Pure Gold Mining Inc.

(An Exploration Stage Company)

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended March 31, 2015

Pure Gold Mining Inc.
Management's Discussion and Analysis
For the year ended March 31, 2015

This Management's Discussion and Analysis (the "**MD&A**"), dated as of June 4, 2015, is for the year ended March 31, 2015 and should be read in conjunction with the audited consolidated financial statements as at and for the years ended March 31, 2015 and 2014 of Pure Gold Mining Inc. (also referred to as "**Pure Gold**", or the "**Company**", or "**we**", or "**our**", or "**its**" or "**us**" within this MD&A), including the related notes thereto (together, the "**Annual Financial Statements**") and our other corporate filings including our Annual Information Form for the year ended March 31, 2015 dated June 4, 2015 (the "**AIF**"), available under Pure Gold's profile on SEDAR at www.sedar.com.

This MD&A contains forward looking statements that involve numerous risks and uncertainties. The Company continually seeks to minimize its exposure to business risks, but by nature of its business and exploration activities and size, will always have some risk. These risks are not always quantifiable due to their uncertain nature. Should one or more of these risks and uncertainties, including those described under the heading "Risk factors" in our AIF and those set forth in this MD&A under the headings "Cautionary Notes Regarding Forward-Looking Statements" and "Industry and Economic Factors that May Affect our Business" materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described in forward-looking statements.

The written disclosure of technical information in this MD&A has been approved by Darren O'Brien, P.Geo, Vice President, Exploration of the Company and a Qualified Person ("**QP**") for the purposes of National Instrument 43-101, Standards of Disclosure for Mineral Projects ("**NI 43-101**"). Readers are directed to the section entitled "Scientific and Technical Disclosure" included within this MD&A.

The Company is listed on the TSX Venture Exchange ("**TSX-V**") in Canada under the symbol PGM. All dollar amounts stated in this MD&A are expressed in Canadian dollars unless noted otherwise.

Highlights for the Year and Significant Subsequent Events

- New Team and name change

  Dr. Mark O'Dea, Ph.D P.Geo, Mr. Graeme Currie, Mr. Troy Fierro, and Mr. Lenard Boggio CPA, FCA were appointed to the Company's Board of Directors.

  Mr. Darren O'Brien P.Geo was appointed Vice President, Exploration, Mr. Sean Tetzlaff CPA, CA was appointed Chief Financial Officer and Mr. Mischa Zajtmann was appointed Corporate Secretary of the Company.

  The addition of these individuals brings a wealth of knowledge to Pure Gold's Board and management team including expertise in geology, finance, accounting, engineering and business development. Effective June 24, 2014, the Company changed its name to Pure Gold Mining Inc. to reflect change in management and focus of the Company to exploring Madsen.

- Launch of Exploration Program on Madsen Gold Project

  Following the successful acquisition of the Madsen Gold Project ("**Madsen**") in March 2014, the Company began a comprehensive exploration program at Madsen. Phase 1, was designed to better define drill-ready targets and generate new targets. Exploration crews re-logged and sampled historic drill core, compiled historic geologic data, conducted structural mapping, and interpreted a new airborne magnetic geophysical survey. Phase 2 commenced in the summer of 2014 and continued through year end and included drilling of initial targets generated in Phase 1. As of year-end, the Company's diamond drill program was ongoing and 43 surface drill holes were completed for approximately 10,673 metres.

On August 28, 2014, the Company made the final payment to Claude Resources Inc. ("**Claude**") of $2.5 million in connection with the acquisition of the Madsen property. The Company held the option to make the final payment in cash or shares and elected to make the final payment in cash.

- Asset acquisition – Newman-Madsen Property

  On June 24, 2014, the Company acquired a 100% interest in the Newman-Madsen Property from Sabina Gold & Silver Corp. ("**Sabina**"). The Newman-Madsen Property consists of 38 patented mining claims and is adjacent to Madsen in the prolific Red Lake gold camp. Newman-Madsen adds over 700 hectares of prospective ground to Madsen. The Newman-Madsen Property has been added to and is now considered part of the Madsen Gold Project. Following successful completion of the transaction, Mr. Robert Pease, the then President & CEO of Sabina was appointed to the Company's Board of Directors.

- $5.7 Million Bought-Deal Private Placement

  On February 20, 2015, Pure Gold closed a bought-deal private placement basis pursuant to which the Company issued 13,836,478 flow-through common shares and 3,187,143 common shares at a price of $0.35 per flow-through share and $0.28 per common share, for aggregate gross proceeds to Pure Gold of $5.7 million. As of the date of this MD&A, the Company had cash and short-term investments on hand of approximately $4.7 million.

Outlook

Pure Gold is focused on advancing high quality assets that host the key traits of economic mines: grade, scope, size potential and access to infrastructure in mining-friendly jurisdictions. Our key asset is Madsen which comprises in excess of 5,000 hectares in the prolific Red Lake gold camp of Northwestern Ontario, and hosts two former gold producers including the Madsen Gold Mine which had previous gold production of 2.4 million ounces. In addition to the historic production and the NI 43-101 compliant mineral resource, Madsen has strong upside exploration potential.

A new understanding of controls on high-grade mineralization in the Red Lake camp has resulted in multiple recent discoveries including the High Grade Zone at Goldcorp's Red Lake Gold Mine, the Bruce Channel deposit down-plunge of Cochenour and the F2 deposit at Rubicon's Phoenix Mine. Opportunity exists to apply modern science to the Madsen Mine Trend, where substantive production ceased in 1974. The Company's 8 Zone, discovered in 1969 at the Madsen Mine is a high grade quartz carbonate vein system that lies within the ultramafic contact zone, similar to other recent high grade discoveries in the district and demonstrates the potential of this zone to host significant mineralization. Pure Gold's Russet South target is a surface exploration target with geological similarities to the 8 Zone. Pure Gold has inherited decades worth of data from previous owners and operators at Madsen. This data is now being evaluated using modern techniques which is shedding new light on defining additional high potential exploration targets.

At Madsen, numerous high-grade discoveries have been made in proximity to the ultramafic contact zone over the last decade and many of these high-grade discoveries have only been partially advanced. Additional satellite mineral resources may be defined in the near term with additional geological studies and drilling (although there can be no assurance that any resources will be identified). Some additional examples of exploration targets discovered post mine closure include the Fork Zone, Treasure Box, Alpha and Beta at Russet South and Buffalo.

Pure Gold will continue to advance many of these exploration targets with the goal of defining further mineral resources (although there can be no assurance that any resources will be identified). For fiscal 2016, Pure Gold will focus its efforts drilling the Russet South and Fork Zone targets, located on the 10 km-long ultramafic contact zone with an objective of making a new high grade discovery and over the summer months, conducting further mapping and soil sampling over the property to identify additional targets suitable for drilling.

For the balance of calendar 2015, the Company has proposed an exploration budget of $2.1 million which will include a further systematic summer exploration program to develop targets for a proposed fall drill program at Madsen.

Overall Performance

Exploration Projects

Cumulative spending on the Company's exploration projects as of March 31, 2015 is as follows:

	Acquisition Costs	Exploration Expenditures	Total As at March 31, 2015	Approved Exploration Budget
Madsen, Red Lake, Ontario	$ 11.0 million [(1)]	$ 4.7 million	$ 15.7 million	$ 2.1 million[(2)]
Other Properties, Canada	-	7.9 million	7.9 million	-
Total	$ 11.0 million	$ 12.6 million	$ 23.6 million	$ 2.1 million

(1) *The acquisition cost of Newman-Madsen has been added to the original $8.8 million of acquisition costs for Madsen as the two properties have been combined to form one project.*

(2) *At the discretion of the Board of Directors of Pure Gold, the approved exploration budget may increase or decrease depending on a review of the results obtained throughout the exploration program.*

Madsen Gold Project, Red Lake, Ontario

In fiscal 2014, the Company acquired a 100% interest in Madsen from Claude for total cash (including transaction costs) and share consideration of $12.2 million.

On June 24, 2014, the Company successfully completed the acquisition of the Newman-Madsen property from Sabina Gold & Silver Corp ("**Sabina**"). The total cost of the Newman-Madsen acquisition, which has been accounted for as an asset acquisition, has been allocated in the consolidated financial statements as follows:

Share consideration paid (6,500,000 Common Shares)	$ 2,730,000
Transaction costs	50,292
Total Purchase Consideration - Newman-Madsen	**$ 2,780,292**

Exploration and evaluation assets	$ 2,169,316
Property, plant and equipment	610,976
Net Assets Acquired - Newman-Madsen	**$ 2,780,292**

Madsen (following the acquisition of Newman-Madsen) comprises 278 mining claims (predominantly patented) covering an area of 5,249 hectares and includes accompanying surface rights in the prolific Red Lake gold camp of Northwestern Ontario. Madsen hosts two former gold producers including the Madsen Gold Mine.

The Madsen Gold Mine operated continuously from 1938 to 1974, and 1997 to 1999. Total recorded production is 7,872,679 metric tonnes at an average grade of 9.7 g/t Au producing 2,452,388 ounces of gold[1].

In 2009, SRK Consulting Inc. was contracted by Claude to calculate a maiden mineral resource for the Madsen Gold Mine. SRK compiled a geological database consisting of 13,624 boreholes (816,867 metres) drilled between 1936 and 2009, and 4,446 historical underground stope chip samples. Using this database SRK estimated an Indicated and Inferred mineral resource for four mineralized zones accessible from the underground mine workings. In 2014, Pure Gold contracted SRK to review the mineral resource and update the NI43-101 technical report. SRK was of the opinion that post-2009 exploration work and the Newman-Madsen transaction did not materially impact the mineral

[1] *Historic drill hole results and production figures and other details from the Madsen and Starratt-Olsen mines disclosed in this document were completed prior to the implementation of National Instrument 43-101. A full discussion and cautionary language can be found in the National Instrument 43-101 Technical Report entitled "Technical Report for the Madsen Gold Project, Red Lake, Ontario, Canada" with an effective date of February 18, 2014, which can be found on Pure Gold's profile on SEDAR at www.sedar.com.*

resource. The mineral resource statement for the Madsen Gold Mine with an effective date of February 18, 2014, is listed in Table 1.

Table 1: Consolidated Mineral Resource Statement * for Madsen Gold Project, Ontario

Resource Class	Zone	Tonnes	Grade (g/tonne)	Grade (oz/ton)	Contained Gold (oz)
Indicated	Austin	1,677,000	7.92	0.23	427,000
	South Austin	850,000	9.32	0.27	254,000
	McVeigh	374,000	9.59	0.28	115,000
	Zone 8	335,000	12.21	0.36	132,000
	Total	**3,236,000**	**8.93**	**0.26**	**928,000**
Inferred	Austin	108,000	6.30	0.18	22,000
	South Austin	259,000	8.45	0.25	70,000
	McVeigh	104,000	6.11	0.18	20,000
	Zone 8	317,000	18.14	0.53	185,000
	Total	**788,000**	**11.74**	**0.34**	**297,000**

* *Mineral resources are not mineral reserves and do not have demonstrated economic viability. All figures have been rounded to reflect the relative accuracy of the estimates. Reported at a cut-off grade of 5.0 g/t gold based on US$1,000 per troy ounce gold and gold metallurgical recoveries of 94 percent.* For further details as to how the mineral resource for Madsen was calculated, s*ee the National Instrument 43-101 Technical Report entitled "Technical Report for the Madsen Gold Project, Red Lake, Ontario, Canada" with an effective date of February 18, 2014, which can be found on Pure Gold's profile on SEDAR at www.sedar.com.*

Existing mine and mill infrastructure on the property includes a 1,275 metre shaft, a 500 tonne per day mill and Carbon in Pulp "CIP" gold recovery circuit installed at site in the late 1990's, and tailings storage facility, all of which are permitted and currently on care and maintenance. The existing permitted infrastructure provides considerable development flexibility, allowing for shortened timelines and the opportunity to leverage on exploration success.

The second former gold producer on the Madsen property is the historic Starratt-Olsen Mine. A 450 metre shaft was sunk in 1945 and mining operations were carried out from 1945 to 1956. A total of 823,544 metric tonnes were mined at an average recovered grade of 6.17 g/t Au to produce 163,990 ounces of gold[1]. The Starratt-Olsen Mine does not have a current mineral resource. Only limited modern day exploration has been conducted near the mine workings.

In addition to the historic production and the mineral resource, management believes Madsen has significant upside exploration potential. A new interpretation of the role of folded ultramafic contacts and structural controls have resulted in multiple recent discoveries in the district, including Goldcorp's High Grade Zone at the Red Lake Mine Complex, the Bruce Channel system at the Cochenour Mine, and the F2 Gold System at Rubicon's Phoenix Mine. Pure Gold believes that opportunity exists to apply modern exploration science and a new understanding of the district to achieve similar success along the 10 km-long ultramafic contact at Madsen.

Madsen's Zone 8, discovered in 1969 along the ultramafic contact zone, has historic drill intersections that include 10.6 metres grading 16.7 g/t gold and 6.4 metres grading 21.9 g/t gold. These were followed up in recent years, returning drill intercepts as high as 7.9 metres grading 26.4 g/t gold. Zone 8 is a system of high-grade gold hosted in quartz carbonate veins, with mineralization similar in style and host environment to more recent discoveries in the district.

At Madsen, the 10 km-long ultramafic contact is prospective for additional high-grade discoveries, and numerous recent discoveries along this contact have only been partially advanced. Pure Gold is pursuing a strategy of exploring for additional near surface high-grade mineralization along the 12 km-long Madsen Mine trend and the 10 km-long ultramafic contact.

Since acquiring Madsen in March 2014, the Company has embarked on an exploration program to prioritize drill targets designed to expand the current mineral resource, while concurrently developing a new predictive geology model for targeting high-grade, 8 Zone-style mineralization.

Phase1 was designed to better define drill-ready targets and generate new targets. Exploration crews were mobilized to site and tasked with re-logging and sampling historic drill core, compiling historic geologic data and conducting structural mapping of Madsen. Specifically Phase 1 included:

- Consolidating historic archives from former operators into a common digital platform;
- Conducting a high resolution airborne magnetic survey (as discussed below);
- Defining sampling and assaying protocols suitable for Red Lake coarse gold;
- Prioritizing near surface drill targets designed to expand the current mineral resource;
- Developing new predictive vectoring tools for targeting high-grade, 8 Zone-style mineralization; and,
- Developing a geological "footprint" of high-grade gold zones by constructing new 3D stratigraphic, structural, and alteration models, allowing more predictive drill targeting of ultramafic contact 8-Zone style mineralization.

The Company embarked on a Footprint Modeling program designed to create stratigraphic, structural, and alteration models for the Madsen property utilizing the +200,000 metres of historic drill core available at the mine's core farm. The overall objective of the modeling exercise was to define structural controls and alteration vectors ("*footprints*") associated with gold mineralization using ultra-trace geochemistry, magnetic susceptibility, Terraspec (ASD) and XRF technologies ("*lithgeochemical sampling*"). This footprint modeling technique has proven successful at recent Red Lake discoveries and will be utilized when drill targeting 8 Zone-style mineralization.

As of March 31, 2015, Pure Gold geologists have re-logged over 15,000 metres of core from historic drill holes completed by previous operators. Initial re-logging and sampling efforts focused on underground drill core that intersected the ultramafic contact near the 8 Zone. Lithogeochemical results will be incorporated into a new 3D geological model and utilized for drill targeting.

Concurrent with the re-logging of some historic drill core and modeling, geologists have sampled mineralized zones for gold as a check sampling exercise. Recent re-logging of Fork Zone drill holes and interpretation by Pure Gold suggests that at least two mineralization trends are defined within the Fork Zone, with a shallow flat-lying mineralized horizon intersected by a potentially higher-angle, structurally controlled high-grade vein system. Previous shallow drilling in the Fork Zone returned **17.3 g/t gold over 10.3 metres** from RUM-08-49 and **6.7 metres grading 13.4 g/t gold** from hole RUM-08-52, with recent re-sampling of RUM-08-52 returning **5.8 metres grading 21.5 g/t gold** (see press release dated August 7, 2014). Potential exists at the Fork Zone to define a high-grade mineralized system analogous to 8 Zone mineralization along the mafic – ultramafic contact.

CGG Canada Services Ltd. completed a 1,653 line-kilometre, helicopter-borne geophysics survey covering the entire +50 km^2 Madsen Gold Project. The MIDAS high resolution magnetic survey is designed from a base layer in property-scale exploration programs. Final results have been utilized by Pure Gold's exploration team in constructing a lithology-structural framework for the property and delineating lithological, alteration, and structural controls on gold mineralization. Initial interpretations are being incorporated in the exploration targeting process.

Mapping of the unconformity has been completed over the entire length of the Madsen property and mapping of the approximately 10km long ultramafic contact is ongoing. An initial view of structural controls on mineralization at Madsen has also been completed with structural models for the Fork Zone and Treasure Box area targets having been completed.

In August 2014 the Company commenced a drill program designed to test the initial targets generated in Phase 1. A total of 6,895 metres from 26 exploration drill holes were completed in 2014. The 2014 drilling was successful in discovering high-grade mineralization in the Fork Zone, McVeigh Ramp and Austin target areas. All drilling in 2014 was conducted utilizing oriented core to help identify structural and stratigraphic controls on mineralization. (see press release dated January 8, 2015 for a complete table of results from the 2014 drill program)

Drilling re-commenced in February 2015 with drills turning at the Russet South and Fork Zone target areas. Drilling at Russet South tested multiple, parallel 'D2' shear zones identified during the 2014 exploration field program. The initial two drill holes were collared on the Alpha Target to test the intersection of one of these D2 shear zones with a re-folded mafic-ultramafic contact; a setting analogous to recent high-grade discoveries in the Red Lake gold district. Assays showed significant intersections of **9.5 g/t gold over 3.5 metres**, including **18.8 g/t gold over 1.5 metres** in hole PG15-027and **8.2 g/t gold over 11.0 metres** including **15.0 g/t gold over 5.0 metres** in hole PG15-028 (see press release dated March 2, 2015).

A second geologic structure (the Beta Target) tested at the Russet South drilling program, returned **39.1 g/t gold over 2.9 metres**, including **52.4 g/t gold over 0.7 metres** from hole PG15-031 and **37.5 g/t gold over 1.7 metres**, including **83.8 g/t gold over 0.7 metres**, from hole PG15-032. Both drill intercepts occur approximately 10 to 35 metres below surface at Russet South. These reported holes targeted near-surface mineralization associated with a shear zone located south of the Alpha Target discovery (see press release dated March 16, 2015)

A second rig was moved to the Fork Zone to continue to delineate the southern and depth extent of this high-grade gold structure identified during the 2014 drilling campaign. Drilling has traced the Fork Zone for over 300 metres of strike and it remains open for expansion.

From February 2015 through March 31, 2015, the Company had completed a further 3,778 metres of drilling from 17 exploration drill holes and has been successful in discovering high-grade mineralization in the Fork Zone and Russet South. In fiscal 2015, the Company spent approximately $4.6 million exploring the Madsen Gold Project.

For the balance of calendar 2015, the Company has proposed an exploration budget of $2.1 million which will include a further systematic summer exploration program to develop targets for a proposed fall drill program at Madsen.

<u>Other Mineral Property Interests</u>

The Company spent $39,876 exploring its other mineral property interests during the fiscal year ended March 31, 2015. This amount was offset by $161,511 as the Company received a refundable mineral exploration tax credit for eligible exploration and evaluation expenditures incurred in the Province of Quebec relating to a strategic alliance with Antofagasta Minerals S.A. (the "**Alliance**"). The Company's focus is now on Madsen. Minimal expenditures are expected at any of the Company's other mineral property interests in fiscal 2016. See the MD&A for the year ended March 31, 2014 for a description of the Company's Other Mineral Interests.

On July 26, 2014, the Alliance was terminated as no projects were identified through the generative exploration work within the Alliance's two year time frame. The Company has no further obligations or commitments with respect to the alliance going forward.

Selected Financial Information

Management is responsible for the Annual Financial Statements referred to in this MD&A, and provides officers' disclosure certifications filed with the Canadian provincial securities commissions. Although the Company's Audit Committee reviews the Annual Financial Statements and MD&A and makes recommendations to the Company's Board of Directors, (the "Board'), it's the Board who has final approval of the Annual Financial Statements and MD&A.

The Annual Financial Statements have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") and interpretations of the IFRS Interpretations Committee ("IFRIC") as issued by the International Accounting Standards Board ("IASB"). Our significant accounting policies are presented in Note 3 of the Annual Financial Statements; we followed these accounting policies consistently throughout the year.

We have elected to expense all exploration and evaluation expenditures relating to our mineral exploration property interests. Details of new accounting policies or standards, effective for the reporting period beginning April 1, 2014, and their effect on the financial information are discussed within this MD&A in the section entitled "Changes in Accounting Policies and New Pronouncements".

The financial data presented below for the current and comparative periods was prepared in accordance with IFRS. Pure Gold raises its financing and incurs head office expenses in Canadian dollars and therefore, it has been determined to have a Canadian dollar functional currency.

The Company's operations are in one industry – the exploration for gold, and other precious and base metals. At March 31, 2015, Pure Gold has one geographic location being Canada. Information discussed herein reflects the Company as a consolidated entity, consistent with our determination that the one industry in which we operate provides the most meaningful information to a user.

Results of Operations

The following financial data are derived from our annual financial statements for the years ended March 31, 2015, March 31, 2014 and March 31, 2013 respectively:

	For the year ended March 31, 2015		For the year ended March 31, 2014		For the year ended March 31, 2013	
Total Revenue	**$**	**-**	$	-	$	-
Net loss for the year attributable to shareholders	**$**	**7,154,500**	$	1,098,112	$	1,657,747
Basic and Diluted Loss per Share	**$**	**(0.07)**	$	(0.07)	$	(0.24)

Fiscal year ended March 31, 2015 vs. fiscal year ended March 31, 2014

Expenses totalled $7.2 million for the fiscal year ended March 31, 2015 up 524% from $1.2 million a year earlier. The overall increase in substantially all of the expense categories is a function of significantly increased activity within the Company upon the acquisition of Madsen since March of 2014. Prior to the acquisition of Madsen, the Company operated on reduced cost and staffing levels as it conducted a search for a new primary asset.

Exploration and evaluation expenditures at March 31, 2015 increased to $4.5 million from $0.2 million in the prior year. The Company acquired Madsen in March 2014 and quickly embarked on its exploration program for the project leading to a significant increase in exploration and evaluation expenditures compared to fiscal 2014. Fiscal 2014 saw very little exploration activity as the Company continued its search for a new project which eventually culminated in the acquisition of Madsen and then the Newman-Madsen property. During the fiscal year ended March 31, 2015, the Company received a refundable mineral exploration tax credit of $161,511 for eligible exploration expenditures incurred in the Province of Quebec relating to the Antofagasta strategic alliance. This amount has been recorded as an offset to exploration and evaluation expenditures.

Share-based compensation expense for the fiscal year ended March 31, 2015 totaled $0.9 million, compared to $285 for the same period in fiscal 2014. The increase in share-based compensation expenses is a direct result of the granting of 5.8 million stock options to new directors and new and existing employees during the first quarter and fourth quarter of fiscal 2015. All stock options granted to non-executive directors vested immediately resulting in the immediate recognition of the corresponding share-based compensation expense on the date of grant. Stock options granted to executive directors and employees will vest over three years with the corresponding share-based compensation expense being recognized over this period. There were no stock option grants during the fiscal year ended March 31, 2014.

Generally, share-based compensation expense should be expected to vary from period to period depending on several factors, including whether options are granted in a period and whether options have fully vested or are cancelled in a period. In determining the fair market value of stock-based compensation granted to employees and non-employees, management makes significant assumptions and estimates. These estimates have an effect on the share-based compensation expense recognized and the equity reserves balance on our statements of financial position. Management has made estimates of the life of the options, the expected volatility and the expected dividend yields that could materially affect the fair market value of this type of security. The estimates were chosen after reviewing the historical life of the options and analyzing share price history from that of a peer group to determine volatility. A peer group was chosen because the Company itself had limited operating history since it acquired Madsen and as a result, the Company's prior price history was not deemed an adequate source for the calculation of a historic volatility for the Company's share price.

Wages, consulting and director fees increased by $0.4 million to $0.8 million for the fiscal year ended March 31, 2015 compared to $0.4 million for the same period in the prior year. The change was solely due to an increase in payroll and consulting fees as the Company ramped up activities following the acquisition of Madsen in March 2014. New staff has been hired to build out the team to manage the increased activity levels within the Company. In the prior year, activity levels were minimized as the Company focused its efforts on acquiring a new transformative project.

Investor relations and communication expenses totaled $0.5 million for the fiscal year ended March 31, 2015 compared to $2,698 for the same period in the prior year. The increase in investor relations and communication expenses for the current period is due to the Company incurring costs to promote the Company's activities and attract new investors to the Company, develop a new brand name, brand signature, approach and foundation to reposition and build the long-term brand equity of the Company and to advise the markets about the Company's new Madsen acquisition and new project focus. In fiscal 2014, activity levels were minimized as the Company focused its efforts on acquiring a new transformative project.

Office and rent expense increased by $0.2 million to $0.3 million for fiscal year ended March 31, 2015, compared to $0.1 million for the same period in the prior year. The Company moved to a new office in March of 2014 to accommodate the increased staffing levels required for the Madsen project resulting in an increase in office costs incurred for fiscal 2015 over fiscal 2014.

Fiscal year ended March 31, 2014 vs. fiscal year ended March 31, 2013

Expenses totalled $1.2 million for the fiscal year ended March 31, 2014 down 31.7% from $1.7 million a year earlier. The overall decrease in substantially a result from a reduction to wages and consulting fees and reduction in the size of the impairment of exploration and evaluation assets recorded in fiscal 2014 as compared to fiscal 2013.

Wages and consulting fees decreased by $0.1 million from $0.5 million for the year fiscal ended March 31, 2013 to $0.4 million for the fiscal year ended March 31, 2014. The change was largely due to a general decrease in payroll and consulting fees as the Company scaled down its administrative costs and focussed its efforts on acquiring a new transformative project. In addition, the Company allocated certain of its resources to the Antofagasta strategic alliance due to a temporary shift in focus. The Company's main focus going forward will be on Madsen.

Office expense increased by $14,672 from $71,539 for the year ended March 31, 2013 to $86,211 for the year ended March 31, 2014. The increase was primarily due to the Company incurring a one-time bank charge as a result of the Company's obligation to post three separate letters of credit totalling $1,407,736. These letters of credit provide for a partial indemnification of the closure and reclamation costs with respect to Madsen.

Professional fees increased by $34,806 from $33,469 for the year ended March 31, 2013 to $68,275 for the year ended March 31, 2014. This increase was due to an accrual for increased audit fees with respect to the Company's annual audit for the fiscal year ended March 31, 2014. Higher audit fees were anticipated as a result of the accounting implications of the Madsen acquisition.

Share based compensation expense decreased by $91,461 from $91,746 for the year ended March 31, 2013 to $285 for the year ended March 31, 2014. During the year ended March 31, 2013, the Company granted 500,000 incentive stock options to directors, officers and employees of which 470,000 vested immediately and the remaining 30,000 were subject to vesting provisions. Therefore a significant portion of the fair value assigned to these incentive stock options was recognized during the year ended March 31, 2013. The Company did not grant any incentive stock options during the year ended March 31, 2014. Share-based compensation expense for the year ended March 31, 2014 related to the net of $2,068 representing the fair value of the incentive stock options which were granted during the fiscal year ended March 31, 2013 but vested during the year ended March 31, 2014 along with the reversal of $1,783 representing the fair value of the unvested portion of 30,000 stock options which were forfeited.

Exploration and evaluation expenditures remained consistent during the year ended March 31, 2014 in comparison to the year ended March 31, 2013. During the year ended March 31, 2014, the majority of exploration and evaluation expenditures related to initial exploration expenditures incurred on Madsen and all such expenditures were incurred in March 2014. During the year ended March 31, 2013, the majority of exploration and evaluation expenditures related to exploration expenditures incurred on its Van Horne property.

During the year ended March 31, 2014, the Company wrote down $0.3 million, being the remaining value of deferred acquisition costs relating to its Van Horne property, resulting from a review and prioritisation of the Company's portfolio of mineral property assets. During the year ended March 31, 2013, the Company wrote down $0.7 million, being the value of deferred acquisition costs relating to its Maze Lake, Thundercloud and Van Horne properties. The write-downs resulted from the Company terminating its option agreements for the Thundercloud property and a portion of the Van Horne property as well as the transfer of all its legal and beneficial interest in the Maze Lake property to its joint arrangement partner.

Financial Position

The following financial data are derived from our Annual Financial Statements for the fiscal years ended March 31, 2015 March 31, 2014 and March 31, 2013.

	As at March 31, 2015		As at March 31, 2014	
Total assets	**$**	**26.3 million**	$	25.2 million
Current liabilities	**$**	**1.8 million**	$	3.2 million
Non-current liabilities	**$**	**2.6 million**	$	2.3 million
Cash dividends declared	**$**	**-**	$	-

Total assets increased by $1.1 million as at March 31, 2015 in comparison to March 31, 2014. The increase in total assets resulted from the following items: an increase in exploration and evaluation assets of $3.4 million of which $2.1 million related to the acquisition of the Newman Madsen Property; and increase in short-term investments of $1.5 million as the Company invested $1.5 million in cash proceeds from the March 2014 private placement into a Guaranteed Investment Certificate with a Canadian Financial Institution; an increase in reclamation deposits of $0.3 million as the Company made a deposit with a Canadian Financial Institution to provide financial assurance for a letter of credit which provides for a partial indemnification of the closure and reclamation costs with respect to its Madsen Gold Project; and an increase in deposits of $0.2 million relating to a refundable deposit paid to Oxygen Capital Corp. ("Oxygen"). These increases were offset by a decrease in the following items: a net decrease in cash of $4.0 million relating to the various cash operating, investing and financing activities incurred by the Company; a decrease in restricted cash of $0.1 million as the Company spent the remaining cash relating to its strategic alliance with Antofagasta which was terminated during the year; and a decrease in property, plant and equipment of $0.2 million.

We have not yet completed feasibility studies to determine whether any of our exploration properties contain resources that are economically recoverable. All direct costs associated with the acquisition costs of the Company's mineral property interests are capitalized as incurred. All exploration and evaluation expenditures incurred are expensed in the Company's statement of loss and comprehensive loss. If a property proceeds to development, any costs then incurred would become part of pre-production and development costs of the mine. If a property is abandoned or continued exploration is not deemed appropriate in the foreseeable future, the related acquisition costs are written-off.

Current liabilities decreased by $1.4 million as at March 31, 2015 in comparison to March 31, 2014. The decrease in current liabilities resulted from the following items: a decrease in other liabilities of $2.5 million resulting from the final payment made to Claude Resources Inc. for the Company's acquisition of its Madsen Gold Project; a decrease of $0.1 million in mineral property funding obligations as the Company fulfilled all obligations pertaining to its exploration alliance with Antofagasta. The strategic alliance was terminated during the fiscal year ended March 31, 2015. These decreases were offset by an increase in the following items: an increase in accounts payable and accrued liabilities of $0.2 million. The increase in accounts payable and accrued liabilities is due in large part to exploration activities incurred on its Madsen Gold Project. The Company incurred significant costs with respect to its 2015 winter drill program; an increase in flow-through premium liabilities of $1.0 million resulting from the premium paid by investors for flow-through shares in excess of the market value of the shares without flow-through features. This premium is recorded as a liability and upon completion of the qualified expenditures and renouncement by the Company of the tax benefits associated with the related expenditures this liability amount will be reversed and included in the Company's Statement of Loss and Comprehensive Loss as a deferred tax recovery.

Non-current liabilities increased by $0.3 million as at March 31, 2015 in comparison to March 31, 2014. This increase was due in large part to an increase in the provision for closure and reclamation costs. In fiscal 2014, the Company recorded a provision for closure and reclamation based on its best estimate of costs for site closure and reclamation activities that it is legally or constructively required to remediate at its Madsen Gold Project. The liability is recognized at the time environmental disturbance occurs. The provision for closure and reclamation is estimated using expected cash flows and discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision for closure and reclamation during the fiscal year ended March 31, 2015 is due to the adjustment for the accretion of the discounted obligation, the offset of which is charged to the statement of loss, and any changes in the amount or timing of the underlying future cash flows.

Shareholders' Equity

The Company issued Common Shares as follows during the fiscal year ended March 31, 2015:

Date	Common Shares
June 24, 2014	6,500,000 – common shares issued to Sabina as share consideration for Newman-Madsen.
June 30, 2014	162,000 – exercised warrants.
June 30, 2014	15,000 – exercised stock options.
July 7, 2014	30,000 – exercised stock options.
August 6, 2014	20,000 – exercised stock options.
August 11, 2014	10,000 – exercised stock options.
August 11, 2014	2,899,533 – exercised compensation options.
August 29, 2014	1,449,767 – exercised warrants.
January 6, 2015	50,000 – exercised warrants
February 20, 2015	13,836,478 – flow-through common share issuances resulting from financing.
February 20, 2015	3,187,143 – common share issuances resulting from financing.
February 20, 2015	892,858 – finder's fee paid in common shares resulting from financing.

Refer also to the discussion in this MD&A under the heading, "Outstanding Share Data". The Company has not declared any dividends since incorporation.

Summary of Quarterly Results

The following information is derived from the financial statements of Pure Gold and has been prepared in accordance with IFRS applicable to interim financial reporting including IAS 34. It should be read in conjunction with, our unaudited condensed interim consolidated financial statements for each of the past eight quarters, as well as the Annual Financial Statements. Consistent with the preparation and presentation in our Annual Financial Statements, these unaudited quarterly results are presented in Canadian dollars. The determination of functional currency for the Company and its subsidiary is unchanged from that which is consolidated in the Annual Financial Statements and also from the discussion within this MD&A under the heading, "Selected Annual Information".

	March 31, 2015	**December 31, 2014**	**September 30, 2014**	**June 30, 2014**	**March 31, 2014**	**December 31, 2013**	**September 30, 2013**	**June 30, 2013**
Total revenue	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total expenses	($1,938,842)	($1,966,490)	($1,658,249)	($1,632,237)	($775,322)	($149,922)	($104,510)	($122,642)
Net loss and comprehensive loss	($1,933,548)	($1,962,672)	($1,644,426)	($1,613,854)	($768,155)	($142,490)	($82,598)	($104,869)
Basic and diluted loss per share	($0.02)	($0.02)	($0.02)	($0.02)	($0.02)	($0.02)	($0.01)	($0.01)

- The Company's net loss and comprehensive loss for the quarter ended March 31, 2015 remained consistent at $2.0 million when compared to the net loss and comprehensive loss for the quarter ended December 31, 2014. The Company began a 5,000 metre winter drill program in late February of 2015 and by March 31, 2015, the Company had completed 3,778 metres of drilling. Thus exploration activities and general and administrative activities remained consistent with that of the prior quarter.

- The Company's net loss and comprehensive loss for the quarter ended December 31, 2014 increased by $0.3 million when compared to the net loss and comprehensive loss for the quarter ended September 30, 2014 primarily due to an increase in exploration and evaluation expenditures of $0.5 million. The Company completed 3,675 metres of drilling during the quarter ended December 31, 2014. The increase in exploration and evaluation expenditures of $0.5 million was offset by a decrease in investor relations and communication of $0.2 million during the quarter ended December 31, 2014. During the prior quarter ended September 30, 2014, the Company incurred additional costs relating to investor relations and communication as it continued to advise the markets about the Company's new Madsen acquisition and new project focus.

- The Company's net loss and comprehensive loss for the quarter ended September 30, 2014 remained consistent at $1.6 million when compared to the net loss and comprehensive loss for the quarter ended June 30, 2014. During the quarter ended September 30, 2014, the Company did incur a $0.4 million increase in exploration and evaluation expenditures when compared to the quarter ended June 30, 2014 due to Phase 2 drilling at the Madsen Gold Project which commenced in mid-August. As of September 30, 2014 a total of 3,220 metres have been drilled in a total of 12 holes. Furthermore, the Company incurred a $0.1 million increase in investor relations and communication as the Company continues to to advise the markets about the Company's new Madsen acquisition and new project focus. This increase was offset by a decrease in share-based compensation expense of $0.5 million. During the quarter ended June 30, 2014, the Company granted 4.7 million stock options of which 2.0 million vested immediately while the remainder were subject to vesting restrictions. The Company recognized a large portion of shared-based compensation expense during the quarter ended June 30, 2014 as a result of those stock options which vested immediately.

- The Company's net loss and comprehensive loss for the quarter ended June 30, 2014 increased by $0.8 million when compared to the net loss and comprehensive loss for the quarter ended March 31, 2014 primarily due to a $0.6 million increase in share-based compensation expense related to director and employee stock option grants, an increase of $47,112 relating to wages, consulting and director fees due to increased staffing levels, an increase of $0.1 million in investor relations and communication due to the Company incurring costs to develop a new brand name, brand signature, approach and foundation to reposition and build the long-term brand equity of the Company and an increase in exploration and evaluation expenditures of $0.4 million due to the ramp up of the Phase 1 exploration program at Madsen which had only just started in March 2014. The overall increase in expenses for the quarter ended June 30, 2014 compared to the quarter ended March 31, 2014 was offset by the de-recognition of the acquisition costs for the Van Horne property of $0.3 million in the quarter ended March 31, 2014.

- The Company's net loss and comprehensive loss for the quarter ended March 31, 2014 increased by $0.6 million when compared to the net loss and comprehensive loss for the quarter ended December 31, 2013 of $0.1 million primarily due to the write-off of acquisition costs of $0.3 million for the Company's Van Horne property along with an accrual for increased audit fees with respect to the Company's annual audit for the fiscal year ended March 31, 2014. The complexity of the audit increased following the Company's acquisition of Madsen.

- The Company's net loss and comprehensive loss between the quarters ended December 31, 2013, September 30, 2013 and June 30, 2013 stayed relatively consistent as there were no significant transactions between the these quarters.

Fourth Quarter Results

During the quarter ended March 31, 2015, the Company incurred a loss of $2.0 million. The most significant items contributing to this loss were exploration and evaluation expenditures of $1.4 million; wages, consulting and director's fees of $0.2 million; and share-based compensation expense of $0.1 million. The Company began a 5,000 metre winter drill program in late February of 2015 and by March 31, 2015, the Company had completed 3,778 metres of drilling. Wages consulting and director's fees resulted from the Company's increased activities with respect to its active drill program during the fourth quarter. Share-based compensation expense was significant due to the granting of 1,150,000 incentive stock options to officers and employees during the fourth quarter. These options will vest over three years with the corresponding share-based compensation expense being recognized over this period. Also, as a result of the previous granting of 4,680,000 incentive stock options during the fiscal year, of which 2,680,000 incentive stock options vest over three years, the Company recognized the corresponding share-based compensation expense for these options during the fourth quarter.

The Company incurred a significant cash inflow as result of the successful financing completed during the fourth quarter which saw the Company raise gross proceeds of $5.7 million which was offset by $0.5 million in share issuance costs.

Liquidity and Capital Resources

As a result of closing the $5.7 million financing on February 20, 2015, at the date of this MD&A, the Company has approximately $4.7 million in cash and short-term investments. The Company's working capital balance (defined as current assets less current liabilities excluding the flow-through premium liability) as at the date of this MD&A is therefore approximately $4.7 million. There are no known restrictions on the ability of our subsidiary to transfer or return funds to the Company.

We have no revenue-producing operations, and earn only minimal income through investment income on treasury, amounts arising through various property option agreements and occasionally as a result of the disposal of an exploration asset. The Company is therefore reliant on public equity and debt markets to obtain financing to continue its operations. The current cash balance is sufficient to see the Company through its planned activities for calendar 2015.

We have not issued any dividends and management does not expect this will change in the near future.

Our budget, consisting of exploration, administration and environmental bonding requirements for the remainder of calendar 2015 is approximately $3.2 million. During this period we anticipate spending approximately $2.5 million on our Madsen Gold Project (including environmental bonding of $0.3 million) and approximately $0.7 million on general and administrative costs which include wages and consulting fees, professional fees and those costs associated with running the Company's head office in Vancouver, during this time period.

Pure Gold manages and adjusts its capital structure based on available funds in order to support acquisition, exploration and development of mineral properties. The properties in which we currently have an interest in are in the exploration stage. Accordingly, we are dependent on external financing, including the proceeds of future equity issuances or debt financing, to fund our activities. Circumstances that could impair our ability to raise additional funds, or our ability to undertake transactions, are discussed in our AIF under the heard "Risk Factors". Although management has been successful in the past when raising additional financing, there can be no assurance they will be successful in the future.

Contractual Obligations

Mineral Properties

Pursuant to the Madsen closure Plan, the Company is required to pay $0.3 million in reclamation deposits on May 30th (paid) and December 1, 2015 to provide for a partial indemnification of the closure reclamation costs associated with its Madsen Gold Project. This can be achieved through a formal letter of credit or a payment directly to the Ministry of Northern Development and Mines in Ontario.

Pure Gold has no other commitments for material capital expenditures as of March 31, 2015.

Management and Technical Services Agreement

The Company has entered into a Technical and Administrative Services Agreement (the "Oxygen Agreement") with Oxygen Capital Corp. ("Oxygen"), a private company of which a director and an officer of the Company are shareholders. Pursuant to the Oxygen Agreement, and without limiting or abrogating the duties of Pure Gold's President and Chief Executive Officer or its Chief Financial Officer and Corporate Secretary, Oxygen provides the Company:

- access to, and the use of the assets contained in, office space leased by Oxygen; and
- services, staff and expertise as determined necessary to properly and efficiently manage the assets, operations, business and administrative affairs of Pure Gold.

The Company pays Oxygen for the cost of management and technical services, including the wage allocations of employees seconded by Oxygen to the Company (plus tax and applicable benefits) at cost; There is no mark-up or additional direct charge to the Company from Oxygen under the Oxygen Agreement.

The Oxygen Agreement is intended to provide the Company with a number of technical and administrative services and access, on an as-needed basis, to Oxygen's roster of geologists, mining engineers, investor relations and financial and business development professionals that would not necessarily otherwise be available to Pure Gold at this stage of the Company's development.

The Oxygen Agreement is for an initial term of two years, and shall be automatically renewed from time to time thereafter for an a additional term of two years unless otherwise terminated. The Oxygen Agreement may be terminated by either party giving at least 180 days' prior written notice of such termination.

Flow-Through Obligation

The Company is committed to incur, on a best efforts basis, qualifying resource expenditures pursuant to the private placement for which flow-through proceeds have been received. The Company will file its renunciation forms by the end of February 2016. As at March 31, 2015, the Company had incurred qualifying resource expenditures of $804,503. The Company must therefore incur the $4,038,264 balance of qualifying resource expenditures before January 1, 2017.

If the Company does not spend these funds in compliance with the Government of Canada flow-through regulations, it may be subject to litigation from various counterparties. The Company intends to fulfill its flow-through commitments within the given time constraints.

Leases

Winnipeg Site Office

Pursuant to a rental lease agreement dated February 29, 2012, the Company is committed to pay rent for office space in Winnipeg, Canada at approximately $3,000 per month ($36,000 annually). The lease expires on June 30, 2017. On November 14, 2012, the Company sub-leased this site office to a third party for the same rental cost (approximately $3,000 per month). The third party is bound by all the covenants, terms and conditions of the original rental lease agreement.

Madsen Project Accommodation Lease

Pursuant to a rental agreement dated August 6, 2014, the Company is committed to pay rent for employee / consultant accommodations in Madsen, Ontario, at $1,500 per month. The lease expires on August 5, 2015.

Madsen Vehicle Leases

In addition, the Company has signed two leases dated July 23, 2014 and July 31, 2014, respectively for the use of two pickup trucks to be used at the Madsen project. The two leases call for payments of $800 and $952 per month with the leases expiring on June 24, 2018 and June 30, 2018. The future minimum lease payments required under these lease agreements are as follows:

	Madsen Rental House	GMC Sierra 2500 HD	GMC Sierra 2500 HD
2015	$ 6,000	$ 7,205	$ 8,567
2016	$ -	$ 9,606	$ 11,422
2017	$ -	$ 9,606	$ 11,422
2018	$ -	$ 4,803	$ 5,711
Total	**$ 6,000**	**$ 31,220**	**$ 37,122**

Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as at March 31, 2015 or as at the date hereof.

Proposed Transactions

As is typical of the mineral exploration and development industry, we are continually reviewing potential merger, acquisition, investment and joint venture transactions and opportunities that could enhance shareholder value. We are also continually reviewing and discussing opportunities with third parties regarding the sale of non-strategic properties in our portfolio. There is no guarantee that any contemplated transaction will be concluded.

At present, there is no proposed asset or business acquisitions or dispositions before the Board for consideration.

Related Party Transactions

Transactions with related parties for goods and services are made on normal commercial terms and are considered to be at arm's length.

Oxygen Capital Corp ("Oxygen").

Oxygen is a private company partially owned by one director and one officer of the Company. Oxygen provides technical and administrative services to the Company at cost, including providing some staffing who are seconded to the Company, office facilities and other administrative functions. As at March 31, 2015, Oxygen holds a refundable deposit of $156,000 on behalf of the Company. During the fiscal year ended March 31, 2015, a total of $875,962 (March 31, 2014 - $5,712) was paid or accrued to Oxygen as a reimbursement of costs incurred by Oxygen on behalf of the Company. As of March 31, 2015, the Company held a payable amount to Oxygen of $84,157 (March 31, 2014 - $5,712). This amount was paid subsequent to March 31, 2015.

Compensation of Key Management Personnel

Key management includes members of the Board, the President and Chief Executive Officer, the VP of Exploration, the Chief Financial Officer, the Director of Investor Relations and the Corporate Secretary. The aggregate total compensation paid or payable to key management for employee services directly or via Oxygen is as follows:

Name	**Nature of Compensation**	**Year ended March 31, 2015**	**Year ended March 31, 2014**
President and Chief Executive Officer	Salary	$204,000	$170,000
Vice President of Exploration	Salary	$179,850	$ -
Chief Financial Officer	Salary	$77,917	$ -
Director, Investor Relations	Salary	$64,750	$ -
Corporate Secretary	Salary	$20,290	$ -
Directors	Directorship	$160,000	$12,043
Former Vice President of Exploration	Salary	$ -	$60,000
Former Chief Financial Officer	Salary	$ -	$36,000
Former Director	Consulting	$ -	$115,000
Total		**$706,807**	**$393,043**

Share-based compensation issued to key management personnel during the fiscal year ended March 31, 2015 totaled $0.8 million (March 31, 2014 - $Nil). Share-based compensation is the fair value of options granted and vested to key management personnel. These amounts have not been included in the table above and should be considered as additional compensation.

Changes in Accounting Policies and New Pronouncements

The Company prepares its consolidated financial statements in accordance with IFRS and interpretations of the IFRIC as issued by the IASB. The effects of the adoption of new and amended IFRS pronouncements effective April 1, 2014 are discussed below:

Adoption of New Accounting Policy

The following accounting policy was adopted by the Company for the fiscal year ended March 31, 2015:

Flow-Through Shares

During the fiscal year ended March 31, 2015, the Company adopted a new accounting policy as a result of issuing flow-through shares as part of a bought deal financing that closed in February 2015. As a result, the Company's share capital includes flow-through shares, which are a unique Canadian tax incentive pursuant to certain provisions of the Canadian Income Tax Act. Proceeds from the issuance of flow-through shares are used to fund qualified exploration and evaluation expenditures and the related income tax deductions are renounced to the subscribers of the flow-through shares. Any premium paid for flow-through shares in excess of the market value of the shares without flow-through features, at the time of issue, is recorded as a liability. Upon completion of the qualified expenditures and renouncement by the Company of the tax benefits associated with the related expenditures, the liability amount will be reversed and included in the Company's Statement of Loss and Comprehensive Loss as a deferred tax recovery. The Company expenses all exploration and evaluation expenditures in its Statement of Loss and Comprehensive Loss and therefore does not recognize any deferred tax liabilities associated with flow-through shares and the related expenditures.

As a result of the adoption of this policy, at March 31, 2015, the Company accrued a liability associated with the flow-through share premium of $1.0 million. The Company does not anticipate renouncing the tax benefits of the qualified expenditures to the subscribers until the first quarter of calendar 2016 at which time the accrued liability that relates to qualifying expenditures made by that time, will be reversed and an equivalent amount will be included in income. Any remaining liability at the time of renouncement that relates to qualifying expenditures not yet made will be reversed over time as the qualifying expenditures are made.

Application of New and Revised Accounting Standards

The Company has applied the following new and revised IFRSs in these annual consolidated financial statements:

- **IFRIC 21 – *Levies* ("IFRIC 21")**, an interpretation of IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets* ("IAS 37"), clarifies that the obligating event, as defined by IAS 37, that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. The Company has applied IFRIC 21 on a retrospective basis in compliance with the transitional requirements of IFRIC 21. The application of IFRIC 21, which was effective January 1, 2014, did not result in any adjustments to the Company's consolidated financial statements.

- The IASB made certain amendments to the following IFRSs and IASs effective January 1, 2014:

  IFRS 10 – *Consolidated Financial Statements*
  IFRS 11 – *Joint Arrangements*
  IFRS 12 – *Disclosure of Interests in Other Entities*
  IFRS 13 – *Fair Value Measurement*
  IAS 27 – *Separate Financial Statements*
  IAS 32 – *Financial Instruments: Presentation*
  IAS 36 – *Impairment of Assets*
  IAS 39 – *Financial Instruments: Recognition and Measurement*

The amendments did not have an impact on the Company's consolidated financial statements. The Company has not early adopted any other amendment, standard or interpretation that has been issued by the IASB but is not yet effective.

New, Amended and Future IFRS Pronouncements

The following standards have been published and are mandatory for the Company’s annual accounting periods beginning on or after April 1, 2015:

IFRS 7

This standard was amended to require additional disclosures on transition from IAS 39 to IFRS 9, effective for annual periods beginning on or after January 1, 2018. The Company is currently evaluating the extent of the impact of the adoption of this standard.

IFRS 9 – Financial Instruments

IFRS 9, Financial Instruments (IFRS 9), addresses the classification, measurement and recognition of financial assets and financial liabilities. The IASB had previously issued versions of IFRS 9 that introduced new classification and measurement requirements (in 2009 and 2010) and a new hedge accounting model (in 2013). The July 2014 publication of IFRS 9 is the completed version of the Standard, replacing earlier versions of IFRS 9 and superseding the guidance relating to the classification and measurement of financial instruments in IAS 39, Financial Instruments: Recognition and Measurement (IAS 39).

IFRS 9 requires financial assets to be classified into three measurement categories on initial recognition: those measured at fair value through profit and loss, those measured at fair value through other comprehensive income and those measured at amortized cost. Investments in equity instruments are required to be measured by default at fair value through profit or loss. However, there is an irrevocable option to present fair value changes in other comprehensive income. Measurement and classification of financial assets is dependent on the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change relating to an entity’s own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

IFRS 9 introduces a new three-stage expected credit loss model for calculating impairment for financial assets. IFRS 9 no longer requires a triggering event to have occurred before credit losses are recognized. An entity is required to recognize expected credit losses and update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial instruments. In addition, IFRS 9 requires additional disclosure requirements about expected credit losses and credit risk.

The completed version of IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is currently evaluating the extent of the impact of the adoption of this standard and its related amendments on our financial statements.

Significant Accounting Judgments, Estimates and Assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and expenses. Factors that could affect these judgments, estimates and assumptions are discussed in our AIF, dated June 4, 2015, under the heading "Risk Factors". Subject to the impact of such risks, the carrying value of Pure Gold's financial assets and liabilities approximates their estimated fair value.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements:

(i) Review of Asset Carrying Values and Impairment Assessment

In accordance with the Company's accounting policy, each asset is evaluated every reporting period to determine whether there are any indications of impairment. If any such indication exists, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset is measured at the higher of value in use and fair value less costs to sell. The most significant assets the Company assesses for impairment are exploration and evaluation assets and property, plant and equipment. Judgements involved in assessing impairment of exploration and evaluation assets are discussed below.

For the fiscal year ended March 31, 2015, the Company wrote-off $8,275 in property, plant and equipment.

(ii) Exploration and Evaluation Assets and Expenditures

The application of the Company's accounting policy for exploration and evaluation assets and expenditures requires judgment to determine whether future economic benefits are likely, from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves.

Resource exploration is a speculative business and involves a high degree of risk. There is no certainty that the expenditures made by the Company in the exploration of its property interests will result in discoveries of commercial quantities of minerals. Exploration for mineral deposits involves risks which even a combination of professional evaluation and management experience may not eliminate. Significant expenditures are required to locate and estimate ore reserves, and further the development of a property. Capital expenditures to bring a property to a commercial production stage are also significant. There is no assurance the Company has, or will have, commercially viable ore bodies and there is no assurance that the Company will be able to arrange sufficient financing to bring ore bodies into production.

For the fiscal year ended March 31, 2015, there were no indicators of impairment on the Company's exploration and evaluation assets.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its estimates and assumptions on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Exploration and Evaluation Assets and Expenditures

In addition to applying judgment to determine whether future economic benefits are likely to arise from the Company's exploration and evaluation assets or whether activities have not reached a stage that permits reasonable assessment of the existence of reserves, the Company has to apply a number of estimates and assumptions. The publication of a resource per National Instrument 43-101, Standards of Disclosure for Mineral Projects ("NI 43-101") technical report, is itself an estimation process that involves varying degrees of uncertainty depending on how the resources are classified (i.e. measured, indicated or inferred). The estimates directly impact when the Company defers exploration and evaluation assets. Any such estimates and assumptions may change as new information becomes available. If, after deferred acquisition costs are capitalized, information becomes available suggesting the recovery of such costs is unlikely, the relevant capitalized amount is written off in the consolidated statement of loss and comprehensive loss in the period when the information becomes available. Management believes that the estimates involving its exploration and evaluation assets and expenditures are reasonable.

(ii) Determination of the Fair Value of Share-based Payments

The fair value of stock options granted and warrants issued is computed to determine the relevant charge to equity reserves and the consolidated statement of loss and comprehensive loss and related obligation as applicable. In order to compute this fair value, the Company uses the Black-Scholes option pricing model; this inherently requires management to make various estimates and assumptions in relation to the expected life of the award, expected volatility, risk-free rate and forfeiture rates. Changes in any of these inputs could cause a significant change in the share-based compensation expense charged in the consolidated statement of loss and comprehensive loss and to equity reserves in a given period. Management believes that the estimates involving its share-based payments are reasonable.

(iii) Decommissioning, Restoration and Similar Liabilities

Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at the present value of discounted cash flows for the estimated liabilities.

Carrying value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration and similar liabilities that may occur upon decommissioning of certain of the Company's assets. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

Financial Instruments and Other Instruments

Financial assets and liabilities are recognized when Pure Gold becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from assets have expired or have been transferred and Pure Gold has transferred substantially all risks and rewards of ownership. Our accounting policy for each category of financial instrument held or recorded by the Company is summarized below.

Financial assets

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets or non-current assets based on their maturity date. Loans and receivables are carried at amortized cost less any impairment. Cash, restricted cash, short-term investments, amounts receivable (excluding sales tax receivable and resource tax credits), interest receivable, deposits and reclamation deposits have been classified under this category.

Financial liabilities

Other Financial Liabilities

Other financial liabilities are non-derivatives and are recognized initially at fair value, net of transactions costs incurred and are subsequently stated at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the maturity amount is recognized in the statement of earnings (loss) over the period to maturity using the effective interest method. Other financial liabilities are classified as current or non-current based on their maturity date. Accounts payable and accrued liabilities, mineral property funding obligations, other current liabilities and other long-term liabilities have been classified under this category.

Financial liabilities are classified as current liabilities if payment is due within 12 months. Otherwise, they are presented as non-current liabilities.

Risks associated with financial instruments

We are exposed to a variety of financial instrument related risks. The Board provides oversight for our risk management processes. The type of risk exposure and the way in which such exposure is managed is explained as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash, restricted cash, short-term investments and amounts receivable. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the maximum exposure to credit risk.

The Company deposits its cash, restricted cash and short-term investments with high credit quality major Canadian financial institutions as determined by ratings agencies. The Company does not invest in asset-backed deposits or investments and does not expect any credit losses.

To reduce credit risk, the Company regularly reviews the collectability of its amounts receivable and establishes an allowance based on its best estimate of potentially uncollectible amounts. The Company historically has not had difficulty collecting its amounts receivable.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company attempts to manage liquidity risk by maintaining sufficient cash balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term obligations. At March 31, 2015, the Company had cash of $5.0 million (March 31, 2014 - $9.0 million), restricted cash of $Nil (March 31, 2014 - $0.1 million) and short-term investments of $1.5 million (March 31, 2014 - $35,000) to settle current liabilities of $1.8 million (March 31, 2014 - $3.2 million). As at March 31, 2015, the Company is committed to incur, on a best efforts basis, $4.0 million in qualifying resource expenditures.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Cash, restricted cash and short-term investments include deposits which are at variable interest rates. For the year ended March 31, 2015, a plus or minus 0.5% change in market interest rates would affect the Company's interest earned on cash and short-term investments by approximately $33,000.

Fair Value Estimation

The carrying value of the Company's financial assets and liabilities approximates their estimated fair value.

Management of Capital

Pure Gold considers the items included in the consolidated statement of shareholders' equity as capital. Management of the Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares or return capital to shareholders. The Company is not subject to externally imposed capital requirements.

Pure Gold's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

Outstanding Share Data

Pure Gold's authorized capital is unlimited common shares without par value. As at June 4, 2015 the following common shares, stock options, share purchase warrants and compensation options were outstanding:

	# of Shares	Exercise Price	Expiry Date
Issued and Outstanding Common Shares	125,719,854	N/A	N/A
Stock Options	10,000 50,000 225,000 4,380,000 300,000 200,000 950,000	$0.20 $0.20 $0.20 $0.35 $0.32 $0.35 $0.28	January 21, 2016 March 11, 2016 February 25, 2018 April 8, 2019 May 13, 2019 February 10, 2020 March 19, 2020
Share Purchase Warrants	38,163,250	$0.50	September 4, 2016
Compensation Options *	1,242,657	$0.25	March 4, 2016
Fully Diluted	171,240,761		

** Compensation Options were issued to various Brokers for services rendered for the March 4, 2014 private placement. Each Compensation Option is exercisable for a period of 24 months from issuance and has a strike price of $0.25. Upon exercise, the holder is entitled to one Common Share of the Company and one-half common share purchase warrant. Each whole warrant entitles the holder to subscribe for one additional common share at a price of $0.50, with such warrants expiring 24 months from initial issuance of the Compensation Option.*

Industry and Economic Factors That May Affect Our Business

Economic and industry risk factors that may affect our business, in particular those that could affect our liquidity and capital resources, are described under the heading "Risk Factors" in our AIF, available on Pure Gold's SEDAR profile at www.sedar.com. In particular, significant uncertainties remain in capital markets impacting the availability of equity financing for the purposes of mineral exploration and development. There are also significant uncertainties and increased volatility in the prices of gold, copper, other precious and base metals and other minerals as well as increased volatility in the foreign currency exchange markets as assets continue to be re-priced against a backdrop of uncertainty relating to the foreign exchange rate, whether the United States Federal Reserves Qualitative Easing programs will be tapered, or ongoing debate relating to budget issues in the United States.

While the decrease in the price of gold during 2013 and 2014 and the continuation of low prices in 2015 and ongoing uncertainties in capital markets do not have direct impact on the Company's ability to carry out exploration, the Company may be impacted should it become more difficult to gain access to capital (e.g. debt or equity financing for the purposes of mineral exploration and development) when and if needed. Difficulty in accessing capital on favourable terms may limit the Company's ability to develop and/or further explore the mineral properties in which we have in interest.

Additional Disclosure for Venture Issuers Without Significant Revenue

Additional disclosure concerning Pure Gold's general and administrative expenses and exploration and evaluation expenses is provided in the Company's Statements of Loss and Comprehensive Loss contained in its Annual Financial Statements for the fiscal years ended March 31, 2015 and 2014 which are all available on Pure Gold's website at www.puregoldmining.ca or on its profile on SEDAR at www.sedar.com.

Legal Matters

Pure Gold is not currently, and has not at any time during our most recently completed financial year, been party to, nor has any of its property interests been the subject of, any material legal proceedings or regulatory actions.

Management's Responsibility for the Financial Statements

The preparation and presentation of the accompanying financial statements, MD&A and all financial information in the financial statements are the responsibility of management and have been approved by the Board of Directors following the report and recommendation of the Audit Committee. The financial statements have been prepared in accordance with IFRS. Financial statements by nature are not precise since they include amounts based upon estimates and judgments. When alternative treatments exist, management has chosen those it deems to be the most appropriate in the circumstances.

Controls and Procedures

In connection with NI 52-109, the CEO and CFO of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the Annual Financial Statements and respective accompanying MD&A as at March 31, 2015 (together the "Annual Filings").

In contrast to the certificate under NI 52-109, the Venture Issuer Basic Certification 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.

Disclosure Controls and Procedures

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with IFRS.

Venture Issuer companies are not required to provide representations in the annual filings relating to the establishment and maintenance of DC&P and ICFR, as defined in NI 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, Annual filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's IFRS. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a Venture Issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Scientific and Technical Disclosure

With the exception of the Madsen Gold Project, the Company's exploration projects and those in which we have an interest are early stage and do not contain any mineral resource estimates as defined by NI 43-101.

Unless otherwise indicated, Pure Gold has prepared the technical information in this MD&A ("Technical Information") based on information contained in the following technical reports:

- "Technical Report on the Madsen Gold Project, Red Lake, Ontario, Canada", effective February 18, 2014, and dated February 18, 2014, filed under the Company's profile on SEDAR at www.sedar.com.

Technical Information was also based on information contained in news releases (collectively the "Disclosure Documents") available under Pure Gold's company profile on SEDAR at www.sedar.com. The Disclosure Documents are each intended to be read as a whole, and sections should not be read or relied upon out of context. The Technical Information is subject to the assumptions and qualifications contained in the Disclosure Documents.

Our Disclosure Documents were prepared by or under the supervision of an independent Qualified Person ("QP"). Readers are encouraged to review the full text of the Disclosure Documents which qualifies the Technical Information. Readers are advised that mineral resources that are not mineral reserves do not have demonstrated economic viability.

Mineral resource estimates relating to Madsen are only estimates and no assurance can be given that any particular level of recovery of minerals will be realized or that an identified resource will ever qualify as a commercially mineable or viable deposit which can be legally and economically exploited. In addition, the grade of mineralization ultimately mined at Madsen may differ from the one indicated by drilling results and the difference may be material. Although there has been no economic analysis summarized in this MD&A relating to the Madsen Gold Project Technical Report, readers are cautioned that the Madsen Technical Report is preliminary in nature and includes inferred and indicated mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that this will indeed occur. Further studies, including engineering and economics, are required (typically as a Pre-Feasibility Study) with regards to infrastructure and operational methodologies. Additional disclosure and cautionary notes relating to Madsen are summarized in our AIF, available on Pure Gold's SEDAR profile at www.sedar.com.

Darren O'Brien, P.Geo, Pure Gold's VP of Exploration, is the Company's QP for the purposes of NI 43-101, and has reviewed and validated that the scientific or technical information contained in this MD&A related to the Madsen Gold Project Technical Report is consistent with that provided by the QPs responsible for the Madsen Gold Project Technical Report, and has verified the technical data disclosed in this document relating to those projects in which the Company holds an interest. Mr. O'Brien has consented to the inclusion of the Technical Information in the form and context in which it appears in this MD&A.

Cautionary Notes Regarding Forward-Looking Statements

This MD&A, contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws, which include, but are not limited to, statements or information concerning, future financial or operating performance of Pure Gold and its business, operations, properties and the future price of gold, and silver and other metal prices, the potential quantity and/or grade of minerals, the potential size of a mineralized zone or potential expansion of mineralization, proposed exploration and development of Pure Gold's exploration property interests, the timing and amount of estimated future production, costs of production and mine life of the various mineral projects of Pure Gold, the interpretation and actual results of historical production at certain of our exploration properties, as well as specific historic data associated with and drill results from those properties, and the reliance on technical information provided by our joint arrangement partners or other third parties; the timing and amount of estimated capital, operating and exploration expenditures, costs and timing of the development of new deposits and of future exploration, acquisition and development activities, estimated exploration budgets and timing of expenditures and community relations activities, requirements for additional capital; completion of expenditure obligations under an option agreement and earn-in agreements to which the Company is a party; government regulation of mining operations, environmental risks and reclamation expenses, title disputes, the ability to maintain exploration licences for its properties in accordance with the requirements of applicable mining laws in Canada; government regulation of exploration and mining operations; environmental risks, including satisfaction of requirements relating to the submissions and successful defence of EIA reports and other claims or existing, pending or threatened litigation or other proceedings, limitations of insurance coverage, future issuances of Common Shares to satisfy earn-in obligations or the acquisition of exploration properties and the timing and possible outcome of regulatory and permitting matters and any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements, and involve known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of Pure Gold to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking statements and information. Except for statements of historical fact, information contained herein or incorporated by reference herein constitutes forward-looking statements and forward-looking information. Often, but not always, forward-looking statements and forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “will”, “projects”, or “believes” or variations (including negative variations) of such words and phrases, or statements that certain actions, events, results or conditions “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Statements relating to mineral reserves and resources are deemed to be forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the mineral reserves and resources described exist in the quantities predicted or estimated and may be profitably produced in the future. Estimated values of future net revenue do not represent fair market value. There is no certainty that it will be commercially viable to produce any portion of the resources.

Forward-looking statements and forward-looking information are not guarantees of future performance and are based upon a number of estimates and assumptions of management at the date the statements are made including among other things, assumptions about future prices of gold, copper, silver, molybdenum and other metal prices, changes in the worldwide price of other commodities such as coal, fuel and electricity fluctuations in resource prices, currency exchange rates and interest rates, favourable operating conditions, political stability, obtaining governmental approvals and financing on time, obtaining renewals for existing licences and permits and obtaining required licences and permits, labour stability, stability in market conditions, availability of equipment, accuracy of any mineral resources and mineral reserves, successful resolution of the challenges to the EIAs described in this MD&A, if any, anticipated costs and expenditures and our ability to achieve our goals. While we consider these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies and other factors that could cause actual performance, achievements, actions, events, results or conditions to be materially different from those projected in the forward-looking statements and forward-looking information. Many assumptions are based on factors and events that are not within the control of Pure Gold and there is no assurance they will prove to be correct.

Furthermore, such forward-looking statements and forward-looking information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or forward-looking information. Such factors include, among others: general business, economic, competitive, political, regulatory and social uncertainties; disruptions or changes in the credit or securities markets and market fluctuations in prices for Pure Gold’s securities; judgement of management when exercising discretion in their use of proceeds from a financing; potential dilution of Common Share voting power or earnings per share as a result of the exercise of Options, future financings or future acquisitions financed by the issuance of equity; discrepancies between actual and estimated mineral reserves and resources; the Company is an exploration and development stage company with no history of pre-tax profit and no income from its operations and there can be no assurance that the Company’s operations will be profitable in the future; changes in project parameters as plans continue to be refined; changes in labour costs or other costs of production; possible variations of mineral grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry, including but not limited to environmental risks and hazards, cave-ins, pitwall failures, flooding, rock bursts and other acts of God or natural disasters or unfavourable operating conditions and losses; political instability, hostilities, insurrection or acts of war or terrorism; the speculative nature of mineral exploration and development, including the risk of diminishing quantities or grades of mineralization; Pure Gold's ability to renew existing licences and permits or obtain required licences and permits; changes in government legislation and regulation; fluctuations in commodity prices; requirements for future funding to satisfy contractual obligations and additional capital needs generally; changes or disruptions in market conditions; market price volatility; the Company currently has a shareholder with greater than 10% holdings; uncertainties associated with minority interests and joint venture operations; risks associated with the Company's indemnified liabilities; increased infrastructure and/or operating costs; reclamation costs; the Company has limited operating history and no history of earnings; reliance on a finite number of properties; limits of insurance coverage and uninsurable risk; contests over title to properties; environmental risks and hazards; limitations on the use of community water sources; the need to obtain and maintain licences and permits and comply with laws and regulations or other regulatory requirements; competitive conditions in mineral exploration and mining business; the ability of the Company to retain its key management employees and shortages of skilled personnel and contractors; potential acquisitions and their integration with the Company's current business; influence of third party stakeholders; risks of litigation; the Company's system of internal controls; conflicts of interest; credit and/or liquidity risks; changes to the Company's dividend policy; the risks involved in the exploration, development and mining business generally; and the factors discussed in the section entitled "Risk Factors" in our AIF available on Pure Gold's SEDAR profile at www.sedar.com. Although we have attempted to identify important factors that could cause actual performance, achievements, actions, events, results or conditions to differ materially from those described in forward looking statements or forward-looking information, there may be other factors that cause performance, achievements, actions, events, results or conditions to differ from those anticipated, estimated or intended.

Forward-looking statements and forward-looking information contained herein are made as of the date of this MD&A and we disclaim any obligation to update or revise any forward-looking statements or forward-looking information, whether as a result of new information, future events or results or otherwise, except as required by applicable law. There can be no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements or forward-looking information. All forward-looking statements and forward-looking information attributable to us is expressly qualified by these cautionary statements.

Pure Gold disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law. Readers should not place undue reliance on forward-looking information.

Approval

The Board of Directors of Pure Gold have approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

Additional Information

Additional information relating to Pure Gold can be obtained on the SEDAR website at www.sedar.com or by contacting:

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PURE GOLD MINING INC.

/s/ "Darin Labrenz"
Darin Labrenz
President and Chief Executive Officer

PURE GOLD MINING INC.

/s/ "Sean Tetzlaff"
Sean Tetzlaff
Chief Financial Officer