MONTANA GOLD MINING COMPANY INC.
Management's Discussion and Analysis
Year Ended December 31, 2015
Dated April 29, 2016
(Form 51-102F1)

This Management Discussion and Analysis ("MD&A") of *Montana Gold Mining Company Inc. (the "Company") is provided for the purpose of reviewing the fiscal year ended December 31, 2015 and comparing results to the previous fiscal year. The MD&A was prepared as of April 29, 2016 and should be read in conjunction with the Company's audited consolidated financial statements and corresponding notes for the years ended December 31, 2015 and 2014. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards appropriate in the circumstances. All monetary amounts are expressed in United States dollars unless otherwise indicated.*

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

The Company is a mineral exploration company focused on the acquisition and exploration of mineral resource properties, primarily gold and silver prospects 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 Securities Exchange ("CSE") under the symbol MGM.

CORPORATE ACTIVITIES

During the year, the Company closed two private placements.

1) On May 20, 2015, the Company issued 1,338,380 units with at $0.05 CDN per unit for proceeds of $66,919 CDN ($54,551 USD). Each unit consists of one common share and one share purchase warrant exercisable for 3 years. Each warrant entitles the holder to purchase one share at a price of $0.10 CDN up to May 20, 2018.

2) On December 7, 2015, the Company issued 400,000 units with at $0.05 CDN per unit for proceeds of $20,000 CDN ($15,181 USD). Each unit consists of one common share and one share purchase warrant exercisable for 3 years. Each warrant entitles the holder to purchase one share at a price of $0.10 CDN up to December 7, 2018.

During the year, the Company purchased a diamond drilling rig for exploration of the Company's Golden Trail Project in Elko County, Nevada ("Golden Trail Project"), or other projects, and has financed the purchase through the issuance of a US$100,000 convertible debenture to an existing European shareholder of the Company. The drill rig purchased is the Termite Hydraulic Core Drill manufactured by Coeur Products of Idaho. From surface, it is capable of drilling to a depth of 100 meters (300 feet) and has a total weight of only 160 kg (350 pounds) that can be transported on the back of a pick-up truck. It is fully hydraulic and has a straight-forward, clean design that demands few spare parts. The environmental impact of a lightweight portable drill such as this should be minimal.

To finance the diamond drill purchase, the Company issued a US$100,000 convertible debenture bearing interest at 4% per annum payable quarterly. The principal is repayable upon six months' notice after August 11, 2020. The debenture is convertible into units of the Company (the "Units") priced at $0.05CDN per Unit. Each Unit consists of one common share and one common share purchase warrant exercisable at $0.10CDN until August 11, 2020. Should the Company's common shares trade at $0.20CDN or higher for ten consecutive trading days the debenture will automatically convert into the Units.

At the nine months ended September 30, 2015 the directors and officers of the Company agreed to write off 100% of the accrued and unpaid fees and salaries owed to them by the Company. Accordingly the Company reversed US$491,729 from payable and accrued liabilities. These management and director fees have been permanently forgiven by the directors.

In May, 2015 a comprehensive geologic paper on the Company's Golden Trail Project was accepted for publication as part of the proceedings of the Geologic Society of Nevada's "GSN") 2015 Symposium held in Reno, Nevada. The paper was placed by the GSN under the Carlin-type Deposit section of the GSN Proceedings and was titled "Geologic Setting of Gold Mineralization at the Golden Trail Project, Northeastern Elko County, Nevada, *R. Capps, P. Noble, and C. Jorgensen*."

Corporate Activity Subsequent to the Year End

Subsequent to the year ended December 31, 2015, the Company received proceeds of $72,500 CDN for units to be issued with an ascribed value of $0.05 CDN per unit. Each unit consists of one common share and one share purchase warrant exercisable for 3 years. Each warrant entitles the holder to purchase one share at a price of $0.10 CDN. It is expected that further funds will be received under the same terms.

In January, 2016 the Company modified the expiry times of certain outstanding warrants of the Company held by arm's length parties as follows:

a. 2,800,000 warrants exercisable at a price of CDN$0.20 until 5:00 pm on January 24, 2016 are now exercisable until 5:00 pm on September 12, 2016;

b. 1,400,000 warrants exercisable at a price of CDN$0.20 until 5:00 pm on February 8, 2016 are now exercisable until 5:00 pm on February 8, 2017;

c. 2,000,000 warrants exercisable at a price of CDN$0.20 until 5:00 pm on February 20, 2016 are now exercisable until 5:00 pm on February 20, 2018.

In April, 2016 the Company modified the expiry times of certain outstanding warrants of the Company held by arm's length parties as follows:

a. 2,000,000 warrants exercisable at a price of CDN$0.20 until 5:00 pm on April 24, 2016 are now exercisable until 5:00 pm on April 24, 2017;

b. 3,250,000 warrants exercisable at a price of CDN$0.20 until 5:00 pm on June 19, 2016 are now exercisable until 5:00 pm on June 19, 2017;

c. 1,000,000 warrants exercisable at a price of CDN$0.20 until 5:00 pm on May 14, 2016 are now exercisable until 5:00 pm on May 14, 2018.

OVERALL PERFORMANCE

In summary the Company's financial condition has strengthened over the twelve months ended December 31, 2015. Working capital deficiency decreased by $258,644 from ($407,017) at December 31, 2014 to ($148,353) at December 31, 2015. The difference is mainly attributable to:

a. private placement funds used to pay trade payables;
b. reversal of $491,729 of accrued management and director fees.

Earnings of $418,463 are attributable to non-cash gain on revaluation of foreign currency warrants of $245,224 and reversal of management and director fees of $491,729.

SELECTED ANNUAL INFORMATION

The following table provides selected financial information and should be read in conjunction with the Company's Consolidated Financial Statements for each respective year.

	Year Ended Dec.31, 2015	Year Ended Dec 31, 2014	Year Ended Dec 31, 2013
	$	$	$
Revenue	Nil	Nil	Nil
Income (loss) for the year	418,463	(368,911) (2)	(100,446)
Net income (loss) per share (1)	.009	(0.009) (2)	(0.003)
Total assets	123,777	87,581 (2)	554,379
Long-term debt -convertible debenture	27,197	Nil	Nil
Long-term debt -derivative conversion liability	86,608	Nil	Nil
Dividends per share	Nil	Nil	Nil

Notes:

(1) basic and diluted

(2) Restated – refer to Note 4 of the accompanying Financial Statements or the section herein titled Accounting Policies and Critical Accounting Estimates.

SUBSEQUENT EVENTS

Refer to the Corporate Activities section above.

RESULTS OF OPERATIONS

For the year ended December 31, 2015 and December 31, 2014, the Company had no revenue. Exploration and claim maintenance expenses for the year were $10,678 compared to $20,292 during the previous year.

Year ended December 31, 2015 Compared to Year ended December 31, 2014

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

The Company incurred net earnings of $418,463 for the year ended December 31, 2015, an increase of $771,334 over the year ended December 31, 2014 net loss of ($368,911(1)).

Expenses for the year ended December 31, 2015 were $304,685 a decrease of $205,389 over the amount of $510,074 (1) for the year ended December 31, 2014.

Expenses incurred during the year were:

i. Office and administrative costs of $313,674. (2014-$393,682);
ii. Professional Fees of $44,642. Includes legal and audit fees. (2014-$57,954);
iii. No stock based compensation expense was recognized during the year. In 2014 the fair value of options granted to directors and consultants estimated at the date of grant based on the Black-Scholes pricing model was $104,256;

Gains during the year were:

i. Gain on revaluation of foreign currency warrants of $245,224 (2014-$84,055);
ii. Reversal of management and director fees payable of $491,729 (2014 - $57,108);

Total assets as at the end of December 31, 2015 were $123,777 (2014 - $87,581(1)) and consisted of cash $363 (2014 - $44,681), HST receivable of $8,775 (2014 - $26,371) prepaid expenses of $1,258 (2014 - $1,258), and reclamation bonds $26,156 (2014-$15,271).

Total current liabilities as at December 31, 2015 were $158,749 (2014 - $479,327) consisting primarily of trade payables and amounts due to directors and officers.

The Company has no long term financial liabilities except for warrants denominated in a foreign currency of $37,526 (2014 - $248,787), a $27,197 convertible debenture (2014 – NIL), and a Derivative Conversion Liability of $86,608 (2014 – NIL).

There were considerable changes in some line items between the years ended December 31, 2014 and December 31, 2015.No stock based compensation was recognized during 2015 versus $104,256 in 2014 as no incentive stock options were granted during the 2015. Another change is the gain from revaluation of foreign currency warrants which changes based on inputs in the Black-Scholes option pricing model (ie. stock price volatility) and can swing considerably from quarter to quarter. There is no effect on the company’s cash position from the fluctuations in value of the foreign currency warrants. During 2015, management agreed to the reversal of $491,729 of accrued management and director fees.

The Company has no sales and has never earned revenues with the exception of non-material interest revenue. Raising capital through sales of its common shares funds the Company’s exploration operations. The company has also issued a convertible debenture and received a loan from a director.

(1) Restated – refer to Note 4 of the accompanying Financial Statements or the section herein titled Accounting Policies and Critical Accounting Estimates.
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SUMMARY OF QUARTERLY RESULTS

Three months Ended December 31, 2015 Compared to Three months Ended December 31, 2014

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

The Company incurred a net loss of $50,601 for the three months ended December 31, 2015, an increase of $151,482 in losses over the three months ended December 31, 2014 ($90,881).

Expenses: Expenses for the three months ended December 31, 2015 were $41,332, a decrease of $15,124 over the amount of $56,456 for the three months ended December 31, 2014.

Expenses incurred during the three months ended December 31, 2015 were:

iv. Office and administrative costs of $79,176. (2014-$77,452);
v. Professional Fees of $15,787. Includes legal and audit fees. (2014-$22,839);
vi. Stock based compensation of $NIL. In 2014 the fair value of options granted to a consultant estimated at the date of grant based on the Black-Scholes pricing model was $1,983;

Gains during the three months ended December 31, 2015 were:
iii. Gain on revaluation of foreign currency warrants of $45,743 (2014-$145,103);
iv. Reversal of management and director fees payable of $491,729 (2014 - $0);

Summary of Quarterly Results

Description	Dec 31/15	Sep 30/15	June 30/15	Mar 31/15	Dec 31/14	Sep 30/14	June 30/14	Mar 31/14
	$	$	$	$	$	$	$	$
Sales/Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Income/Loss	(34,561) (1)	346,373	74,363	32,288	90,881	(436,695)	(648,007)	(228,188)
Net Income/Loss Per share – Basic & Diluted	(.001)	.007	.002	.001	0.002	(0.01)	(0.016)	(.006)

(1) Reflects accounting policy change described in Note 4 of the accompanying Financial Statements or the section herein titled Accounting Policies and Critical Accounting Estimates.

LIQUIDITY

As at December 31, 2015, the Company had cash in the amount of $363 (2014-$44,681(1)) and current liabilities of $158,749 (2014-$479,327(1)). As at December 31, 2015, the Company has a working capital deficiency of $148,353 (2014 - $407,017(1)). As a result, the Company has liquidity risk and is dependent on raising capital.

(1) Restated – refer to Note 4 of the accompanying Financial Statements or the section herein titled Accounting Policies and Critical Accounting Estimates.

CAPITAL RESOURCES

For its long term business objectives, the Company will require funds for ongoing exploration work on its Silver Bell – St. Lawrence 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, and 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 April 29, 2016, 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

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

Remuneration of Directors and key management of the Company was as follows:

	2015	2014
Stock-based compensation(i)	**$0**	$75,976
Management and director fees (ii)	**$269,554**	$304,513
	$ 269,554	$380,489

(i) Fair market value of stock options issued to officers and directors.
(ii) Included in office and administrative costs in the consolidated statements of loss and comprehensive loss.

Other related party balances are listed below:

(a) Included in accounts payable and accrued liabilities is $63,363 (2014 - $400,539) of amounts owing to directors of the Company for management and director fees.

(b) During the year ended December 31, 2015, the Company issued 2,307,690 common shares to officers and directors to settle management fees owing of $150,000 CDN ($137,145 USD).

(c) During the year ended December 31, 2015, a director of the Company provided a loan to the Company in the amount of $17,730 CDN ($12,810 USD). The loan is non-interest bearing, unsecured and due on demand.

(d) During the year ended December 31, 2015, the Company reversed $491,729 (2014 - $57,108) of management and director fees. These management and director fees have been permanently forgiven by the directors.

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 IFRS Committee.

During the year ended December 31, 2015, the Company retrospectively changed its accounting policy for exploration and evaluation expenditures. Previously, the Company capitalized acquisition costs and exploration and evaluation expenditures of mineral properties to the specific mineral properties, net of recoveries received.

Under the new policy, acquisition costs and deferred exploration and evaluation expenditures incurred prior to the establishment of technical feasibility and commercial viability of extracting mineral resources and prior to a decision to proceed with mine development are charged to operations as incurred. As required by IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, the Company included the restated consolidated statement of financial position as at January 1, 2014. Management considers this accounting policy to provide more reliable and relevant information and more clearly represents the Company's activities.

The significant accounting policies of the Company are summarized in Note 2 to the Company's 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 the amount accrued for restoration liabilities, the valuation of stock options and warrants issued, the valuation of the convertible debentures and the valuation of the derivative conversion liability.

Financial Instruments

As at December 31, 2015, the Company's financial instruments consist of reclamation bonds, accounts payable, a convertible debenture and accrued liabilities. The carrying values of reclamation bonds, accounts payable and accrued liabilities, and loan due to a director approximate fair values due to the relatively short term maturities of these instruments. The estimated fair values of convertible debt also approximate carrying values due to the fact that effective interest rates are not significantly different from market rates.

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 this MD&A is provided in the Company's Condensed Interim Consolidated Financial Statements and its Audited Consolidated Financial Statements for the year ended December 31, 2015, which can be accessed on SEDAR under the Company's profile page at www.sedar.com.

DISCLOSURE OF OUTSTANDING SHARE DATA

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

Issued and outstanding: December 31, 2015 –48,214,765;
Issued and outstanding: April 29, 2016 (date of this report) – 49,664,765

Warrants outstanding: December 31, 2015 – 24,449,145
Warrants outstanding: April 29, 2016 – 25,899,145
The warrants expire between January 2016 and April 2019 and have a weighted average exercise price of CDN $0.14 per share.

Options outstanding: December 31, 2015 – 4,250,000
Options outstanding: April 29, 2016 – 4,250,000
The options expire between January 2017 and July 2019 and have a weighted average exercise price of CDN $0.08 per share.

Dividend Policy

No dividends have been paid on any shares of the Company 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 is not a party to any litigation.

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 Company's mineral properties. Even if such commercial quantities are subsequently discovered by the Company'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 Company. Hazards such as unexpected formations, pressures, flooding, or other conditions over which the Company does not have control may be encountered and may adversely affect the Company'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 current requirements and future changes to environmental legislation may not adversely affect the Company's operations.

Mineral Market

The market for minerals is subject to factors beyond the Company'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 Company will 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 Company 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 Company could materially adversely affect the Company.

Auditors, Transfer Agent and Registrar

The auditors of the Company are Collins Barrow LLP, Licensed Public Accountants of Toronto, Ontario. The Transfer Agent and Registrar for the Common Shares of the Company is TMX Equity Transfer Services in 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 except as required by law or by CSE policies.