MONTANA GOLD MINING COMPANY INC.
Management's Discussion and Analysis
Period Ended March 31, 2013
Dated May 29, 2013
(Form 51-102F1)

This Management Discussion and Analysis ("MD&A") is provided for the purpose of reviewing the first quarter period ended March 31, 2013 and comparing results to the previous period. The MD&A was prepared as of May 29, 2013 and should be read in conjunction with the Company's condensed interim consolidated financial statements and corresponding notes for the periods ending March 31, 2013 and 2012. The condensed interim consolidated financial statements are prepared in accordance with International Accounting Standard 34-Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances. All monetary amounts are expressed in United States dollars unless otherwise indicated.

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Additional information related to the Company is available for view on SEDAR at www.sedar.com and at the Company's website located at www.montanagoldmining.com.

DESCRIPTION OF THE BUSINESS

Montana Gold Mining Company Inc. (the "Company") is a mineral exploration company focused on the acquisition and exploration of mineral resources, primarily gold and silver in the States of Montana and Nevada, USA.

The Company is a reporting issuer in the Province of Ontario and its common shares trade on the Canadian National Stock Exchange ("CNSX") under the symbol MGM.

CORPORATE ACTIVITIES

On February 20, 2013 a non-brokered private placement financing totaling $100,000 CAD was completed though the issuance of units priced at $0.05 CAD per unit. Each unit was comprised of one common share and one warrant to purchase an additional common share at $0.10 during the first year following the closing of the placement and at $0.20 during the second year following the closing of the placement.

The Company discontinued plans to option 50% of the company's mineral properties to a subsidiary company and in turn, to distribute common shares of that subsidiary to MGM shareholders. Given current market conditions and the status of the properties, management and directors have determined the best course at this time is for MGM to retain a 100% interest in it's mineral properties. Kent Britton and Luard Manning had resigned from the MGM board to sit on the board of the subsidiary but were re-appointed to the MGM board on January 24, 2013.

Subsequent to the first quarter period ended March 31, 2013 the Company extended the expiry dates and exercise prices of certain outstanding warrants of the Company as announced on May 14, 2013.

On May 14, 2013 a non-brokered private placement financing totaling $50,000 CDN was completed through the issuance of units priced at $0.05 CDN per unit. Each unit was comprised of one common share and one warrant to purchase an additional common share at $0.10 CDN during the first year following the closing of the placement and at $0.20 CDN during the second year following the closing of the placement.

The Annual and Special Meeting of Shareholders has been called for June 28, 2013 in London, Ontario at 11 am.

OVERALL PERFORMANCE

In summary the Company's financial performance decreased over the three months ended March 31, 2013. Working capital decreased (current assets less current liabilities) by $55,089 from ($627,030) at December 31, 2012 to ($682,119) at March 31, 2013. The decrease is mainly attributable to:

a. no revenue and ongoing office and administrative expenses;
b. expending $17,394 (Jan-Dec 2011 - $146,912) on mineral properties;
c. the accrual of unpaid management salaries and director fees.

SELECTED ANNUAL INFORMATION

The following table provides selected financial information and should be read in conjunction with the Company's Condensed Interim Consolidated Financial Statements.

	Period Ended 31-Mar-13	Year Ended 31-Dec-12	Year Ended 31-Dec-11	Year Ended 31-Dec-10
	$	$	$	$
Revenue	Nil	Nil	Nil	Nil
Income (loss) for the period	-137,795	-392,265	-1,609,486	-330,698
Net income (loss) for the period	-137,795	-392,265	-1,609,486	-330,698
Net income (loss) per share (1)	-0.004	-0.01	-0.081	-0.09
Total assets	511,156	449,361	449,361	395,887
Long-term debt	Nil	Nil	Nil	Nil
Dividends per share	Nil	Nil	Nil	Nil

SUBSEQUENT EVENTS

Refer to the Corporate Activities section above.

RESULTS OF OPERATIONS

For the three month periods ended March 31, 2013 and March 31, 2012, the Company had no revenue. Exploration expenses for the period were $17,394 compared to $88,796 during the same period last year.

Expenses incurred during the period consist of:

i. Office and administrative costs of $113,511 (Jan-Mar 2012-$108,250);
ii. Professional Fees of $22,852 (Jan-Mar 2012-$7,287);
iii. Stock based compensation of Nil (Jan-Mar 2012-Nil);
iv. Loss on foreign exchange of $1,339 (Jan-Mar-2012-Gain of $4,890);
v. Loss on revaluation of foreign currency warrants of $2,831 (Jan-Mar-2012-Gain of $54,051).

SUMMARY OF QUARTERLY RESULTS

Total assets as at the end of March 31, 2013 were $543,056 (December 31, 2012 - $511,156) and consisted of cash $28,250 (Jan-March 2012 - $94,624), prepaid expenses of $6,324 (Jan-March 2012 - $4,043), mineral claims and deferred exploration expenditures $468,198 (Jan-March 2012-$392,688) which represent staking expenditures, property purchase payments, and exploration expenditures, and reclamation bonds $40,271 (Jan-March 2012-$40,271).

Total current liabilities as at March 31, 2013 were $710,369 (March 31, 2012 - $440,442) consisting primarily of trade payables and amounts due to managers and directors.

The Company has no long term financial liabilities except for management's estimated site restoration costs relating to an exploration program of $22,000 (March 31, 2012 - $22,000).

The Company has no sales and has never earned revenues with the exception of non-material interest revenue.

Three months Ended March 31, 2013 Compared to Three months Ended March 31, 2012

Operating Revenues: The Company is a mineral exploration company and has no operating revenues.

Expenses: Expenses for the three months ended March 31, 2013 were $136,363, an increase of $20,826 over the amount of $115,537 for the three months ended March 31, 2012. These amounts are for professional fees, management fees, director fees, office and administrative, as well as travel expenses and amortization.

Write-off of mineral claims and deferred exploration costs: During the three months ended March 31, 2013 the Company did not write off mineral claims or deferred exploration costs. In the three months ended March 31, 2012 the Company did not write of mineral claims or deferred exploration costs.

Net earnings (loss): The Company incurred a net loss of ($137,795) for the three months ended March 31, 2012, an increase of $71,419 over the three months ended March 31, 2012 ($66,376). Since the Company had no revenue, the net losses are attributable to the expenses and recoveries noted above.

Summary of Quarterly Results to March 31, 2013

Description	Mar	Dec	Sep	Jun	Mar	Dec	Sep	June
	31/13	31/11	31/12	31/12	31/12	31/11	30/11	20/11
	$	$	$	$	$	$	$	$
Sales/Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Income/Loss	-137795	-392265	-74376	-173856	-66,376	-868674	-141495	-116141
Net Income/Loss	-0.004	-0.01	-0.0023	-0.0006	-0.003	-0.0363	-0.0069	-0.0058

LIQUIDITY

As at March 31, 2013, the Company had cash and cash equivalents in the amount of $34,587 (March 31 2012-$68,147) and current liabilities of $710,369 (March 31 2012-$490,567). As at March 31, 2013, the Company has a working capital deficiency of $6754,782 (December 31 2012-$422,420). As a result, the Company has liquidity risk and is dependent on raising capital.

CAPITAL RESOURCES

For its long term business objectives, the Company will require funds for ongoing exploration work on its SBSL Property in Montana and its Golden Trail Property in Nevada, to work on any other mineral projects that it acquires, as well as to meet its ongoing day-to-day operating requirements and will have to continue to rely on equity and debt financing during such period. There can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company. The Company does not have any other commitments for material capital expenditures over either the near or long term or none are presently contemplated other than as disclosed above and/or over normal operating requirements.

The Company is not in default of its obligations on any of its mineral properties at this time.

OFF BALANCE SHEET ARRANGEMENTS

At May 29, 2013, the Company had no off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties are incurred in the normal course of business and are measured at the exchange amount. Related party transactions have been listed below, unless they have been disclosed elsewhere in the financial statement.

(a) Included in accounts payable and accrued liabilities is approximately $507,530 (December 31 2012-$450,963) of amounts owing to directors of the Company for management and director fees.

PROPOSED TRANSACTIONS

There are no transactions proposed at this time other than as disclosed herein.

ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

Accounting Policies

The Company prepares its financial statements in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”)

The significant accounting policies of the Company are summarized in Note 2 to the Company’s financial statements. Also included in Note 3 to the Company financial statements is a discussion of future accounting pronouncements and amendments issues but not yet adopted. The Company does not expect the adoption of such standards and amendments to have any material impact on its financial statements.

Critical Accounting Estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The accompanying consolidated financial statements include all adjustments that are, in the opinion of management, necessary for a fair presentation.

Information regarding significant areas of estimation, uncertainty and critical judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements relate to measurement of the recoverable amounts of mining claims and deferred exploration expenditures, measurement of share-based payments, the amount accrued for restoration liabilities, the valuation of stock options and warrants issuedand provisions for legal claims.

Financial Instruments

As at March 31, 2013, the Company's financial instruments are comprised of cash, reclamation bonds, accounts payable and accrued liabilities and restoration liabilities. The carrying values of the Company's financial instruments approximate their fair values due to the relatively short periods to maturity of these financial instruments.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's: (a) capitalized or expensed exploration and development costs; (b) expensed research and development costs; (c) deferred development costs; (d) general and administrative expenses; and (e) any material costs, deferred or expenses, not already referred to in (a) through (d), is provided in the Company's Condensed Interim Consolidated Statement of Comprehensive Income (Loss) contained in its Condensed Interim Consolidated Financial Statements for the year ended December 31, 2012, which can be accessed on SEDAR under the Company's profile page at www.sedar.com.

DISCLOSURE OF OUSTANDING SHARE DATA

The Company's authorized share capital consists of unlimited common shares without par value.

Issued and outstanding: March 31, 2013 – 32,631,007;
Issued and outstanding: May 29, 2013 (date of this report) – 33,631,007

Warrants outstanding: March 31, 2013 – 11,450,000
Warrants outstanding: May 29, 2013 – 11,450,000

Options outstanding: March 31, 2013 – 2,600,000
Options outstanding: May 29, 2013 – 2,600,000

Dividend Policy

No dividends have been paid on any shares of the Corporation since the date of its incorporation, and it is not contemplated that any dividends will be paid in the immediate or foreseeable future.

Controls and Procedures

Management is responsible for the design of internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements in accordance with International Financial Reporting Standards. Based on a review of its internal control procedures at the end of the period covered by this MD&A, management believes its internal controls and procedures, for the nature and size of the entity, are effective in providing reasonable assurance that financial information is recorded, processed, summarized and reported in a timely manner.

Management is also responsible for the design and effectiveness of disclosure controls and procedures to provide reasonable assurance that material information related to the Company, is made known to the Company's certifying officers. Management has evaluated the effectiveness of the Company's disclosure controls and procedures and has concluded that these controls and procedures are effective, for the nature and size of the entity, in providing reasonable assurance that material information relating to the Company is made known to them by others within the Company.

Litigation

The Company became a party to a legal proceeding in February 2010. On February 15th, 2010, the company was served with a claim in The District Court 150th Judicial District Bexar County, Texas. Target Strike Inc., the plaintiff alleged several past employees of the company used information that belonged to Target Strike for Gold Reef's benefit in direct contradiction of the agreement between the parties involved. The Plaintiffs initially claimed $1,000,000,000 in monetary damages against all of the named Defendants, including the Company, and subsequently made a settlement offer of $30,000,000.

In February 2012, the Court dismissed all of the claims against all of the named Defendants, including the Company. In early March 2012, the Plaintiff filed an appeal. On April 17, 2013, the United States Court of Appeals for the Fifth Circuit issued its opinion affirming the judgment in the court below in favor of all defendants. On May 1, 2013 the appellants filed a Petition for Rehearing. On May 20, 2013 the Petition for Rehearing was denied. While it is possible the appellants could take further action, the Company has not been informed of such action.

Risks Associated with Exploration and Mining Operations

The exploration of mineral properties involves a high degree of risk which cannot be avoided despite the experience, knowledge and careful evaluation of prospective properties by management. There can be no assurance commercial quantities of ore will be discovered on the Corporation's mineral properties. Even if such commercial quantities are subsequently discovered by the Corporation's exploration efforts, there can be no assurance such properties can be brought in to commercial production. Operations may be subject to disruption due to weather conditions, labour unrest or other causes beyond the control of the Corporation. Hazards such as unexpected formations, pressures, flooding, or other conditions over which the Corporation does not have control may be encountered and may adversely affect the Corporation's operations and financial results.

Environmental Risks

Environmental legislation is continuing to evolve such as will require strict standards and enforcement, increased fines and penalties for non-compliance, more stringent assessment of proposed projects and a greater degree of corporate responsibility. There can be no assurance that future changes to environmental legislation may not adversely affect the Corporation's operations.

Mineral Market

The market for minerals is subject to factors beyond the Corporation's control, such as market price fluctuation, currency fluctuation and government regulation. The effect of such factors cannot be accurately calculated. The existence of any or all such factors may restrict the access to a market, if same exists, for the sale of commercial ore which may be discovered.

Funding Requirements

In order to move forward with its exploration activities, the Corporation may require additional funding. There can be no guarantee that such funds will be available as and when required or, if available, be accessible on reasonable commercial terms.

Reliance on Management

The Corporation anticipates that it will be heavily reliant upon the experience and expertise of management with respect to the further development of the mineral properties. The loss of any one of their services or their inability to devote the time required to effectively manage the affairs of the Corporation could materially adversely affect the Corporation.

Auditors, Transfer Agent and Registrar

The auditors of the Corporation are Collins Barrow LLP, Chartered Accountants of Toronto, Ontario. The Transfer Agent and Registrar for the Common Shares of the Corporation is Equity Financial Trust Company of Toronto, Ontario.

Forward Looking Statements

Certain statements contained in this document constitute “forward-looking statements”. When used in this document, the words “may”, “would”, “could”, “will”, “intend”, “plan”, “propose”, “anticipate”, “believe”, “forecast”, “estimate”, “expect” and similar expressions used by any of the Company’s management, are intended to identify forward-looking statements. Such statements reflect the Company’s internal projections, expectations, future growth, performance and business prospects and opportunities and are based on information currently available to the Company. Since they relate to the Company’s current views with respect to future events, they are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments.