property.

Eureka Dome, Yukon

The Company's 100% owned 32 km² Eureka Dome property is located 70 km southeast of Dawson City, within the Klondike-White Gold District. Placer mining activity in Eureka Creek dates to the 1896 gold rush, with estimated historical production from Eureka and Black Hills Creeks of greater than 140,000 oz. Au.

The plans for advancing Eureka Dome include seeking a potential farm-out for the property.

Gold Cap, Yukon

The 100% owned 1,100 ha Gold Cap property adjoins the northeast boundary of White Gold Corp's Golden Saddle property. The property was staked in 2009 based on an anomalous gold silt sample reported by the Geological Survey of Canada. In 2010, Pacific Ridge collected 1,766 soil samples and defined two anomalous gold zones.

The plans for advancing Gold Cap include seeking a potential farm-out for the property.

Fyre Lake, Yukon

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 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 December 2016, the Company announced that it had agreed to option a 100% interest in the project to BMC Minerals Ltd., as amended on December 19, 2018, and on April 10, 2020, whereby BMC has the right to acquire a 100% interest in Fyre Lake. The Company received a non-refundable deposit and initial option payment of $375,000 ($25,000 received in November 2016 and $350,000 received in January 2017), a second option payment of $300,000 in December 2017, and a third option payment of $1,200,000 on December 28, 2018.

In April 2020, the Company renegotiated the terms of the final $1.22 million payment, which had been due upon BMC obtaining production financing for its Kudz Ze Kayah project, but in any event no later than December 31, 2020. As renegotiated, BMC paid $250,000 to Pacific Ridge in April 2020, and will pay $1.0 million within thirty days of BMC receiving the Type A Water License for the development of its proposed ABM Mine, but in any event no later than December 31, 2021. BMC will continue to pay $75,000 to Pacific Ridge every six months until the final tranche has been paid, with the June 30, 2021, payment received. In 2019 the Company received payments of $150,000, $400,000 in 2020 and $325,000 in 2021.

In addition, BMC has agreed to make a bonus payment of $1,000,000 if and when BMC's Kudz Ze Kayah property has reached commercial production for one year.

On December 29, 2021, the Company announced that it had agreed to amend payment terms to its agreement with BMC. As renegotiated, BMC paid $250,000 on December 24, 2021, to Pacific Ridge and will pay an additional $850,000 by December 31, 2022, or within 10 business days of BMC listing on an internationally recognized stock exchange, whichever comes first. BMC will continue to pay $75,000 to Pacific Ridge every six months until the final payment of $850,000 has been paid, with the next payment being due June 30, 2022. All other terms and conditions of the agreement remain the same, including the bonus payment of $1,000,000 that is due if and when BMC's Kudz Ze Kayah property has reached commercial production for one year.

Summary of exploration expenses:

The following acquisition-related costs are carried by the Company in its consolidated statement of financial position presented with its Financial Statements:

	Company-owned properties		On option from third parties			Total
	Mariposa YT	Onjo BC	Kliyul BC	Redton BC	RDP BC	
	$	$	$	$	$	$
Balance, December 31, 2020 and March 31, 2021	429,619	-	12,500	12,500	-	454,619
Option payments in cash	-	-	10,000	10,000	15,000	35,000
Option payments in shares	-	-	-	-	52,000	52,000
Staking costs	-	-	-	-	16,449	16,449
Balance, December 31, 2021	429,619	-	22,500	22,500	83,449	558,068
Option payments in cash	-	75,000	-	-	-	75,000
Option payments in shares	-	328,750	-	-	-	328,750
Balance, March 31, 2022	**429,619**	**403,750**	**22,500**	**22,500**	**83,449**	**961,818**

The following is a summary of exploration expenses incurred in each of the Company's projects, the total of which is presented with the Company's statement of loss and comprehensive loss presented with its Financial Statements:

Property	Province / Territory	Three months ended March 31 2022	2021
		$	$
Kliyul	BC	**97,524**	60,150
RDP	BC	**40,887**	-
Onjo	BC	**9,518**	
Spius	BC	**72**	2,000
Redton	BC	**-**	7,105
Mariposa	YT	**-**	1,697
General exploration not allocated to a specific property		**28,383**	20,397
		176,384	91,349

Financing Activities

During the three months ended March 22, 2022, the Company issued 1,154,500 common shares upon exercise of a similar number of share purchase warrants for cash proceeds of $193,540.

Also during the same period, the Company issued 250,000 common shares upon exercise of a similar number of stock options for cash proceeds of $22,500.

As first announced on March 17, 2022, on April 22, 2022, the Company closed a "best efforts" brokered private placement (the "Financing") with M Partners Inc. and Red Cloud Securities Inc., co-lead agents and joint book runners ("Agents"), and raised total gross cash proceeds of $7,431,200 through the issuance of 19,150,000 charity flow-through units ("CFT Units") at a price of $0.328 per CFT Unit and 5,000,000 common share units ("CS Units") at a price of $0.23 per CS Unit, including exercise in full of the Agent's 15% over-allotment option.

The CFT Units issued in connection with the Financing consist of one flow-through common share of the Company and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). The CS Units issued in connection with the Financing consist of one non-flow-through common share of Pacific Ridge and one-half of one Warrant. Each Warrant is exercisable to purchase one additional non-flow-through common share at an exercise price of $0.35 for a period of 24 months.

In connection with the Financing, the Company paid the Agents an aggregate cash commission of $289,770 and issued the Agents an aggregate of 1,299,999 compensation warrants. Each compensation warrant is exercisable to purchase one common share of the Company at a price of $0.23 for a period of 24 months. All securities issued in connection with the Financing carry a legend restricting trading of the securities until August 22, 2022.

Proceeds from this Offering will be used principally for the planned 6,000-metre diamond drill program at the Company's flagship Kliyul copper-gold project, and for general working capital.

Results of Operations

Year-to-date

A summary of comparative administrative and other expense is provided in the table below:

	Three months ended March 31		
	2022	2021	Increase (decrease)
Administration expenses	$	$	$
Amortization of right-of-use asset	**10,369**	7,165	3,204
Depreciation	**1,121**	372	749
Finance lease interest	**643**	1,157	(514)
Insurance	**24,984**	12,460	12,524
Professional and consulting	**5,052**	31,573	(26,521)
Management and administrative	**83,718**	57,255	26,463
Office operations and facilities	**11,356**	6,031	5,325
Shareholder communications	**114,224**	81,141	33,083
Share-based payments	**11,341**	55,277	(43,936)
Transfer agent and regulatory fees	**19,582**	9,126	10,456
	282,390	261,557	20,833
Exploration-related expenses (income)			
Exploration and evaluation costs	**176,384**	91,349	85,035
Mining tax credit	**-**	(76,269)	76,269
	176,384	15,080	161,304
Other expenses (income)			
Interest received	**(303)**	(576)	273
Foreign exchange (gain) loss	**662**	971	(309)
	359	395	(36)
Net loss	**(459,133)**	(277,032)	(182,101)
Other comprehensive income (loss):			
Net change in fair value of marketable securities	**1,000**	(280)	1,280
Total comprehensive loss	**(458,133)**	(277,312)	(180,821)
Loss per share (basic and diluted)	**(0.01)**	(0.01)	
Weighted average number of shares outstanding basic and diluted	**54,089,508**	36,893,452	

Results of Operations (continued)

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.

Administration expenses:

The first and third lines of the above table reflect the leasing of the Company's administration offices, with added space during 2021 to accommodate the Chief Executive Officer, and thus having a larger amortization during the current year, but lower finance lease interest as the end of the lease approaches. The second line relates to the depreciation of computing equipment and furniture.

The significant increase in Insurance is due to increased coverage upon renewal of its directors and officers' insurance as well as its commercial general liability insurance.

Professional and consulting were higher during the prior year's comparative period due to contract negotiations.

Management and administrative expenses significantly increased over the comparative period as compensation to executive officers was increased after Q1 2021.

Office operations also increased as a result of adding office services for supporting staff.

Shareholder communications had the greatest increase over the comparative period of the prior year due to activities related to raising the Company's profile with potential investors.

Share-based payments relate to the fair value of the stock options granted during the periods. This is a non-cash expense reflected in the contributed surplus line of the Company's statement of financial position. No stock options were granted during Q1 2022, with the related amount of share-based payments corresponding to those previously granted options that were not fully vested.

The larger transfer agent and regulatory fees during the current period relate to the acquisition of the Onjo property, higher TSX Venture Exchange annual fees (paid in Q1 of each year) as a result of the Company having a larger market capitalization, and also to the fact that the Company is also listed in the OTC, causing additional fees during Q1 2022.

Exploration-related expenses

Q1 2022 saw a significant increase in activities related to the acquisition of the Onjo property, and exploration advances from Antofagasta related to the RDP property.

The Company did not receive any British Columbia Mining and Exploration tax credit ("BCMETC") during Q1 2022, while during Q1 2021 the Company received the BCMETC corresponding to amounts expensed in qualifying exploration activities during 2019.

Summary of Quarterly Results

The following table sets forth a comparison of information for the previous eight quarters:

	Quarter ended (three-month figures) ($)			
	31-Mar 2022 (Q1)	31-Dec 2021 (Q4)	30-Sep 2021 (Q3)	30-Jun 2021 (Q2)
Revenues	**-**	-	-	-
General and administration	**(259,578)**	(255,989)	(246,412)	(186,261)
Lease amortization and interest	**(11,012)**	(11,276)	(11,533)	(11,785)
Depreciation of plant and equipment	**(1,121)**	(1,020)	(869)	(572)
Share-based payments	**(11,341)**	(12,621)	(165,610)	-
Exploration and evaluation costs	**(176,384)**	(1,030,513)	(1,071,490)	(143,205)
Interest received	**303**	300	1,174	1,316
Mining tax credit and government grants	**-**	-	80,801	-
Flow-through income tax recovery	**-**	213,855	-	-
Property option payments	**-**	250,000	-	75,000
Net loss for the period	**(459,133)**	(847,264)	(1,413,939)	(265,507)
Basic and diluted loss per share	**(0.01)**	(0.02)	(0.03)	(0.01)
Total assets	**1,747,614**	1,336,262	2,231,951	3,476,562
Total liabilities	**598,077**	252,047	355,660	382,742
Shareholders' equity	**1,149,537**	1,084,215	1,876,291	3,093,820
Cash dividends declared	**Nil**	Nil	Nil	Nil

	Quarter ended (three-month figures) ($)			
	31-Mar 2021 (Q1)	31-Dec 2020 (Q4)	30-Sep 2020 (Q3)	30-Jun 2020 (Q2)
Revenues	-	-	-	-
General and administration	(198,557)	(72,243)	(53,851)	(45,388)
Lease amortization and interest	(8,322)	(8,704)	(7,053)	(6,737)
Depreciation of plant and equipment	(372)	(367)	(387)	(383)
Share-based payments	(55,277)	(24,956)	(4,521)	-
Exploration and evaluation costs	(91,349)	(243,282)	(216,839)	(119,229)
Interest received	576	372	664	823
Mining tax credit and government grants	76,269	-	-	-
Property option payment	-	75,000	-	325,000
Flow-through income tax recovery	-	19,554	-	-
Net income (loss) for the period	(277,032)	(254,626)	(281,987)	154,086
Basic income (loss) per share	(0.01)	(0.01)	(0.01)	0.00
Total assets	2,120,290	1,227,771	1,435,598	1,457,613
Total liabilities	354,751	152,446	138,402	97,403
Shareholders' equity	1,765,539	1,075,325	1,297,196	1,360,210
Cash dividends declared	Nil	Nil	Nil	Nil

Quarterly Results

- During Q1, 2022, the Company finished compiling its data from the 2021 drilling program at its Kliyul property, but with significant less expenses than during the more active Q4, 2021. The efforts of the Company during Q1, 2022, were also directed to the financing transaction that closed during April 2022, as indicated above under *Financing Activities*.
- During Q4, 2021, the Company still incurred significant exploration activities at its Kliyul property. The Company also received $250,000 from BMC with respect to the Company's Fyre Lake property, as described before. Some previously granted stock options vested during the quarter and hence the corresponding share-based payment was incurred. In addition, as explained in the previous section, the flow-through liability that had been set up in connection with the March 2021 private placement was derecognized as a flow-through tax recovery during this quarter.
- Q3 2021 reflects that the majority of the 2021 exploration program, which includes the Kliyul drilling campaign, has taken place during this quarter. The Company also received the BCMETC tax credit corresponding to fiscal year 2020, and there was a significant non-cash share-based payment due to stock options granted during this quarter.
- During Q2, 2021, the company raised an additional $1,500,000 through a non-broker and non-flow-through private placement of units, as described in the initial section of this MD&A. This results in a substantial increase in the total assets of the Company.
- During Q1 2021 the company raised $1,136,000 through a non-brokered flow-through private placement; hence the increase in total assets from Q4 2020. Also, as discussed in the section immediately above, administration expenses were increased with the addition of a new chief executive officer and some adjustment to compensation of other officers of the Company, as well as the increase in insurance expenses, as previously discussed. Also during this quarter, the Company received the BCMETC amount for 2019, also contributing to the increase in assets of the Company. A grant of stock options also took place during the quarter, after the closing of the aforementioned financing. The quarter's net loss, however, is consistent with that of Q4 2020.
- During Q4 2020 the Company concluded the year's exploration programs in Kliyul and Redton, at which time many of the related costs were incurred. A grant of stock options also took place during this quarter, resulting in the share-based payments figure. During the quarter the Company received an additional $75,000 from BMC related to the Fyre Lake property. Also during Q4 2020 the Company incurred all of the amounts raised in the flow-through private placement in qualifying exploration expenses, and thus it de-recognized a flow-through premium liability of $19,554 as flow-through tax recovery.
- During Q3 2020, the Company was fully engaged in summer exploration at Kliyul and Redton, with these being the most significant expenses of this quarter. Also during this quarter, the Company announced and completed a non-brokered private placement of FT Units raising $234,000.
- During Q2 2020 exploration activities were initiated in the Kliyul and Redton properties. Also, in addition to the $75,000 received every six months from BMC for the Fyre Lake property, the Company received $250,000 as part of the renegotiation of the agreement with BMC.

Liquidity, Working Capital, and Capital Resources

The Company's liquidity and working capital figures are as follows:

	March 31, 2022	December 31, 2021
	$	$
Cash	606,276	549,391
Other receivable	6,635	31,012
Marketable securities	55,000	54,000
Liquidity:	667,911	634,403
Prepaid	61,376	83,792
Trade payables and accrued liabilities	(149,567)	(222,795)
Committed to RDP	(430,000)	-
Office lease liability - current portion	(18,510)	(29,252)
Working capital:	131,210	466,148

The Company is dependent on raising funds through the issuance of shares or disposition of interests in resource properties in order to finance further acquisitions, undertake exploration and meet general and administrative expenses. As at May 18, 2022, the Company has cash on hand of approximately $8,594,500 and working capital of approximately $6,603,800.

The Company believes it has sufficient cash to sustain its operations for at least the next 12 months. The longer-term ability of the Company to continue its business is dependent on the continuing success of its exploration programs coupled with available funding through sale of its share capital, funding from option/joint venture parties or disposition of property interests.

Transactions with related parties:

The following transactions with related parties took place:

	Three months ended March 31	
	2022	2021
	$	$
Management fees paid to a Company controlled by the Executive Chairman of the Company, and salary paid to him *	24,000	24,000
Salary paid to the CEO of the Company	49,800	24,000
Management fees paid to a company controlled by the CFO of the Company	15,000	11,000
Share-based payments recorded for stock options granted to directors and officers of the Company (non-cash expense)	-	54,270
	88,800	113,270

* A percentage of the Executive Chairman's compensation is charged to exploration and evaluation costs

An amount of $5,315 was payable to an officer of the Company as at March 31, 2022, and paid subsequently.

Management is of the opinion that these transactions have occurred in the normal course of operations.

Outstanding Share Data

	Date of this MD&A	March 31, 2022	December 31, 2021
Common shares issued and outsanding	**80,694,008**	54,089,508	54,089,508
Share purchase warrants outstanding (1)	**20,575,000**	8,500,002	9,850,002
Finders' warrants outstanding	**1,299,000**	-	16,500
Stock options outstanding (2)	**6,990,000**	4,590,000	4,840,000
Fully diluted capital:	**109,558,008**	67,179,510	68,796,010

As at the date of this MD&A:

(1) Of the total amount of investor warrants outstanding as at the date of this MD&A, 8,500,002 with an exercise price of $0.23 expire on June 3, 2023, 12,076,998 warrants with an exercise price of $0.35 expire on April 21, 2024, and 1,299,000 agent compensation warrants with an exercise price of $0.23 expire on April 21, 2024.

(2) Of the total amount of stock options outstanding, 6,840,000 are exercisable as at the date of this MD&A. The weighted average exercise price of the outstanding options as at the date of this MD&A is $0.195.

Off-Balance Sheet Arrangements

None

Proposed Transactions

There are no proposed transactions as of the date of this MD&A.

Changes in Accounting Policies

There were no changes in accounting policies during the three months ended March 31, 2022. For the current set of accounting policies, please refer to note 2 to the annual audited consolidated financial statements for the year ended December 31, 2021.

Disclosure Controls and Procedures

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the condensed consolidated interim financial statements for the three months ended March 31, 2022 and 2021, and this accompanying MD&A (together, the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at www.sedar.com.

Financial Instruments

The Company has classified cash, other receivables, and trade payable and accrued liabilities at amortized cost; marketable securities as FVTOCI, and warrants as FVTPL.

Fair values

As at March 31, 2022, the recorded amounts for cash, other receivables and trade payable and accrued liabilities approximate their fair values due to their short maturity. The Company's marketable securities and warrants are measured at fair value on a recurring basis. These financial instruments are grouped into Level 1 to 3 based on the degree to which the significant inputs used to determine the fair value are observable. Marketable securities are classified within level 1 of the fair value hierarchy as their fair value measurement is derived from quoted prices in active markets for identical assets. Warrants are classified within level 2 of the fair value hierarchy as their fair value measurement is derived from inputs other than quoted prices included within level 1, that are observable either directly or indirectly. No financial instruments were considered level 3, which are fair value measurements derived from valuation techniques that include significant inputs that are not based on observable market data.

Interest rate risk

The Company's cash held in financial institutions earns interest at variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a material impact on the expected cash flows.

Credit risk

The Company has its cash deposited with large, federally insured, commercial financial institutions, and therefore exposed to minimal credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities and through the management of its capital structure. At March 31, 2022, the Company had cash of $606,276 (December 31, 2021- $549,391), trade payable and accrued liabilities of $149,567 (December 31, 2021 - $222,795), and a lease liability of $18,510 (December 31, 2021 - $29,252) (note 11). Subsequent to March 31, 2022, the Company closed a brokered private placement and raised total gross cash proceeds of $7,431,200 (see *Financing Activities*, above, and *Subsequent Events* at the end of this MD&A).

Currency risk

The Company keeps approximately 5% of its cash in US dollars. A change in the value of the US dollar by 10% relative to the Canadian dollar would affect the Company's working capital by a minimal amount (December 31, 2021 - $1,000).

Price risk

The Company is exposed to price risk on its marketable securities and warrants due to fluctuations in the current market prices and fluctuations in trading volumes of those securities. At March 31, 2022, the Company held marketable securities with a fair value of $55,000 (December 31, 2021 - $54,000). These investments are subject to market price fluctuations that can be significant.

Critical Accounting Estimates

The Company makes estimates and assumptions concerning the future that will, by definition, seldom equal actual results. The following are the areas of estimate and judgment applied by management that most significantly affects the Company's financial statements. These estimates and judgments have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Resource properties: The carrying value of the Company's mineral properties is reviewed by management quarterly, or whenever events or circumstances indicate that their carrying amounts may not be recovered. Management considers potential impairment indicators including, but not limited to, changes in commodity prices, plans for the properties and the results of exploration to date.

Risk Factors

Please refer to the annual MD&A for the year ended December 31, 2021, which was filed on SEDAR on April 28, 2022.

Legal Proceedings

As at March 31, 2022, and at the date of this document, there were no legal proceedings against or by the Company.

Subsequent events

a) On April 22, 2022, the Company raised gross proceeds of $7,431,200 through a brokered private placement discussed under *Financing Activities* above on this MD&A.

b) Subsequent to March 31, 2022, and in addition to the above-mentioned private placement, the Company raised $12,500 on exercise of 50,000 stock options with an exercise price of $0.25 per share.

c) On May 6, 2022, the Company entered into a property earn-in agreement (the "Earn-In Agreement) with Aurico Metals Inc. ("AuRico"), a wholly owned subsidiary of Centerra Gold Inc. ("Centerra") for the acquisition of up to a 75% interest in the Chuchi porphyry copper-gold project located in north-central British Columbia ("Chuchi").

   Under the terms of the Earn-In Agreement, the Company has the right to earn a 51% interest in Chuchi by making cash payments totaling $60,000 of which $10,000 were paid upon signature of the Earn-In Agreement, issuing 2 million common shares, and spending $5 million on exploration by the fourth anniversary of the Earn-In Agreement. The Company then has the right to increase its interest in Chuchi to 75% by making additional payments totaling $100,000, issuing 1.5 million shares, and completing an additional $5 million in exploration by the sixth anniversary of the Earn-In Agreement. The agreement is subject to regulatory approval. Various claims are subject to up to 6% in net smelter royalties, which can be bought down to 2.1%. An annual $20,000 royalty advance is payable during Q4 of every year until production starts.

   The Company also paid a finder's fee of $15,000 on signing of an agreement and will pay $5,000 every six months thereafter plus 2% on exploration expenditures after certain other property payments have been made.

d) On May 12, 2022, the Company granted incentive stock options to various officers, directors, employees and consultants to purchase 2,550,000 common shares of the Company at an exercise price of 0.36 per share, exercisable for a period of five years. The options granted to various directors, officers, and employees vest immediately. The 100,000 stock options granted to each of Westlake Capital and G2 Consultants will vest 25% each quarter over a 12-month period. The stock options are subject to the terms and conditions of Pacific Ridge's stock option plan and the policies of the TSX Venture Exchange.

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