MONTANA GOLD MINING COMPANY INC.
Management's Discussion and Analysis
Period Ended March 31, 2016
Dated May 30, 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 first quarter ended March 31, 2016 and comparing results to the previous period. The MD&A was prepared as of May 30, 2016 and should be read in conjunction with the Company's condensed interim consolidated financial statements and corresponding notes for the periods ending March 31, 2016 and 2015. 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

On January 11, 2016, the Company received proceeds of $25,000 CDN ($17,600 USD) 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.

On March 17, 2016, the Company received proceeds of $5,000 CDN ($3,851 USD) 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.

On March 29, 2016, the Company received proceeds of $15,000 CDN ($11,042 USD) 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.

Also during the quarter ended March 31, 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.

OVERALL PERFORMANCE

In summary the Company's financial condition has weakened over the past three months ended March 31, 2016. Working capital deficiency increased by $59,844 from ($148,353) at December 31, 2015 to ($205,173) at March 31, 2016. The difference is mainly attributable to:

a. ongoing office and administrative costs;
b. accrual of management and director fees;
c. a challenging environment for junior exploration company financing.

SUBSEQUENT EVENTS

Refer to the Corporate Activities section above.

RESULTS OF OPERATIONS

For the three months ended March 31, 2016 and March 31, 2015, the Company had no revenue. Claim maintenance expenses for 2016 Q1 quarter were $850 compared to $Nil during 2015 Q1.

Expenses incurred during the period consist mainly of:

a. Office and administrative costs of $71,445 (2015-$75,353);
b. Professional Fees of $10,136 (2015-$8,020);
c. Stock based compensation of $0 (2015-$0);
d. Gain on foreign exchange of $6,882 (2015-$33,018);
e. Gain on revaluation of foreign currency warrants of $65,084 (2015 $82,643).

SUMMARY OF QUARTERLY RESULTS

Total assets as at the end of March 31, 2016 were $138,772 (March 31, 2015 - $39,468) and consisted of cash $11,758 (March 31, 2015 - $1,101), HST receivable of $9,351 (March 31, 2015 - $21,838) prepaid expenses of $4,282 (March 31, 2015 - $1,258), property, plant and equipment $87,225 (March 31, 2015-$0) and reclamation bonds $26,156 (March 31, 2015-$15,271).

Total current liabilities as at March 31, 2016 were $230,912 (2015 - $464,488) consisting primarily of trade payables and amounts due to directors and officers. Included in this amount is $69,290 (December 31, 2015 - $399,069) of amounts owing to directors of the Company for management and directors fees. During 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 to the end of September 30, 2015. Accordingly the Company reversed US$491,729 from payable and accrued liabilities, thus significantly reducing the current payables. These management and director fees have been permanently forgiven by the directors. The Company has no long term financial liabilities except for warrants denominated in a foreign currency of $127,261 (2015 - $166,144).

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.

Three months Ended March 31, 2016 Compared to Three months Ended March 31, 2015

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

Expenses: Expenses for the three months ended March 31, 2016 were $89,313, an increase of $5,940 over the amount of $83,373 for the three months ended March 31, 2015.

Net earnings (loss): The Company incurred a net loss of ($276,641) for the three months ended March 31, 2016, compared to a net gain of $32,288 over the three months ended March 31, 2015. A loss of ($65,084) on the re-evaluation foreign currency warrants and a loss of ($120,454) from revaluation of derivative conversion liability contributed to the Company recording net loss for the quarter.

Summary of Quarterly Results to March 31, 2016

Description	Mar 31/16	Dec 31/15	Sep 30/15	June 30/15	Mar 31/15	Dec 31/14	Sep 30/14	June 30/14
	$	$	$	$	$	$	$	$
Sales/Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Income/(Loss)	(276,641)	(34,561)	346,373	74,363	32,288	90,881	(436,695)	(648,007)
Net Income/(Loss) Per share – Basic & Diluted	(.006)	(.001)	.007	.002	(.006)	.002	.01	(.016)

LIQUIDITY

As at March 31, 2016, the Company had cash in the amount of $11,768 (March 31, 2015-$1,101) and current liabilities of $230,564 (March 31, 2015-$464,488). As at March 31, 2016, the Company has a working capital deficiency of $209,455 (March 31, 2015 - $440,291). . Included in this amount is $69,290 (March 31, 2015 - $399,039) of amounts owing to directors of the Company for management and directors fees. During 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 to the end of September 30, 2015. 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 30, 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 during the period was as follows:

Management and director fees in the amount of CDN$69,290 were paid in the quarter ended March 31, 2016. This amount was included in office and administrative costs in the consolidated statements of loss and comprehensive loss, however the amounts were accrued since the directors did not wish to divert the limited available funds from the advancement of the mineral projects.

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 measurement of the recoverable amounts of mining claims and deferred exploration expenditures, the amount accrued for restoration liabilities, the valuation of stock options and warrants issued, the valuation of warrants extended and provisions for legal claims.

Financial Instruments

As at March 31, 2016, the Company's financial instruments consist of reclamation bonds, accounts payable and accrued 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 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: March 31, 2016 – 48,214,765;
Issued and outstanding: May 30, 2016 (date of this report) – 49,664,765

Warrants outstanding: March 31, 2016 – 24,449,145
Warrants outstanding: May 30, 2016 – 25,899,145
The warrants expire between September 2016 and December 2018 and have a weighted average exercise price of CDN $0.14 per share.

Options outstanding: March 31, 2016 – 4,250,000
Options outstanding: May 30, 2016 – 4,250,000
The options expire between May 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.