Pacific Ridge Exploration Ltd.
Interim MD&A – Quarterly Highlights
For the nine months ended September 30, 2016

This interim Management's Discussion and Analysis ("MD&A") of Pacific Ridge Exploration Ltd. ("**Pacific Ridge**" or the "**Company**"), dated November 29, 2016, provides a brief update on the Company's business activities, financial condition, financial performance and cash flows since December 31, 2015, and excludes information discussed in its most recent annual MD&A. The Company reports its financial position, financial performance and cash flows in accordance with International Financial Reporting Standards ("**IFRS**") in Canadian dollars.

The following information should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2015, condensed interim financial statements for the nine months ended September 30, 2016 and the related notes thereto. The Company's shares are listed on the TSX Venture Exchange under the symbol "PEX". Additional information related to Pacific Ridge is available on the Company's website at www.pacificridgeexploration.com or on SEDAR at www.sedar.com

Forward Looking Statements and Risk Factors

This interim MD&A contains forward-looking statements that are related to the Company's activities and future financial results. The results for the current periods are not necessarily indicative of the results for any future period. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance as the mineral exploration business is not without risk and most exploration projects will not become mines. The Company is subject to a number of risks and uncertainties due to the nature of its business and the early stage of its exploration projects. A detailed discussion of risks is presented in the 2015 year-end MD&A.

Summary of Third Quarter Activities

- In July 2016, MinQuest Limited notified the Company that it was terminating its option to earn an interest in the Company's Fyre Lake property.
- In August 2016, the Company announced options to earn a 100% interest, subject to varying royalties, in the TL Zinc project in British Columbia and the Poker Brown Gold project in Nevada.
- On September 14, 2016, the Company announced that it had reached an agreement to option up to a 70% interest in its Mariposa gold project to Eureka Dome Gold Inc.
- On October 13, 2016, the Company announced a $300,000 flow-through private placement consisting of units priced at $0.08. The offering was oversubscribed and closed on November 3, 2016 with the issuance of 5,432,500 flow-through units, for gross proceeds of $434,600.

Current Activities Relating to Mineral Properties

TL Zinc

The target at TL is a Broken Hill type or SEDEX (Sedimentary Exhalative) Zn-Pb-Ag massive sulfide deposit. The property is road accessible with nearby highways, electrical power grid and rail. Recently discovered massive to semi-massive sulphide float and outcrop containing sphalerite, pyrite and pyrrhotite assayed in the range of 1.08% to 18.87% Zn and an average of 4.96% Zn. Trenching encountered a zone of 7.16% Zn over 4 m. An airborne magnetic-electromagnetic survey defined a strong conductive layer, 4 km in length and approximately 100 to over 200 m wide. In 2012, 6 shallow holes (total 490 m) were drilled below the trenching. The drilling encountered a 10 to 13 m thick sulphide mineralized zone with zinc values ranging from less than 1% to 5%. Mineralization encountered in trenches and drilling is believed to be a peripheral mineralized horizon stratigraphically above or distal to the main exploration target.

In late August, 2016, the Company completed a gravity survey on three lines transecting the conductor, totaling approximately 5 km. All three lines produced positive gravity anomalies in the 1 milligal range that correlate with the EM conductor. These results suggest the strong likelihood that the conductor and gravity anomalies are reflecting a sulphide mineralized horizon.

The Company has submitted a permit application for a drill test of this target.

Poker Brown

Poker Brown is road accessible and located 190 km from Reno, Nevada. The target is a bulk tonnage, heap leachable gold deposit. Numerous gold mines and advanced projects are located within an 80 km radius of the property. Gold was first discovered in 1875 and a small amount of production from high grade quartz veins is recorded up to 1926. Little modern exploration has been carried out on the property.

The target includes a 1,200 by 600 m zone of alteration and gold enrichment, open to the east, south and west, that includes hydrothermally altered slate with an auriferous quartz-limonite veinlet stockwork. Grab samples from four east-northeast striking shears average 0.68 g/t Au and 60 g/t Ag with the 10 high-grade assays cut to 2.0 g/t Au and 200 g/t Ag. Grab samples from two north-northwest striking shears average 0.50 g/t Au and 52.5 g/t Ag.

A 200 m by 400 m sericite-clay-calcite altered hydrothermal breccia occurs at the west end of the prospect. Twenty-one breccia samples from pit dumps and float and average 0.34 g/t Au and 78 g/t Ag.

In October, 2016, the Company completed a five line, 6.5 km 3D IP survey over the property, carried out by SJ Geophysics of Delta, BC. The survey defined two chargeability anomalies. Anomaly A is greater than 500 m long and 200 m wide, with strong chargeability values ranging from 40 to over 50 ms (milliseconds) and is strongest at depths of over 150 m below surface, reflecting the probable maximum depth of oxidation. This anomaly underlies the main area of historical surface workings, including vein, breccia and stockwork mineralization, and the area of most intense alteration on the property as defined by recent mapping. Anomaly B is 1,000 m by 600 m in size and ranges from 20 to 35 ms. Located to the north of Anomaly A, it underlies a broad area of structurally controlled and stockwork gold mineralization and alteration. The chargeability anomalies are interpreted to be caused by disseminated pyrite mineralization, which is associated with gold and silver mineralization at Poker Brown.

A drill program is planned for early 2017.

Mariposa

The Company completed a geological mapping and sampling program over the central part of the property in the third quarter of 2016. Results of this program have not yet been announced.

On September 14, 2016, the Company announced that it had reached an agreement to option up to a 70% interest in Mariposa to Eureka Dome Gold Inc. Under the terms of the agreement, Eureka Dome can earn a 51% interest in the property by making cash payments of $200,000, issuing 1,000,000 common shares and 150,000 common share purchase warrants and completing $2,450,000 in exploration in staged annual increments by December 31, 2020. Eureka Dome will then have the option to increase its interest to 70% by making additional cash payments of $200,000, issuing an additional 500,000 common shares and completing an additional $2,500,000 in exploration by December 31, 2022. In addition, Eureka Dome must be listed on the TSX Venture Exchange or the Canadian Securities Exchange by February 28, 2017.

Eureka Dome

During the third quarter, the Company completed a geological mapping, prospecting and soil sampling survey on Eureka Dome, including the collection of 673 soil samples. Results of the program have not yet been announced.

Fyre Lake

On July 19, 2016, the Company reported that MinQuest had terminated its option to acquire an interest in Fyre Lake.

General Administration

The Company has not yet determined whether any of its resource properties contain mineral reserves that are economically recoverable. All direct costs associated with the exploration of these properties have been expensed as incurred.

During the nine months ended September 30, 2016, the Company recorded a net loss of $398,405 as compared to a net income of $378,522 in the same period of 2015 resulting from a US$500,000 mineral royalty package sale in June 2015. Net loss in 2016 is impacted by the non-cash loss on the fair value of the marketable securities and stock-based compensation expenses.

Summary of Quarterly Results

The following table sets forth a comparison of information for the previous eight quarters ending with September 30, 2016:

	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015
	$	$	$	$
Total revenue	-	-	-	-
General and administration	(53,011)	(53,747)	(38,525)	(42,232)
Exploration and evaluation costs	(143,022)	(8,100)	(10,736)	(45,916)
Loss on sale of marketable securities	-	-	-	(1,887)
Fair value of marketable securities	(43,220)	37,048	(69,252)	-
Impairments	-	-	-	(75,303)
Government grant	-	-	-	40,000
Share-based payments	(15,840)	-	-	-
Net income (loss) for the period	(255,093)	(24,799)	(118,513)	(125,338)
Basic and diluted loss per share	(0.01)	-	-	(0.10)

	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
	$	$	$	$
Total revenue	-	508,200	-	-
General and administration	(72,630)	(46,523)	(45,807)	(102,649)
Exploration and evaluation costs	(114,813)	(7,500)	(9,300)	14,104
Loss on sale of marketable securities	-	-	-	(916)
Impairment	-	-	-	(135,712)
Government grant	-	-	-	50,000
Property option payment	185,000	-	-	(20,591)
Share-based payments	-	-	(18,103)	-
Write-off and loss on sale of equipment	-	-	-	(11,665)
Net income (loss) for the period	(2,443)	454,177	(73,210)	(207,429)
Basic income (loss) per share	-	-	-	(0.01)

Quarterly Information Trends

The Company's results have been largely driven by the level of its property holding costs, exploration activities and recoveries from partners. The Company has had no revenue from mining operations since its inception other disposal its assets and mineral royalties. Major variations in costs are summarized below:

- The gain or loss on disposal of mineral properties is dependent on the negotiated sales proceeds and can vary significantly from property to property.
- General exploration expenditures can vary from quarter to quarter depending on the stages and priorities of the exploration program and the availability of funds.
- Share-based payments can vary widely from quarter to quarter based on the timing, amount and tenure of stock option awards.

Liquidity and Capital Resources

The Company is dependent on raising funds by the issuance of shares or disposition of interests in resource properties to finance further acquisitions, undertake exploration and meet general and administrative expenses. As at November 29, 2016, the Company has cash on hand of approximately $670,000.

Cash used in the operating activities were $258,792 during nine months ended September 30, 2016 (2015 - $231,444). The Company believes it has sufficient cash to sustain its operations in the next 12 months. The longer-term ability of the Company to continue its business is dependent on the continuing success of its exploration programs coupled with available funding through sale of its share capital, funding from a joint venture partner or disposition of property interests.

Outstanding Share Data

As at November 29, 2016, the Company has 31,023,384 common shares issued and outstanding; 2,303,500 stock options outstanding and exercisable at a weighted exercise price of $0.10; and 1,063,750 and 2,815,250 warrants outstanding exercisable at $0.075 and $0.14 which expire on December 23, 2016 and May 3, 2018, respectively.

Off-Balance Sheet Arrangements

None

Proposed Transactions

None

Disclosure Controls and Procedures

Current securities policies in Canada require that management of the Company certifies that it has assessed the effectiveness of the Company's disclosure controls and procedures at period ends. Management has concluded that the disclosure controls as at September 30, 2016 were effective in ensuring that all material information required to be filed had been effected in a timely manner, and that the information was recorded, processed and reported within the time period necessary to prepare the filings.

The Company continues to review and assess its internal control over financial reporting. There were no significant changes made to internal controls over financial reporting during the period ended September 30, 2016.

Changes in Accounting Policies

The Company has not made any changes to its significant accounting policies, as described within Note 2, during the year ended December 31, 2015. Certain requirements were issued by the IASB that are mandatory for annual years beginning on or after January 1, 2016. These changes have not yet been early adopted and have been evaluated to have no major impact on the Company.