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Management's Discussion and Analysis for the Year Ended March 31, 2014

This Management Discussion and Analysis ("MD&A") of the financial condition and results of the operations of Auriga Gold Corp. ("Auriga Gold" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended March 31, 2014. This discussion should be read in conjunction with the audited financial statements of the Company for the years ended March 31, 2014 and March 31, 2013, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the period presented are not necessarily indicative of the results that may be expected for any future periods. Information contained herein is presented as at May 5, 2014, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Auriga Gold's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations is available on Auriga Gold's website at **www.aurigagold.ca** or on SEDAR at **www.sedar.com**.

Financial and Operating Highlights for the Fiscal Year Ended March 31, 2014

Financial Situation

- As of March 31, 2014, the Company had a cash position of $402,312, current liabilities of $3,417,253 and a net loss of $949,181 for the year-ended March 31, 2014. Exploration expenditures during the twelve month period totalled $466,713.

- Investor interest in the junior gold sector remained depressed due to weak/falling gold price and poor investment returns across the sector. This was evidenced by widespread and significant decrease in share prices and all major gold sector indices.

- Management and the Board of Directors focused on and achieved a significant reduction in overhead and G&A expenses during the year ended March 31, 2014. The cash burn rate related to overheads has been reduced to a sustainably low level that should not require additional funding in 2014.

- Our cash improved during the quarter due to the completion of a $570,094 non-brokered private placement of Special Warrants completed in November 2013.

- We successfully retired a total of $602,678 of debt during the year ended. Debt reduction was achieved through issuance of 1,058,472 shares valued at an average price of $0.26 for deemed value of $277,479. The company is committed to prudent retirement of debt.

Corporate Developments

- Despite continued weakness in the equity capital markets the Company was successful in attracting new equity capital from existing shareholders. The funds were primarily directed to Flow Through eligible expenditures at the Maverick Gold Project. Work programs included diamond drilling to infill the area targeted for future open mining and related drill support and ground surveys. In addition to the field work management allocated a modest budget that will enable the PL Deposit resource estimate to be updated and to complete an initial NI 43-101 compliant resource for the Nokomis satellite deposit. Both estimates were completed and pressed released subsequent to the year ended March 31, 2014.

- Management and Board continue to be fiscally prudent as we re-start activities at the Maverick Gold Project. Project expenditures during the year, although modest enabled us to achieve important technical milestones for the project that included the update of the PL deposit mineral resource estimate, an initial NI 43-101 mineral resource at Nokomis satellite deposit. This work will contribute to the updated PEA which is expected to be completed by June 2014.

- During the period we sought ought innovations in mining and technology to improve and enhance the conventional underground mine plan that forms the basis of the January 2012 Preliminary Economic Assessment (PEA). During the period we identified Minrail Inc. of Val d'Or Quebec and their SAMS™ underground mining technology as a high quality innovation with good potential to be applied the shallow angle narrow vein ore of the PL deposit. Minrail was engaged to complete a new underground mine plan utilizing SAMS™ that will be incorporated into the updated PEA.

- In addition to Minrail and SAMS™ we have sought out and reviewed several other process related advancement and innovations that target reduction in dilution and focus on delivering the highest possible gold grade to the mill and not just tonnes. Our innovation-oriented efforts have identified sensor based ore sorting as a promising new technology currently being evaluated by the mining sector. During the year ended March 31, 2014, we initiated an ore characterization program to test the PL deposit's amenability to this process.

- The Company has been actively seeking out financing and responding to significant positive interest in the project from a number of parties that are looking closely at the Maverick Gold Project for possible investment, the sale of all or a portion of the Maverick Gold Project, a gold asset merger or other gold sector business combination involving a third party or joint venture.

- It is the Company's current intention not to disclose developments with respect to the strategic review process until such time the Board of Directors has approved a specific transaction or otherwise determines that disclosure is necessary or appropriate. The Corporation cautions that there are no assurances or guarantees that the process will result in a transaction, and if a transaction is undertaken, as to the terms or timing of such transaction or mine development plan.

Maverick Gold Project

- Management and the Board of Directors remain firmly committed to a fiscally prudent re-start of operations at the Maverick Gold Project. Efforts to advance the project and attract adequate funding have been intensive and wide spread. As previously noted we have sought out innovations in mining and technologies to improve upon the current mine plan in the February 2012 PEA. During the period, we identified several areas where additional evaluation was warranted in order to ensure we optimized our significant existing infrastructure, namely our 1,000 tpd mill and maximize our use of low cost hydro power (grid power). We identified Minrail Inc. of Val d'Or Quebec and their SAMS™ technology as a positive, innovative mining system that effectively integrates existing, "off the shelf" electric and electric powered hydraulic underground mining equipment as a low risk approach to potentially improve productivity and safety. The application of Minrail's SAMS™ technology in our underground mine plan represents a material advancement in our underground mine development plans. In addition to the re-think of our underground mine plan we are looking closely at the open pit schedule or pit mine plan currently laid out from the February 2012 PEA. With the planned inclusion of the Nokomis satellite deposit's measured and indicated mineral resources into a new open pit mine plan we have set the stage for higher throughput than the 750tpd production level used in the February 2012 PEA. We also continue to review all available project data to identify areas of capital and operating costs savings and are formulating a detailed plan to initiate an underground test stoping program later in 2014. This will be the largest technical program undertaken at the MGP since we acquired the project and will set the stage for the completion of a Pre-Feasibility study.

- In addition to ongoing planning aimed at further de-risking the project we are also eager to test high priority drill targets located on strike from existing PL and Nokomis Deposit's that exhibit similar geophysical signatures. This work will resume when adequate funding is in place.

- We continue to review the Versatile Time Domain Electro Magnetic ("VTEM") and magnetic survey covering the entire 100%-owned, Maverick Gold project completed in early 2012. The VTEM survey identified a number of significant, untested conductive anomalies along the regional mineralized structure that hosts the PL and Nokomis deposits. Further, the identified anomalies display similar characteristics in size and geophysical response to the anomalies associated with the PL and Nokomis deposits. These targets will be prospected tested when adequate funding is available.

- Work with consultants and advisors continued on a Notice of Amendment that considers the development and operation of open pits, as contemplated in the February 2012 PEA, in addition to the currently permitted underground mine development plan. The original draft of this document was completed in 2013 and will be submitted to the Manitoba Conservation and Water Stewardship during second quarter of 2014.

- A short field program consisting of infill drilling on the PL Deposit and a survey of the previously drilled hole collars at the Nokomis deposit was completed during the period. Results of the work program were positive with all holes interested gold mineralization at targeted depth with hole A3-118 returning the best intersection of 3.39 meters grading 8.15 g/t gold. These results added to earlier drilling by Auriga and previous operators contributed to an updated independent NI 43-101 mineral resource estimate for the Puffy Lake ("PL") Gold Deposit and an initial NI 43-101 mineral resource estimate for the Nokomis Gold Deposit. The April 17, 2014 mineral resource will form the basis of the basis of an updated PEA to be completed by June 2014.

- Management and Board of Directors strongly believe in the future potential re-start of operations at the Maverick Gold Project. The updated PEA will incorporate several significant changes to our underground and open pit mine plans. We believe these will changes will have a positive impact on the projects economics and will support on ongoing financing discussions.

Special Note Regarding Forward-Looking Statements

This Management's Discussion and Analysis includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting', "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Such risks and uncertainties include, but are not limited to, risks associated with the mining industry (including operational risks in exploration development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of the Company to obtain all permits, consents or authorizations required for its operations and activities; and health safety and environmental risks), the risk of commodity price and foreign exchange rate fluctuations, the ability of the Company to fund the capital and operating expenses necessary to achieve the business objectives of the Company, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as those risks described in public disclosure documents filed by the Company. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of the Company should not place undue reliance on these forward-looking statements. Statements in relation to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this management discussion and analysis are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

Overview and Strategic Activities

Auriga Gold is a public traded company focused on gold resource expansion, near-term gold production at its major property, and project development and acquisition in Central Canada. The Company is listed on the TSX Venture Exchange as a Tier 2 mining issuer under the trading symbol "AIA".

Auriga Gold was incorporated July 19, 1994 pursuant to the laws of the *Companies Act of Barbados*. Since the Company's management and the principal office of the Company are located in Toronto, Ontario, a continuance (the "Continuance") of the Company from the laws of Barbados to the laws of the Province of Ontario was filed. As a result the corporate legislation that governs the Company ceased to be the Barbados Act, and the Company is now governed by the Business Corporations Act (Ontario).

The Company is committed to re-starting the PL mine (formerly the "Puffy Lake Gold Mine") in a fiscally prudent manner and expanding gold resources on its PL and Nokomis deposits (collectively called the "Maverick Gold Project"). The Company plans to continue to upgrade and expand the resources at the Maverick Gold project, initiate test mining, complete feasibility studies of mineral reserves, and bring the PL mine back into production. The PL mine includes a 1,000 tpd flotation mill, over 7,000 meters of developed underground ramp to depth of 135 meters, and is fully road accessible and close to existing mining infrastructure.

Mineral Properties

Auriga Gold's exploration activities are at an early stage, and it has not yet been determined whether its properties contain an economic mineral reserve. Any activities of Auriga Gold will constitute exploratory searches for minerals. See "Risks and Uncertainties" below.

Maverick Properties

On October 8, 2010, Auriga Gold completed the acquisition of the past-producing Puffy Lake Gold Mine (the "PL Mine") and interests in the adjacent Nokomis property from Pioneer Metals ULC ("Pioneer"). The purchased properties and other adjacent staked properties have been renamed the Maverick Gold Project (the "MGP") and are all located 50 km northeast of the town of Flin Flon, Manitoba. Pioneer is a wholly-owned subsidiary of Barrick Gold Corporation ("Barrick"). Past gold production on the MGP amounted to over 28,000 ounces in 1988 and 1989. Under the agreement, Auriga Gold acquired 100% of Pioneer's interest in the PL Mine subject to a 3% Net Smelter Royalty ("NSR") that reduces to 2.5% and 2% if gold is below US$1,000/oz. and US$750/oz., respectively. The agreement also provided for the acquisition of Pioneer's 54% interest in the adjacent Nokomis property. In consideration of the acquisitions, Auriga Gold:

- made total payments of $2.5 million; and
- issued stock to Pioneer valued at $1.0 million.

On November 22, 2011, the Company completed the acquisition the remaining 46% minority interest in the Nokomis property from Claude Resources Inc. ("Claude"). The property is located less than 8 kilometers northeast of the existing mine and mill infrastructure on the MGP, near Flin Flon, Manitoba.

The Company also acquired additional staked claims in the area in April 2011. Collectively, the PL Mine, Nokomis property and the staked claims are named the Maverick Gold Project and cover an area of approximately 6,640 hectares.

Maverick Gold Project

The Maverick Gold Project features a 1,000 tonne-per-day mill and concentrator in excellent condition, a deposit developed by a 7,000 meter ramp to a depth of approximately 135 meters, and infrastructure related to the past-producing mine. In April 2014, Auriga Gold updated the NI 43-101 resource estimate for the former producing PL Gold deposit (the "PL Deposit").

Drilling to the end of December 2013, has resulted in optimized in-pit and underground Measured & Indicated mineral resources totaling 287,263 ounces gold and Inferred mineral resources totaling 419,574 ounces gold. The resource was been estimated by P&E Mining Consultants Inc. using the results from over 300 historical drill holes by previous operators and 90 holes drilled by Auriga Gold since December 2010.

PL Deposit, Mineral Resource Estimate April 2014

		TONNES (t)	Au (g/t)	Au ounces
In Pit Au 0.6 g/t cut-off	Measured Resources	123,000	4.41	17,400
	Indicated Resources	445,000	4.40	63,000
	Inferred Resources	45,000	4.87	7,000
Underground Au 2.5 g/t cut-off	Measured Resources	27,000	5.12	4,500
	Indicated Resources	1,057,000	5.95	202,300
	Inferred Resources	2,135,000	6.01	412,500
Total	**Measured & Indicated Resources**	**1,652,000**	**5.40**	**287,200**
	Inferred Resources	**2,180,000**	**5.99**	**419,500**

Notes: Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
(1) The quantity and grade of reported Inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred resources as an Indicated or Measured mineral resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured mineral resource category.
(2) The PL updated NI 43-101 compliant mineral resource estimate has been prepared by Mr. Eugene Puritch, P.Eng. of P&E Mining Consultants Inc.. The Nokomis NI 43-101 compliant mineral resource was prepared by Leon McGarry, B.Sc., P.Geo., of ACA Howe International Limited.
(3) The NI 43-101 compliant mineral resources in this press release were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.
(4) Grade capping of 30g/t Au was utilized on composites at the PL Deposit and grade capping of 50g/t Au was utilized on raw assays at the Nokomis Deposit.
(5) Bulk densities of 2.72 t/m3 and 2.89t/m3, respectively were used for tonnage calculations at the PL Deposit and Nokomis Deposits, respectively.
(6) At the PL gold deposit open pit resources are reported within an optimized pit shell.
(7) A gold price of US$1,300/oz and an exchange rate of US$0.97US=C$1.00 was utilized in the Au cut-off grade calculations of 0.6 g/t open pit and 2.5 g/t underground. Open pit mining costs were C$3.75/t for mineralized material and C$3.00/t for waste rock while underground mining costs were C$75/t. Process costs were C$17/t and G&A was C$6/t. Process recovery used was 95%.

Maverick Gold Project Preliminary Economic Assessment February 2012

On February 22, 2012, the Company completed a positive Updated Preliminary Economic Assessment ("PEA") for a proposed open pit and underground mining and milling operation of the PL Mine. The combined open pit and underground mine plan and on-site processing rate were selected to improve the economics of the project.

The proposed operation includes the open pit mining of 530,000 tonnes of potentially economic mineralization; the dewatering of the historic PL underground gold mine; and test stopping followed by underground mining. The existing PL mill would be refurbished as part of the program. The PEA was conducted by A.C.A. Howe International Limited based on an earlier mineral resource estimate (see August 4, 2011 news release) prepared by P&E Mining Consultants Inc. Currencies reported below are in Canadian dollars unless otherwise specified.

Highlights:

- A total of approximately 2,039,000 tonnes of mill feed would be produced from five open pits and the underground mine and processed at the to-be-refurbished existing mill at a rate of 750 tons per day. The project would operate for 7.5 years and produce a total of about 348,000 oz gold for sale. The existing mill and infrastructure would be refurbished concurrently with the development of the initial open pit.
- The Base Case is based on a gold price of US$1,400/Au oz (at December 31 2011, the 12 and 24 month trailing averages were US$1,568/oz and US$1,396/oz respectively). The projected pre-tax NPV(5%) is $95.4M; pre-tax IRR is 84%; with pre-tax payback reached in 20 months of processing. It is projected that 50,000 tonnes of mill feed would be processed during mill ramp-up in the pre-production year.
- The capital costs amount to $18.1M and include a 20% capital cost contingency. The projected life of mine sustaining capital costs including closure costs amount to $26.6M.
- The projected average production cash cost is $950/oz gold. This cost includes $873/oz Au for operating costs and $77/oz Au for sustaining capital costs.

PL Deposit Deferred Exploration Expenditures Summary

Exploration Expenditures	Year Ended March 31, 2014 $	Year Ended March 31, 2013 $
Beginning balance	**10,392,136**	**9,309,401**
Assays	-	17,604
Claim costs	1,757	239
Diamond drilling	312,703	109,106
Environmental	-	117,242
First nations	-	25,000
Geology	270,848	185,750
Office and supplies	16,278	27,709
Project management	-	406,074
Resource update	-	-
Site / Capital improvements	-	657,375
Travel & accommodation	-	152,940
Mining asset retirement	(222,449)	(116,304)
Exploration expenditures	**379,137**	**1,582,735**
Mineral Property Write Down	-	(500,000)
Total	**10,771,273**	**10,392,136**

The Company announced an updated PEA has been initiated April 17, 2014. The updated PEA will be completed by ACA Howe with contributions from P+E Mining and Minrail Inc. The updated PEA will incorporate the April 17, 2014 PL Deposit mineral resource, a new underground mine plan, include the initial Nokomis in pit mineral resource, as a satellite operation, and a revised PL deposit pit mine schedule. The revisions to the open pit mine schedule and higher productivity forecast from the underground should enable us to achieve mine production of 1,000 tpd versus the 750tpd used in the February 2012 PEA.

The Company has provided a letter of credit in the amount of $75,000 to the Government of Manitoba under the terms of the Closure plan on the PL property. The Company further provided all assets, goods and personal property involved in the operation of the PL property, as a security of up to $5,000,000 for the performance of the Closure plan and the rehabilitation program.

The Company's provision for closure and reclamation costs are based on management's estimates of costs to abandon and reclaim mineral properties and facilities as well as an estimate of the future timing of the costs to be incurred. The Company has estimated its total provision for closure and reclamation to be $2,886,576 at March 31, 2014, based on a total future liability of approximately $3,073,160 and at an inflation rate of 1.14% and a discount rate of 2.46%. Reclamation is expected to occur in approximately 9 years.

The following is an analysis of the asset retirement obligation:

	Year Ended March 31, 2014 $	Year Ended March 31, 2013 $
Beginning balance	**3,038,953**	**3,099,270**
Effect of changes in discount rate	(222,449)	(116,305)
Accretion incurred in the current period	70,072	55,988
Expenditure for the period	**(152,377)**	**(60,317)**
Total	**2,886,576**	**3,038,953**

Nokomis Property

The October 2011, agreement with Pioneer provided for the acquisition of Pioneer's 54% joint venture interest in the Nokomis property. This property comprises approximately 2,200 hectares and is located north east of, and is contiguous with, the PL property.

On November 22, 2011, the Company completed the acquisition of the remaining 46% minority interest in the Nokomis property from Claude. Under the terms of acquisition, the Company issued to Claude, 342,857 common shares of the Company.

During the year ended March 31, 2014, the Company completed a surveyed the collars for drill holes that were drilled in fiscal 2012. The geology of the property was also reviewed and re-interpreted by examination and re-logging of previously drilled holes. As such expenditures were relatively low for the year ended March 31, 2013.

Drilling by the Company and previous operators supported an initial NI 43-101 resource estimate for the Nokomis deposit that was published on April 17, 2014.

Nokomis Deposit Mineral Resource Estimate April 2014

		Tonnes (t)	Au (g/t)	Au ounces
In Pit Au 0.6 g/t cut-off	Indicated Resources	371,000	3.41	40,700
	Inferred Resources	247,000	2.41	19,100

Nokomis Deposit Deferred Exploration Expenditures Summary

Exploration Expenditures	Year Ended March 31, 2014 $	Year Ended March 31, 2013 $
Beginning balance	**2,359,765**	**2,325,809**
Assays	-	3,172
Diamond drilling	6,951	13,351
Geology	70,000	5,320
Office and supplies	2,652	4,405
Travel & accommodation	7,973	7,708
Exploration expenditures	**87,576**	**33,956**
Total	**2,447,341**	**2,359,765**

Staked Claims

In April 2011, the Company staked 12 claims for a total of approximately 2,640 hectares contiguous with the Maverick Gold project. The claims were acquired to target the highly prospective horizon that hosts several gold occurrences including the Company's past-producing PL mine and Nokomis deposit.

During 2013, several claims were let lapse as it was determined that they had low potential to host mineralization similar to the PL and Nokomis deposits. The conclusion was based on interpretation of regional geology and property wide VTEM survey from 2012. As a result the deferred exploration expenditures related to these claims were written down to nil during the year ended March 31, 2013.

Staked Claims Deferred Exploration Expenditures Summary

Exploration Expenditures	Year Ended March 31, 2014 $	Year Ended March 31, 2013 $
Beginning balance	**Nil**	**97,151**
Exploration expenditures	**Nil**	**Nil**
Mineral Property Write Down	-	(97,151)
Total	**Nil**	**Nil**

Dunlop and Fox River Properties

On October 20, 2010, the Company completed the acquisition of a 75% interest in the Dunlop property and a 100% interest in the Fox River property. If a bankable feasibility defines a deposit containing inferred, measured and indicated Mineral Resources, inclusive of Mineral Resources modified to produce proven and probable Mineral Reserves, in accordance with NI 43-101, totaling at least the equivalent value of a 20 million tonne deposit at 1% nickel equivalent, the vendor may give notice within 90 days of receiving such study to form a 50 / 50 joint venture by funding the implementation costs of the study until such time as such costs equal 150% of Auriga Gold Corp.'s total expenditures at the time of delivery of such notice, and by arranging project financing costs. The vendor may elect to become operator and thereafter, the parties shall incur the balance of the expenditures pro rata to their interests.

The Fox River property is subject to Net Smelter Royalties ("NSR") of between 1% and 2% based on the price of nickel.

On the Dunlop property, a former property owner holds the remaining 25% interest as well as a 1.5% NSR, of which 0.5% can be purchased for $500,000.

The Fox properties are located east of Gillam, in northern Manitoba. The properties comprised of staked claims and mineral exploration licenses with an area of 58,000 ha covering the Fox River belt which is considered to be an extension of the Thompson nickel belt. The properties were acquired with a substantial geological and geophysical exploration database and contain a number of drill targets associated with platinum group metal and base metal showings.

On July 13, 2010, the Company filed a NI 43-101 compliant technical report on the Fox River Properties that qualified a further exploration program on the property.

During the year ended March 31, 2014, the Company did not undertake any field activity as the Company remains focused on its flagship Maverick Gold Project. As such the company opted to write down the carrying value of its investment as of March 31, 2013 and will seek joint venture partners to fund any future work programs.

Dunlop and Fox Properties Deferred Exploration Expenditures Summary

Exploration Expenditures	Year Ended March 31, 2014 $	Year Ended March 31, 2013 $
Beginning balance	**Nil**	**1,494,669**
Claim renewal costs	-	(39,448)
Assays	-	6,595
Geology	-	10,225
Office & supplies	-	2,264
Travel & accommodation	-	12,208
Exploration expenditures	**Nil**	**(8,156)**
Grant received	-	(63,270)
Mineral Property Write down	-	(1,423,243)
Total	**Nil**	**Nil**

Knife Lake Property

The Knife Lake property consists of certain mining claims in the province of Saskatchewan. The claims are subject to a 2% NSR to a former property owner.

During the year ended March 31, 2014, the Company did not undertake any field activity as the Company remains focused on its flagship Maverick Gold Project. As such the company opted to write down the carrying value of its investment as of March 31, 2013 and will seek joint venture partners to fund any future work programs.

Knife Lake Deferred Exploration Expenditures Summary

Exploration Expenditures	Year Ended March 31, 2014 $	Year Ended March 31, 2013 $
Beginning balance	**Nil**	**190,958**
Exploration expenditures	**Nil**	**Nil**
Mineral Property Write Down	-	(190,958)
Total	**Nil**	**Nil**

Selected Annual Information

The following table set out highlights of the Company's financial results together with selected statements of financial position information for the years ended March 31, 2014, 2013 and 2012.

Years ended March 31	2014 $	2013 $	2012 $
Current Assets	574,879	273,689	802,505
Non-Current Assets	13,580,689	13,364,002	14,893,959
Liabilities	6,303,829	6,512,832	4,988,891
Equity	7,851,739	7,124,859	10,707,563
(Loss) per year	(949,181)	(4,819,635)	(1,712,315)
(Loss) per share	(0.12)	(0.90)	(0.43)
Dividend	-	-	-

Selected Quarterly Information

Quarterly results have been restated to reflect accounting policies consistent with IFRS:

Three Months Ended	Net Revenues ($)	Net Income (Loss)		Total Assets ($)
		Total ($)	Per Share (Basic and Diluted) ($)	
2014-March 31	-	(534,823)	(0.06)	14,155,568
2013-December 31	-	(144,659)	(0.02)	13,829,058
2013-September 30	-	(39,619)	(0.00)	13,057,091
2013-June 30	-	(230,080)	(0.04)	13,326,710
2013-March 31	-	(2,689,618)	(0.50)	13,637,691
2012-December 31	-	(489,514)	(0.09)	16,313,754
2012-September 30	-	(873,414)	(0.16)	16,294,912
2012-June 30	-	(767,089)	(0.15)	16,190,271

Results of Operations

Twelve Months Ended March 31, 2014, compared with Twelve Months Ended March 31, 2013

Auriga Gold's net loss totaled $949,181 for the twelve months ended March 31, 2014, with basic and diluted loss per share of $0.12. This compares with a net loss of $4,819,635 with basic and diluted loss per share of $0.90 for the twelve months ended March 31, 2013. The decrease of $3,870,454 in net loss was principally due to:

- Other losses totaled $194,882 for the twelve months ended March 31, 2014. The majority of this was related to write-off of equipment with carrying value of $190,825 and loss of $7,448 resulting from disposing equipment with carrying value of $37,448 in settlement of accounts payable of $30,000 and offset by other income of $3,391.

- Management and directors compensation for the twelve months ended March 31, 2014, of $152,000 was lower compared to $541,871 for the twelve months ended March 31, 2013, due to the decreased compensation to management and increase in director's oversight as the company entered endured a period of restructuring.

- Professional and consulting fees for the twelve months ended March 31, 2014, of $79,937 were lower than the $292,630 for the twelve months ended March 31, 2013, due primarily to stringent cost control measures and reduction in of the use of consultants.

- Share based compensation decrease by $105,346 to $223,154 for the twelve months ended March 31, 2014, compared to $328,500 for the twelve months ended March 31, 2013, primarily due to the following:
  - On January 27, 2014, the Company granted 600,000 stock options to officers, directors and employees of the Company exercisable for one common share each at a price of $0.38 per share for a five-year period. These stock options vested immediately. The grant date fair value of $223,154 was assigned to the stock options as estimated by using the Black-Scholes valuation model with the following assumptions: expected dividend yield of 0%, expected volatility of 204.85%, risk-free rate of return of 1.38% and an expected life of 5 years. For the twelve months ended March 31, 2013, the impact on expenses was $328,500 resulting from 182,500 stock options granted to officers, directors and employees of the Company on August 29, 2012 exercisable for one common share each at a price of $2.50 per share for a five-year period. These stock options vested immediately. The grant date fair value of $328,500 was assigned to the stock options as estimated by using the Black-Scholes valuation model with the following assumptions: expected dividend yield of 0%, expected volatility of 152%, risk-free rate of return of 1.49% and an expected life of 5 years.

- General and administrative expenses for the twelve months ended March 31, 2014, were $319,450, compared to $628,761 for the twelve months ended March 31, 2013. The $309,311 decrease is attributed to aggressive cost reduction efforts by management.

Three Months Ended March 31, 2014, compared with Three Months Ended March 31, 2013

Auriga Gold's net loss totaled $534,823 for the three months ended March 31, 2014, with basic and diluted loss per share of $0.06. This compares with a net loss of $2,689,618 with basic and diluted loss per share of $0.50 for the three months ended March 31, 2013. The decrease of $2,154,795 in net loss was principally due to:

- Mineral property write downs totaled $2,211,352 for the three months ended March 31 2013. The majority of this was related to non-core mineral properties ($1,711,352) and the balance for Maverick Gold Project equipment and property ($500,000).

- Professional and consulting fees for the three months ended March 31, 2014, were $10,013, compared to $161,616 for the three months ended March 31, 2013. The decrease of $151,603 was due primarily to stringent cost control measures and reduction in of the use of consultants.

- Management and directors compensation for the three months ended March 31, 2014, is $11,000 compared to $75,500 for the three months ended March 31, 2013. The decreased was related to a decrease in management and director compensation.

- General and administrative expenses for the three months ended March 31, 2014, of $271,664 was higher compared to $167,183 for the three months ended March 31, 2013. The increase is primarily due to the financing activities in the three months ended March 31, 2014.

Liquidity and Capital Resources

This section should be read in conjunction with the audited statements of financial position for the years ended March 31, 2014 and 2013, and the corresponding notes thereto.

The activities of the Company are principally the acquisition and exploration of mineral properties. The Company's financial statements have been prepared on a going concern basis, under which the Company is assumed to be able to realize its assets and discharge its liabilities in the normal course of operations. The Company currently has no revenue to finance its operations and it is therefore required to fund its activities through the issuance of equity securities and other financing alternatives. The Company's ability to continue as a going concern is therefore dependent upon its ability to raise funds.

The Company has not yet realized profitable operations and has incurred significant losses to date resulting in a cumulative deficit of $6,995,553. As at March 31, 2014 the Company had cash of $402,312 to settle current liabilities of $3,417,253.

To continue operations and to fund future obligations, the Company will be required to raise funds through equity or other financing alternatives. Recent global economic conditions and market uncertainty may have an impact on the Company's ability to raise funds through the equity markets. Management believes that there are sources of financing available. During the year-ended March 31, 2014, the Company raised gross proceeds of: $750,000 from the issuance of 1,285,285 common shares and 667,000 flow-through shares and gross proceeds of $570,094 through issuance of 5,700,940 special warrants which were subsequently converted to 5,700,940 common shares of the Company. There can be no assurance that the Company will be successful in its future fund-raising activities. See "Risks and Uncertainties" below.

The Company relies on issuance of equity securities and alternative sources of financing, if required, to maintain adequate liquidity to support its ongoing working capital commitments. The following table is a summary of quantitative data about what the Company manages as capital:

	March 31, 2014 $	March 31, 2013 $	Change $
Cash and cash equivalent	402,312	119,046	(283,266)
Share capital	13,755,280	12,244,862	1,510,418
Share based payment reserve	1,092,012	1,418,313	(326,301)
Deficit	(6,995,553)	(6,538,316)	457,237

The Company monitors these items to assess its ability to fulfill its ongoing financial obligations, including its flow-through obligations, and its exploration program. To manage the Company's capital, given the recent economic conditions, management has streamlined operational costs and is preserving cash to the extent possible, while exploring means of raising additional funds as and when required.

As at March 31, 2014, the Company had working capital deficit of $2,842,374 compared to working capital deficit of $3,200,190 as at March 31, 2013. Management believes that additional financing will be available to discharge current liabilities.

Amounts receivables were $144,295 at March 31, 2014, and consisted of HST/GST input tax credit claims compared to $102,347 as at March 31, 2013. The increase is mainly due to higher HST/GST input tax credit claims related to additional exploration expenditures incurred during the year ended March 31, 2014. Amounts payable and accrued liabilities, which are expected to be paid in the normal course of business, were collectively $2,044,089 at March 31, 2014, compared to $2,357,422 at March 31, 2013.

Cash used in operating activities

Cash used in operations was $450,551 for the year ended March 31, 2014, compared to cash used in operations of $394,227 for the year ended March 31, 2013. The increase of $56,324 in cash used in operations is due to: a decrease of cash loss of $1,004,843 offset by a decrease of changes in non-cash working capital balances of $1,061,167.

Cash used in investing activities

Cash used in investing activities was $565,822 for the year ended March 31, 2014, compared to cash used in investing activities of $1,843,717 for the year-ended March 31, 2013. The decrease of $1,277,895 in cash used in investing activities is due to a significant reduction in deferred exploration expenditures for the year-ended March 31, 2014 of $565,822, compared to $1,686,463 for the year-ended March 31, 2013 which included acquisition and exploring the Maverick properties and, $157,254 on purchasing of equipment for the year ended March 31, 2013.

Cash from financing activities

Cash from financing activities was $1,299,639 the year ended March 31, 2014, compared to cash from financing activities of $1,763,977 the year ended March 31, 2013. The decrease of $464,339 in cash from financing activities is due to:

- Continued weakness in the equity capital markets limiting access to capital.
- Reduced need for funding due to aggressive cost cutting measured undertaken by management during the year.
- For the year ended March 31, 2014, the Company completed a private placement offering 5,700,940 special warrants at a price of $0.01 (the "Issue Price") per special warrant for gross proceeds of $570,094.
- Each special warrant entitled the holder thereof to receive one common share in the capital of the Company, for no additional consideration, upon the exercise or deemed exercise of the special warrant. Each special warrant was automatically converted into a common share upon satisfaction of the following conditions:

(a) the completion of a consolidation (the "Share Consolidation")of the outstanding common shares of the Company on a minimum 5 (old) for 1 (new) basis;
(b) receipt of approval of the TSX-Venture for the Share Consolidation; and
(c) receipt of all regulatory approvals required for the offering and the Share Consolidation.

- On January 15, 2014 the Company announced that it had fulfilled the Exercise Conditions and the special warrants were converted to 5,700,940 shares.

- In February and March of 2014, the Company completed a non-brokered private placement through five tranches generating gross proceeds of $750,000. In total the Company issued 1,285,285 common shares for gross proceeds of $449,850 at a price of $0.35 per common share and 667,000 flow through shares for gross proceeds of $300,150 at a price of $0.45 per flow through share. In connection with the issuance of the common shares and flow through shares, the Company issued 117,137 common shares equal to six (6%) percent of the number of common shares and flow through shares as finder's fees.

Shares Issued and Outstanding

As of date of this MD&A, the issued and outstanding common shares of the Company totalled 14,713,968 and an aggregate of 517,294 share purchases warrants outstanding, each entitling the holder to acquire one common share of the Auriga Gold. In addition, a total of 782,500 stock options our outstanding to purchase common shares of the Company.

As of the date of this MD&A, share purchase warrants consisted of:

Number of Warrants Outstanding	Exercise Price ($)	Expiry date
235,294	2.50	July 11, 2014
132,000	2.50	July 30, 2014
150,000	10.00	January 30, 2017
517,294		

As of the date of this MD&A, stock options consisted of:

Number of Stock Options Outstanding	Exercise Price ($)	Expiry date
10,000	2.00	March 18, 2015
17,500	2.00	April 23, 2015
30,000	3.55	December 2, 2015
125,000	2.50	August 29, 2012
600,000	0.380	January 27, 2019
782,500		

Financings

On July 11, 2012, the Company completed the first tranche of a $624,400 non brokered private placement offering for 235,294 units at $1.70 per unit for aggregate gross proceeds of approximately $400,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at an exercise price of $2.50 per share for a period of 24 months. The grant date fair value of the 235,294 warrants was $122,913. The grant date fair value assigned to these warrants was estimated using the Black Scholes valuation model with the following assumptions: expected dividend yield of 0%, expected volatility of 145%, risk free interest rate of 0.99% and an expected life of 2 years.

In connection with the first tranche of the financing, the Company paid finders' fees of $28,000 and the Company also issued 23,529 broker warrants to purchase common shares of the Company. Each warrant is exercisable at $1.70 per share for a period of 18 months from the date of issuance. The grant date fair value of the 23,529 warrants was $11,093. The grant date fair value assigned to these warrants was estimated using the Black Scholes valuation model with the following assumptions: expected dividend yield of 0%, expected volatility of 134%, risk free interest rate of 1% and an expected life of 1.5 years

On July 30, 2012, the Company completed the second tranche of a $624,400 non-brokered private placement offering for 132,000 units at $1.70 per unit for aggregate gross proceeds of approximately $224,400. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at an exercise price of $2.50 per share for a period of 24 months. The grant date fair value of the 132,000 warrants was $71,595. The grant date fair value assigned to these warrants was estimated using the Black Scholes valuation model with the following assumptions: expected dividend yield of 0%, expected volatility of 151%, risk free interest rate of 1.09% and an expected life of 2 years. A director and officer of the Company subscribed for 6,000 units for gross proceeds of $10,200.

In connection with the second tranche of the financing, the Company paid finders' fees of $14,994 and the Company also issued 12,600 broker warrants to purchase common shares of the Company. Each broker warrant is exercisable at $1.70 per share for a period of 18 months from the date of issuance. The grant date fair value of the 12,600 warrants was $19,356. The grant date fair value assigned to these warrants was estimated using the Black Scholes valuation model with the following assumptions: expected dividend yield of 0%, expected volatility of 140%, risk free interest rate of 1.1% and an expected life of 1.5 years.

On March 6, 2013, the Company issued 336,511 common shares. The value of the 336,511 common shares was calculated at $0.50 per share to settle $252,383 in debt with arm's length and non-arm's length parties, resulting a gain on debt settlement of $84,128. The indebtedness relates to the provision of services, supplies and consulting. The value of the 336,511 common shares was calculated by applying the market price of the shares at the time of issue.

On August 12, 2013, the Company settled $474,764 in debt with arm's length and non arm's length parties, resulting in a gain on debt settlement of $336,164. The indebtedness relates to the provision of services, supplies and consulting. A total of 693,000 shares priced at $0.20 per share were issued to creditors in full or partial settlement, as the case may be, of outstanding indebtedness, including 250,000 shares issued to the former Chief Executive Officer to settle $180,215 of indebtedness and 160,000 shares issued to a former employee of the Company to settle $116,675 of indebtedness. The value of the 693,000 shares was calculated by applying the market price of the shares at the time of issue. On March 28, 2014, the Company settled $127,914 in debt with arm's length parties, resulting in a loss on debt settlement of $10,965. The indebtedness relates to the provision of services, supplies and consulting. A total of 365,472 shares priced at $0.38 per share were issued to creditors in full or partial settlement, as the case may be, of outstanding indebtedness, including 7,948 shares issued to a former employee of the Company to settle $2,782 of indebtedness. The value of the 365,472 shares was calculated by applying the market price of the shares at the time of issue.

On January 15, 2014, the Company completed the Share Consolidation of its common shares of one (1) post consolidation common share for every ten (10) pre consolidation common shares and 5,700,940 shares were issued to holders of the 5,700,940 special warrants of the Company. As part of the Share Consolidation, the stock options and warrants were also consolidated and the exercise price adjusted to reflect the consolidation. The Share Consolidation has been reflected in these financial statements and all applicable references to the number of shares, warrants and stock options and their strike price and per share information has been adjusted.

In February and March of 2014, the Company completed a non-brokered private placement through five tranches generating gross proceeds of $750,000 through the issuance of 1,285,285 common shares for gross proceeds of $449,850 at a price of $0.35 per common share and 667,000 flow through shares for gross proceeds of $300,150 at a price of $0.45 per flow through share. In connection with the issuance of the common shares and flow through shares, the Company issued 117,137 common shares equal to six (6%) percent of the number of common shares and flow through shares as finder's fees.

In connection with the issuance of flow through shares, a flow through premium of $66,700 was calculated. This amount has been presented as a current liability in the statements of financial position. During the year ended March 31, 2014, $16,015 of the flow through premium was reversed as expenditure requirements were met and recognized in the statement of operations and comprehensive loss.

Related Party Transactions

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

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

(a) The Company entered into the following transactions with related parties:

	Twelve Months ended March 31,	
	2014 $	2013 $
Sutcliffe Geological Consultants Inc. (ii)	Nil	189,500
Irwin Lowy LLP (iii)	24,594	2,760

(i) A former Chief Executive Officer ("CEO") of the Company controls Sutcliffe Geological Consultants Inc. (the “SGC Contract”). Fees relate to general corporate management, project supervision and geological consulting services provided by Sutcliffe Geological Consultants Inc. At March 31, 2014, Sutcliffe Geological Consultants Inc. was owed $nil (2013 $178,540) related to termination provisions in the SGC Contract and was owed $1,675 which was included in accounts payable and accrued liabilities as at March 31, 2013. During the year ended March 31, 2014, the Company issued a total of 250,000 shares in settlement of $180,215 owed in relation to the SGC Contract and to the former CEO.

(ii) A director of the Company is a partner at Irwin Lowy LLP, a law firm, and the fees relate to professional services provided by the firm. As At year ended March 31, 2014, the Company owed $24,132 (March 31, 2013 - $4,372) to this firm and is included in accounts payable and accrued liabilities. The amount is unsecured, non-interest bearing with no fixed terms of repayment.

(b) Remuneration of Directors of the Company was as follows:

Directors	Twelve Months Ended March 31, 2014			Twelve Months Ended March 31, 2013		
	Fees $	Stock Options $	Total $	Fees $	Stock Options $	Total $
Brian Robertson	16,000	27,894	43,894	26,500	45,000	71,500
Chris Irwin	16,000	27,894	43,894	26,000	45,000	71,000
Gorden Glenn	16,000	130,174	146,174	26,500	90,000	116,500
James White	20,000	33,473	53,473	30,500	45,000	75,500
Total	**68,000**	**219,435**	**287,435**	**113,500**	**225,000**	**338,500**

Director fees - the board of directors do not have employment or service contracts with the Company. Directors are entitled to director fees and stock options for their services.

(c) Remuneration key management personnel of the Company were as follows:

Officers	Twelve Months Ended March 31, 2014			Twelve Months Ended March 31, 2013		
	Fees $	Stock Options $	Total $	Fees $	Stock Options $	Total $
Gorden Glenn – CEO	240,000	nil	240,000	160,000	-	160,000
Vic Hugo – CFO (i)				133,846	25,200	159,046
Total	**240,000**	**nil**	**240,000**	**293,846**	**25,200**	**319,046**

Salaries and benefits - officers are entitled to stock options, consulting fees and salaries and benefits where employment or service contracts are in place with the Company for their services.

Significant Accounting Judgments and Estimates

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

Assets' Carrying Values and Impairment Charges

In the determination of carrying values and impairment charges, management looks at the higher of the recoverable amount or fair value less costs to sell in the case of assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

Capitalization of Exploration and Deferred Exploration Expenditure

Management has determined that exploration properties and deferred exploration expenditure incurred during the year have future economic benefits and are economically recoverable. In making this judgment, management has assessed various sources of information including but not limited to the geologic and metallurgic information, history of conversion of mineral deposits to proven and probable mineral reserves, scoping and feasibility studies, proximity of operating facilities, operating management expertise and existing permits. See Note 8 to financial statements for the year ended March 31, 2014 for details of capitalized exploration properties and deferred exploration expenditure.

Mineral Reserve Estimates

The figures for mineral reserves and mineral resources are determined in accordance with National Instrument 43-101, "Standards of Disclosure for Mineral Projects", issued by the Canadian Securities Administrators. There are numerous uncertainties inherent in estimating mineral reserves and mineral resources including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any mineral resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Differences between management's assumptions including economic assumptions such as metal prices and market conditions could have a material effect in the future on the Company's financial position and results of operations.

Impairment of Exploration Properties and Deferred Exploration Expenditures

While assessing whether any indications of impairment exist for exploration properties and deferred exploration expenditures, consideration is given to both external and internal sources of information.

Information the Company considers includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of exploration properties and deferred exploration expenditures. Internal sources of information include the manner in which exploration properties and deferred exploration expenditures are being used or are expected to be used and indications of expected economic performance of the assets. Estimates include but are not limited to estimates of the discounted future after tax cash flows expected to be derived from the Company's exploration properties, costs to sell the properties and the appropriate discount rate. Reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and mineral resources and/or adverse current economics can result in a write down of the carrying amounts of the Company's exploration properties and deferred exploration expenditures.

Estimation of Decommissioning and Restoration Costs and the Timing of Expenditures

The cost estimates are updated annually to reflect known developments, (e.g. revisions to cost estimates and to the estimated lives of operations), and are subject to review at regular intervals. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

Income Taxes and Recoverability of Potential Deferred Tax Assets

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible, and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

Share Based Payments

Management determines costs for share based payments using market based valuation techniques. The fair value of the market based and performance based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviours and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.
Changes in Accounting Policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods after March 31, 2013. The following new standards have been adopted:

(i) IFRS 10 - Consolidated Financial Statements ("IFRS 10") replaces portions of IAS 27 Consolidated and Separate Financial Statements and Interpretation SIC-12 Consolidation - Special Purpose Entities. The new standard requires consolidated financial statements to include all controlled entities under a single control model. The Company will be considered to control an investee when it is exposed, or has rights to variable returns from its involvement with the investee and has the current ability to affect those returns through its power over the investee. As required by this standard, control is reassessed as facts and circumstances change. Additional guidance is given on how to evaluate whether certain relationships give the Company the current ability to affect its returns, including how to consider options and convertible instruments, holding less than a majority of voting rights, how to consider protective rights, and principal-agency relationships (including removal rights), all which may differ from current practice. At April 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's financial statements.

(ii) IFRS 11 - Joint Arrangement ("IFRS 11") was issued by the IASB in May 2011. IFRS 11 is a new standard which focuses on classifying joint arrangements by their rights and obligations rather than their legal form. Entities are classified into two groups: parties having rights to the assets and obligations for the liabilities of an arrangement, and rights to the net assets of an arrangement. Entities in the former case account for assets, liabilities, revenues and exposure to variable returns from an investee; and the ability to use power to affect the reporting entity's returns. At April 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's financial statements.

(iii) IFRS 12 - Disclosure of Interests in Other Entities ("IFRS 12") was issued by the IASB in May 2011. IFRS 12 is a new standard which provides disclosure requirements for entities reporting interests in other entities, including joint arrangements, special purpose vehicles, and off balance sheet vehicles. At April 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's financial statements.

(iv) IFRS 13 – Fair Value Measurement ("IFRS 13") is effective for the Company beginning on April 1, 2013, provides the guidance on the measurement of fair value and related disclosures through a fair value hierarchy. The Company's adoption of IFRS 13, on April 1, 2013, did not have a material financial impact upon the financial statements.

(v) IAS 1 - Presentation of Financial Statements was amended by the IASB in June 2011 in order to align the presentation of items in other comprehensive loss with US GAAP standards. Items in other comprehensive loss will be required to be presented in two categories: items that might be reclassified into profit or loss and those that will not be reclassified. The flexibility to present the statement of comprehensive loss as one statement or two separate statements of profit and loss and other comprehensive loss remains unchanged. At April 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's financial statements

(vi) IAS 27 - Separate Financial Statements ("IAS 27") was reissued to reflect the change as the consolidation guidance has recently been included in IFRS 10. In addition, IAS 27 now only prescribes the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when the Company prepares separate financial statements. At April 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's financial statements.

(vii) IAS 28 - Investments in Associates and Joint Ventures ("IAS 28"). As a consequence of the issue of IFRS 10, IFRS 11 and IFRS 12, IAS 28 has been amended and will further provide the accounting guidance for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. This standard will be applied by the Company when there is joint control, or significant influence over an investee. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not include control or joint control of those policy decisions. When determined that the Company has an interest in a joint venture, the Company will recognize an investment and will account for it using the equity method in accordance with IAS 28. At April 1, 2013, the Company adopted this amendment and there was no material impact on the Company's financial statements.

Future Accounting Changes

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after April 1, 2014 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

IAS 32 – Financial Instruments: Presentation ("IAS 32") was amended by the IASB in December 2011 to clarify certain aspects of the requirements on offsetting. The amendments focus on the criterion that an entity currently has a legally enforceable right to set off the recognized amounts and the criterion that an entity intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The amendments to IAS 32 are effective for annual periods beginning on or after January 1, 2014.

IAS 36 – Impairments of Assets ("IAS 36") was amended by the IASB in May 2013 to clarify the requirements to disclose the recoverable amounts of impaired assets and require additional disclosures about the measurement of impaired assets when the recoverable amount is based on fair value less costs of disposal, including the discount rate when a present value technique is used to measure the recoverable amount. The amendments to IAS 36 are effective for annual periods beginning on or after January 1, 2014.

IAS 39 – Financial Instruments: Recognition and Measurement ("IAS 39") was amended by the IASB in June 2013 to clarify that novation of a hedging derivative to a clearing counterparty as a consequence of laws or regulations or the introduction of laws or regulations does not terminate hedge accounting. The amendments to IAS 39 are effective for annual periods beginning on or after January 1, 2014.

IFRIC 21 – Levies ("IFRIC 21") was issued in May 2013. IFRIC 21 provides guidance on the accounting for levies within the scope of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets ("IAS 37"). IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event ("obligating event"). IFRIC 21 clarifies that the obligating event 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. IFRIC 21 is effective for annual periods commencing on or after January 1, 2014.

Financial Instruments

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no significant changes in the risks, objectives, policies and procedures for managing risk during the year ended March 31, 2014.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents, amounts receivable and restricted cash equivalents. Restricted cash equivalents consists of a GIC which have been invested with a reputable Canadian financial institution. The Company does not hold any non-bank asset backed commercial paper. Management believes that the credit risk concentration with respect to its financial instruments is remote.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2014, the Company did not have sufficient cash and cash equivalents to settle current liabilities of $3,417,253. Management believes that additional financing will be available to discharge current liabilities.

Most of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Interest Rate Risk

The Company has cash and cash equivalents balances subject to fluctuations in the prime rate. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The debentures bear fixed interest rates and therefore are not subject to interest rate risk. Currently, the Company does not hedge against interest rate risk.

Foreign Currency Risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. Management believes the foreign exchange risk derived from currency conversions at this time are small and therefore, does not hedge its foreign exchange risk.

Commodity Price Risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices as it relates to precious and base metals to determine the appropriate course of action to be taken by the Company. Management believes commodity price risk to be remote as the Company is not a producing entity.

Fair Value

The Company has, for accounting purposes, designated its cash and amounts receivable as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified for accounting purposes as other financial liabilities, which are measured at amortized cost.

As at March 31, 2014, the Company's financial instruments carried at fair value, which consists of cash equivalents and restricted cash equivalents, are classified as Level 2 within the fair value hierarchy, and as of March 31, 2014, both the carrying and fair value amounts of the Company's financial instruments are approximately equivalent because of the limited term of these instruments.

Managing Capital

The Company manages its capital with the following objectives:

- to ensure sufficient flexibility to achieve the ongoing business objectives including funding of future resource based exploration and investment initiatives; and

- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and the industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. Management adjusts the capital structure as necessary in order to support the acquisition, exploration and development of its mineral properties for the mining of gold, nickel and copper. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to be total shareholders' equity (managed capital) which at March 31, 2014 totaled $7,851,739 (2013 - $7,124,859).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, as well as other investing and financing activities. The forecast is regularly updated based on activities related to the acquisition, exploration and development of its mineral properties. The Board of Directors regularly reviews the Company's capital management approach. The Company's capital management objectives, policies and processes have remained unchanged during the year ended March 31, 2014. The Company is not subject to any external capital requirements.

Commitments and Contractual Obligations

The Company’s activities are subject to environmental regulation (including regular environmental impact assessments and permitting) in each of the jurisdictions in which its mineral properties are located. Such regulations cover a wide variety of matters including, without limitation, prevention of waste, pollution and protection of the environment, labour relations and worker safety. The Company may also be subject under such regulations to cleanup costs and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations. It is likely that environmental legislation and permitting will evolve in a manner which will require stricter standards and enforcement. This may include increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a higher degree of responsibility for companies, their directors and employees. The Company has not determined, and is not aware whether any provision for such costs is required and is unable to determine the impact on its financial position, if any, of environmental laws and regulations that may be enacted in the future due to the uncertainty surrounding the form that these laws and regulations may take. The Company has provided a letter of credit in the amount of $75,000 to the Government of Manitoba under the terms of the Closure Plan on the Puffy Lake property. The Company further provided all assets, goods and personal property involved in the operation of the Puffy Lake property, as a security of up to $5,000,000 for the performance of the Closure Plan and the rehabilitation program.

The Company is committed to spending approximately $228,000 on exploration costs by December 31, 2014 as part of the flow-through funding agreements that were completed during fiscal 2014. The Company indemnifies the subscribers of flow-through shares from any tax consequences arising from the failure of the Company to meet its commitments under the flow-through subscription agreements.

The following table sets out as at March 31, 2014, the Company's known contractual obligations and the estimate time horizon for their repayment.

Contractual Obligations	Payments due by period				
	Total	**<1 year**	**1-3 years**	**3-5 years**	**>5 years**
Closure and reclamation	3,073,160	-	-	-	3,073,160
Flow-through obligation	228,000	228,000	-	-	-
Total	**3,301,160**	**228,000**	**Nil**	**Nil**	**3,073,160**

The Company is party to a management contract. This contract contains clauses requiring additional payments of up to $480,000 be made upon the occurrence of certain events such as a change of control. As a triggering event has not occurred, the contingent payments have not been reflected in these financial statements. Additional minimum management contractual commitments remaining under the agreement are approximately $480,000, of which $240,000 is due within one year.

Risks and Uncertainties

Mining Industry

The exploration for, development and mining of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit, such as size, grade and proximity to infrastructure, and metal prices which are highly cyclical, and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

The Company's activities are directed towards the extraction of ore and the search, evaluation, development and mining of future mineral deposits. Several of the mineral properties in which the Company has an interest contain no known body of commercial ore and any exploration programs thereon are exploratory searches for ore, while other properties in which the Company has an interest are subject to preliminary stages of exploration and development programs only. There is no certainty that the expenditures to be made by the Company as described herein will result in discoveries of further commercial quantities of ore.

There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other interests, many of which have greater financial resources than Auriga Gold will have, for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts.

Government Regulation

The exploration and development activities of the Company are subject to various federal, provincial and local laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substance and other matters. Exploration and development activities are also subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws mandate, among other things, the maintenance of air and water quality standards, and land reclamation. These laws also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Although the Company's exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration and development, mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Company.

Government approvals and permits are currently, and may in the future be, required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Permits and Licenses

On May 12, 2012 the Company notified Manitoba Conservation and Water Stewardship that it had acquired the assets of Pioneer Metals, namely the Puffy Lake Gold Mine and its associated

Environment Act License No. 1207E. The Provincial Ministry was also notified of our intent to re-start operations and comply in all respects with the water quality limits, sampling and reporting criteria set out in the Metal Mines Effluent Regulation (MMER). On May 17, 2012 the Ministry confirmed our Environmental License was in good standing to re-start mining operations and noted our duty to comply with all criteria set out in the MMER.

Mineral exploration and mining activities may only be conducted by entities that have obtained or renewed exploration or mining permits and licenses in accordance with the relevant mining laws and regulations. No guarantee can be given that the necessary exploration and mining permits and licenses will be issued to the Company or, if they are issued, that they will be renewed, or that the Company will be in a position to comply with all conditions that are imposed. Nearly all mining projects require government approval. There can be no certainty that these approvals will be granted to the Company in a timely manner, or at all.

Environmental Risks and Hazards

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present which have been caused by previous or existing owners or operators of the properties. The Company may become liable for such environmental hazards caused by previous owners and operators of the properties even where it has attempted to contractually limit its liability. Production at mineral properties may involve the use of dangerous and hazardous substances. While all steps will be taken to prevent discharges of pollutants into the ground water and the environment, the Company may become subject to liability for hazards that cannot be insured against.

Commodity Prices

The future profitability of the Company will be directly related to the market price of metals. Metal prices fluctuate considerably and are affected by numerous factors beyond the Company's control, such as industrial demand, inflation and expectations with respect to the rate of inflation, the strength of the U.S. dollar and of other currencies, interest rates, forward sales by producers, production and cost levels and changes in investment trends. If these prices were to decline significantly or for an extended period of time, the Company might be unable to continue its operations, develop its properties or fulfill its obligations under its agreements with its partners or under its permits and licenses. As a result, the Company might lose its interest in, or be forced to sell, some of its properties. In the event of a sustained, significant drop in metal prices, the Company may be required to re-evaluate its assets, resulting in reduced estimates of reserves and resources and in material write-downs of the Company's investment in mining properties and increased amortization, reclamation and closure charges. Furthermore, since metal prices are established in US dollars, a significant increase in the value of the Canadian dollar relative to the US dollar, coupled with stable or declining metal prices, could adversely affect the Company's results with respect to development of, and eventual sale of these metals.

Failure to Exploration Target and Cost Estimates

The Company prepares future exploration and capital cost estimates. Actual exploration and costs may vary from the estimates for a variety of reasons such as adverse weather conditions, unexpected labour shortages or strikes, equipment failures and other interruptions in development capabilities. Exploration and development costs may also be affected by increased mine development costs, increases in drilling costs, labour costs, raw material costs, inflation and fluctuations in currency exchange rates. Failure to achieve exploration and development targets or cost estimates could have a material adverse impact on our cash flow and overall financial performance.

Share Price Fluctuations

The market price of securities of many companies experience wide fluctuations in price that are not necessarily related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that fluctuations in Auriga Gold's share price will not occur.

Conflicts of Interest

Certain directors of the Company also serve as directors and/or significant shareholders of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors to be in a position of conflict. In the event that a director or executive officer has a material interest in any transaction being considered by the Company, any such conflict will be subject to and governed by procedures prescribed by the Business Corporations Act (Ontario) (the "OBCA") which require a director or officer of a corporation experiencing such a conflict to disclose his interest and refrain from voting on any such matter unless otherwise permitted by the OBCA. In addition, Section 134 of the OBCA provides that every director must act honestly and in good faith with a view to the best interests of the Company. Section 134 is a formalization of the fundamental fiduciary duty that a director has to the corporation and encompasses, among other obligations, a duty of loyalty and a duty of confidentiality. As a fiduciary, a director may not interfere with, or take advantage of, any opportunities that rightfully belong to the Company. That a director may represent a specific shareholder of the Company does not relieve the director from fulfilling his fiduciary duty to the Company. If such director was to take any action which preferred the interests of a third party to the interests of the Company, such director would be liable to the company for a breach of his fiduciary duty, regardless of any legal duties which such director may have to the third party.

Land Title

Although title to the Company's mineral properties has been reviewed by or on behalf of the Company and title opinions were delivered to the Company, no assurances can be given that there are no title defects affecting the properties. Title insurance generally is not available for mining claims in Canada, and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained. The Company has not conducted surveys of all the claims in which it holds direct or indirect interests; therefore, the precise area and location of such claims may be in doubt. Accordingly, the properties may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate the properties as permitted or to enforce its rights with respect to its properties.

Requirement of Additional Financing

The continuing development of the Company's properties will depend upon the Company's ability to obtain financing through debt financing, equity financing or the joint venturing of projects or other means. No assurance can be given that the Company will be successful in obtaining the required financing on acceptable terms, if at all.

Dependence on Personnel

The Company's ability to manage growth effectively will require the Company to continue to implement and improve the Company's management systems and to recruit and train new employees. Although the Company has done so in the past, the Company cannot assure that it will be successful in attracting and re-training skilled and experienced personnel.

Off Balance Sheet Items

There are no off balance sheet items.

Proposed Transactions

The Company does not currently have any proposed transactions approved by the Board of Directors.

Outlook

Auriga Gold remains committed to the fiscally prudent and environmentally safe re-start of mining operations at the MGP. Re-start of the operations will only occur upon stringent financial and environmental criteria being met that minimize risk to the environment and maximize shareholder value. We continue to work with local stakeholders in the project, our existing supportive investors, new strategic investors and lenders to identify and address areas of concern and construct a suitable funding structure for the project.

Beyond the priority re-start of the MGP management and the board of directors believe there are attractive, untested gold exploration targets on the Maverick property and elsewhere in the Flin Flon greenstone belt and adjacent areas of central Canada. Management considers central Canada to be a very favourable environment for mineral exploration, development and potential acquisition opportunities to increase our attributable gold resource base and ultimately position us for production growth beyond the forecast near-term production from MGP. In addition the Company intends to analyze and, if warranted, acquire quality advanced projects with defined resources in other to establish gold camps in Canada. The Company's management and board have a proven record of discovery, resource expansion, permitting, financing and developing projects through to production.

Together the PL and Nokomis gold deposits support mineral resources amenable to open pit and underground mining that include Measured and Indicated mineral resources totaling 327,900 ounces of gold and Inferred mineral resources of 438,600 ounces of gold.

The Company's initial study evaluating the re-start of mining operations at the Maverick Gold Project, as outlined in our February 2012, NI 43-101 PEA, considered the sequential development of 5 open pits followed by a program of underground test mining and on-site milling. The major infrastructure for the project is already in place or would be refurbished. The reactivation of the PL mill and mine has been previously assessed by others including two historic feasibility studies (conducted in 1987 and 1993 that were not NI 43-101 compliant) in addition to the two NI 43-101 compliant technical reports; original PEA dated December 15, 2011 and an updated PEA of February 21, 2012.

On April 17, 2014 the Company released updated independent NI 43-101 mineral resource estimate for the Puffy Lake ("PL") Gold Deposit and an initial NI 43-101 mineral resource estimate for the Nokomis Gold Deposit. These resources will be the basis of an updated PEA to be released during fiscal Q1 2015. This report will supersede the existing February 2012 PEA and contain several material revisions to the existing PEA that include: a) a new underground mine plan utilizing the Minrail's SAM™ technology and b) a new open pit mine plan schedule that will include the Nokomis deposit as a satellite operation.

The major risks associated with the re-start of mining operations as identified by the Company are obtaining provincial approval for open pit test mining; capital cost overrun risks on refurbishing the mill and associated infrastructure; mining risks including risks associated with test mining narrow and low angle vein structures. In consideration of the existing mill and infrastructure, historic production records demonstrate its positive operating performance, its improved understanding of the PL Deposit, the fact that major risks would not be effectively addressed by further studies alone, and the current gold market, the Company's management believes it can achieve an environmentally safe re-start of operations working within our existing Environment Act License No. 1207E.

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Chief Executive Officer ("CEO") and Interim Chief Financial Officer ("CFO"), on a timely basis so that appropriate decisions can be made to facilitate full and timely disclosure to the public.

An evaluation of the effectiveness of the design and operation of our disclosure controls and procedures was conducted March 31, 2014, by and under the supervision of management, including the CEO and Interim CFO. Based on this evaluation, the CEO and CFO have concluded that disclosure controls and procedures, as defined in Multilateral Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings, are effective to ensure that information required to be disclosed in reports that are filed or submitted under Canadian securities legislation are recorded, processed, summarized and reported within the time periods specified in those rules.

Because of inherent limitations, internal control over financial reporting and disclosure controls can provide only reasonable assurances and may not prevent or detect misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Audit Committee of the Company has reviewed this MD&A, and the unaudited condensed interim financial statements for the year ended March 31, 2014, and the board of directors approved these documents prior to their release.

Additional Disclosure for Venture Corporations

	Twelve Months Ended March 31,	
	2014 $	2013 $
Bank charges	6,750	5,557
Business development	-	44,240
Office and general	293,266	220,446
Salaries and benefits	(56,649)	234,298
Shareholder information	7,282	17,452
Stock exchange and transfer agent fees	53,784	48,816
Travel	15,017	57,952

Subsequent Event

On April 17, 2014 the Company announced that it engaged CHF Investor Relations ("CHF") and Renmark Financial Communications Inc. ("Renmark") to act as the Company's principal investor relations partners. The service agreements with both CHF and Renmark are for limited investor relations services for a term of 12 months ending on April 14, 2015. Under the terms of the services agreements, which are subject to TSX Venture Exchange approval, CHF will receive monthly fees of $5,500 and reimbursement of disbursements and Renmark will receive monthly fees of $5,000 and reimbursement of disbursements. CHF was also granted 30,000 stock options, with each option exercisable for one common share of the Company at an exercise price of $0.45 per common share. These options vested immediately upon grant.

"Signed Gorden Glenn"

Gorden Glenn
Chief Executive Officer
May 5, 2014.

"Signed Christopher Irwin"

Christopher Irwin
Interim Chief Financial Officer