PLATO GOLD CORP

# MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended December 31, 2013

This Management Discussion and Analysis ("**MD&A**") of Plato Gold Corp (the "**Company**") provides analysis of the Company's financial results for the year ended December 31, 2013. The following information should be read in conjunction with the accompanying 2013 audited financial statements and the notes to the audited financial statements.

The audited financial statements and related notes of the Company have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). Refer to the Notes of the December 31, 2013 audited financial statements for disclosure of the Company's significant accounting policies. The Company's functional and reporting currency is the Canadian dollar.

The Company is publicly traded on the TSX Venture Exchange (TSX-V: **PGC**).

## International Financial Reporting Standards

The Company's audited financial statements for the year ending December 31, 2013 and December 31, 2012 have been prepared in accordance with IFRS as published by the International Accounting Standards Board.

## Date of Report

This report is prepared as of April 23, 2014

## Forward Looking Statements

This MD&A includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, that address exploration drilling, exploration activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include exploration successes, continued availability of capital and financing and general economic, market or business conditions.

Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements.

Additional information including press releases have been filed electronically through the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and are available online under our profile at www.sedar.com or the Company's website at www.platogold.com.

## Company Overview

Plato Gold Corp is a Canadian gold exploration company focused on prospective properties in recognized gold mining districts around the world including Santa Cruz, Argentina and Northern Ontario.

The Company was first listed on the TSX Venture Exchange (TSX-V: **PGC**) in 2005. Plato Gold Corp was formed as a result of a reverse takeover by its predecessor corporation, Plato Gold Corp of Shatheena Capital Corp., a capital pool company, and the subsequent amalgamation of Plato Gold Corp and Shatheena Capital Corp. Plato Gold Corp, the private company, was started in 1996.

The Company has two regionally based projects. The first project, the Lolita Project in Santa Cruz, Argentina, is comprised of a number of contiguous mineral rights totaling 27,857 hectares in Southern Argentina. As of August 9, 2011, Winnipeg Minerals S.A. ("WMSA") was incorporated in Argentina with Plato Gold Corp holding 75% and Dr. P. Lhotka holding 25% of the outstanding shares. The mineral rights were subsequently transferred to WMSA as of November 14, 2011.

The second project is the Timmins Gold Project in Northern Ontario which includes four properties (Guibord, Harker, Holloway and Marriott) in what is sometimes referred to as the Harker/Holloway gold camp located east of Timmins.

In the year 2013, the Company divested all its exploration claims in townships near Val d'Or, Quebec.

Plato Gold Corp is in the early stage of exploration on both the Argentina and Ontario projects.

## Year Ended December 31, 2013 Highlights

In the year ended December 31, 2013:

- The Company sold an 80% interest in its Harker Properties to Northern Gold Mining Inc. and entered into a joint venture agreement with Northern Gold in exchange for $200,000 payable to Plato and 250,000 common shares of Northern Gold issuable to Plato.

- The Company sold the remainder of its Quebec claims to Monarques Resources Inc. consisting of 5 properties: Vauquelin, Vauquelin Pershing, Vauquelin Horseshoe, Hop O'My Thumb and Vauquelin II. All 5 properties located near Val d'Or, Québec, comprised of 192 mineral claims, totaling 3,214 hectares. Under the terms of the sale Plato received 192,308 common shares of the Monarques Resources Inc. at a deemed price of $0.13 per Common Share for a value of $25,000. The shares will be escrowed for a period of three years and released in equal tranches of 33 1/3% per year following the anniversary date of the transaction. Monarques has agreed to pay Plato a 1% royalty (NSR) upon the commencement of commercial production of the mining claims. Monarques will have the right to purchase this royalty, at any time, before the commencement of commercial production for a sum of $1,000,000.

- The Company extended the option agreement with St. Andrew Goldfields Ltd., on the Holloway and Marriott properties in exchange for 50,000 common shares of SAS and received $80,000 from St. Andrew Goldfields Ltd. representing the payments due in November.

- The Company continued to secure financing to advance the geological work on the Lolita Property in Santa Cruz, Argentina.

**Overall Performance**

On the Consolidated Statements of Financial Position, total assets decreased to $1,606,348 compared to $2,527,167 as at December 31, 2012. The decrease is mainly due to the write-down of mineral properties, specifically the Val d'Or, Quebec claims, unrealized loss on portfolio investment, a non-cash item, and decrease in cash during the year ended December 31, 2013.

Cash decreased to $5,670 from $382,065 at December 31, 2012 mostly as a result of payments for on going operations of the Company and nominal exploration expenditures during the year. The receivables decreased to $161,140 compared to $161,654 at December 31, 2012, due to regular GST and QST rebates, with the Quebec government rebate still outstanding.

Deposits and prepaid expenses represent advances for normal operations of the Company. Portfolio investments of $70,231, a non-cash item, decreased from $187,750 at December 31, 2012. The change in value reflects the change in the market value of the common shares held as a result of shares acquired from the sale of claims.

On the liabilities side, accounts payable and accrued liabilities decreased to $427,237 from $660,351 at December 31, 2012 representing the normal outstanding payables for professional fees such as accounting, auditing, legal, and consulting, as well as normal payables related to the

Company's on going activities.  Due to related party increased to $313,500 from $257,500 as a result of the funds advanced during the year made by a related corporation.

Total liabilities decreased to $740,737 at December 31, 2013 compared to $917,851 at December 31, 2012 as a result of decreases in accounts payable offset by an increase in due to related parties.

Shareholders' equity decreased to $854,146 from $1,597,851 during the year ended December 31, 2012 as a result of net loss for the year mainly from the write-down of mineral properties and unrealized loss on portfolio investment.

On the Consolidated Statements of Comprehensive Loss, loss before income taxes for the year was $743,705 compared to $3,978,857 for the same period last year.  The loss for the year ending December 31, 2013 is mainly due to the write-down of mineral properties, unrealized loss on portfolio investment and the normal cost of operations for the Company.  Relative to the same period last year, the operating expenses decreased due to the reduced activities of the Company.

Income of $2,461 was offset by $746,166 of expenses compared to income of $1,378 and $3,980,235 of expenses for the year ended December 31, 2013.  Net loss and comprehensive loss for the year of $743,705 compared to $3,735,370 for the same period last year.

On the Consolidated Statements of Cash Flow, cash used in operating activities was $621,036 for the year ended December 31, 2013, compared to $225,645 for the same period last year.  Cash provided by financing activities was $56,000 for the year ended December 31, 2013 as a result of the loan from related party, compared to cash provided of $157,500 in the same period last year. Cash received from investing activities was $188,641 for the year as a result of the option payments compared with cash received of $391,873 in the same period last year.

Cash balance was $5,670 as at December 31, 2013 compared to $382,065 as at December 31, 2012.

## Selected Annual Information

Unless otherwise noted, all currency amounts are stated in Canadian dollars.

The following selected financial data for each of the three most recently completed financial years are derived from the audited annual financial statements of the Company, which were prepared in accordance with International Financial Reporting Standards.

| For the Years Ended December 31, | 2013 | 2012 | 2011 |
|---|---|---|---|
| | $ | $ | $ |
| Income | 2,461 | 1,378 | 106,779 |
| Net loss and comprehensive loss | 743,705 | 3,735,370 | 558,277 |
| Net loss and comprehensive loss, per share | (0.00) | (0.03) | - |
| Net loss and comprehensive loss, per share fully diluted | (0.00) | (0.03) | - |
| Total assets | 1,606,348 | 2,527,167 | 6,077,064 |
| Total long term liabilities | - | - | 243,487 |
| Cash dividends | - | - | - |

The Company has recorded losses in all of the three most recently completed fiscal years and expects to continue to record losses until such time as the Company's projects are identified, developed and brought into profitable commercial operation.

## Results of Operations

### Exploration and Development Activities

Mineral property expenditures during the year totaled $41,595 compared to expenditures of $39,246 for the same period in the previous fiscal year. Funding of projects was mainly from proceeds from optioning of claims and funds from related parties.

During the year ended December 31, 2013 the Company was focused on raising funds to continue exploration work on the Company's two projects and to re-evaluate each of its projects based on results to date. In the coming year with the successful raising of funds, exploration work will be conducted on the Company's properties.

### Lolita Project, Santa Cruz, Argentina

In 2007, Plato Gold successfully acquired, through a joint venture agreement, a majority interest in 29,000 hectares of strategically located property in Santa Cruz Province, Argentina. Plato holds a 75% interest in the joint venture with Dr. P. Lhotka holding the remaining 25% interest. The first three phases of work have involved prospecting, geochemical sampling as well as a Mag and IP survey over a large portion of the property.

The property is located in a geological metal rich province, hosted by Jurassic aged rocks of the Deseado Massif. The structures found to date are hosted by a felsite unit and felsic tuffs. To the immediate south significant base metal and precious metal vein systems occur and are held by some major Companies. The results to date have located a number of strong hydrothermal structures with chalcedonic silica, brecciation, iron oxides and pyrite with areas of weak to strong anomalous pathfinder elements of arsenic, antimony and mercury, which may be prospective for precious metals at deeper levels. Also encouraging is that these structures have been traced from 1 to 5 kilometers in length.

In light of these favourable results the Company followed up on Dr. P. Lhotka's recommendation by conducting a geophysical survey to locate and define specific targets within these surface defined structures for exploration by diamond drilling.

During the first quarter of 2011, the Company completed a Ground Magnetic Survey on the Lolita Property in Santa Cruz, Argentina, which was a prelude to an IP program and a planned drill program. In the Third quarter the Company completed the Ground Magnetic Survey and the IP program. The results of the IP program were announced on October 20, 2011.

On August 9, 2011, Winnipeg Minerals S.A. ("WMSA") was incorporated in Argentina with Plato Gold holding 75% and Dr. P. Lhotka holding 25% of the outstanding shares. The mineral claims totaling 27,857 hectares were subsequently transferred to WMSA as of November 14, 2011.

As of December 31, 2013, there were no changes to the share structure. The property is drill ready subject to available financing or an option agreement. As well, the Company continues to monitor the political environment in Argentina.

**Timmins Gold Project, Ontario**

On November 8, 2010 the Company signed an agreement granting St. Andrew Goldfields Limited (TSX: SAS) the option to earn a 75% interest in Plato's Timmins Gold Project, consisting of four properties in the Townships of Guibord, Harker, Holloway and Marriott.

The Company received an initial cash payment of $100,000 upon execution of the agreement. The work commitments and cash payments for each property are graduated over a 4 year period. If a National Instrument 43-101 compliant mineral resource, whether measured, indicated or inferred of not less than 500,000 ounces of gold is discovered on any one of the four properties while St. Andrew is earning its interest, St. Andrew will make a payment of $1 million to the Company for each property reaching such milestones, giving a potential for $4 million in milestone payments, as stated in the original option agreement.

The option in respect of each property may be exercised or terminated separately by St. Andrew. St. Andrew is currently producing gold from its Holloway and Hislop mines, as well as the Holt mine which has started production.

As of December 31, 2013, only the Holloway and Marriott properties are still in effect under the terms of the original option agreement. In June 2013, the option agreement on these two properties was extended in exchange for 50,000 common shares of St. Andrew (see Note 6 of the accompanying audited financial statements). Accordingly, the additional payment obligation, if a National Instrument 43-101 compliant mineral resource is identified in the remaining two properties, will be a potential of up to $2 million in milestone payments.

An option payment of $80,000 was received in November 2013 in accordance with the option agreement. St. Andrew is continuing their work on the properties.

Northern Gold Mining Inc.

On July 26, 2012, the Company announced that it had sold its 50% interest in the Guibord Property to Victory Gold Mines Inc. The 16 claims, known as the Guibord Property, will be owned 40% by Victory Gold and 10% by St. Andrew, with Plato retaining control of the remaining 50%. Plato received a payment of $40,000 and 1,000,000 shares of Victory Gold.

In addition, Victory Gold has an option to own a 60% interest and St. Andrew to own a 15% interest in the Guibord Properties. If on or before the third anniversary of the agreement Victory Gold spends a minimum of $700,000 in exploration expenditures on the property and Plato receives $100,000 in cash or Victory Gold shares, at Plato's option. Final ownership would be represented by Victory Gold (60%), St. Andrew (15%) and Plato (25%).

If Victory Gold elects not to exercise the option, St. Andrew has an option to spend a minimum of $200,000 in exploration expenditures on or before the third anniversary of the agreement and Plato receives from Victory Gold $100,000 in cash or Victory Gold shares, at Plato's option. If completed, the final ownership in the Guibord property will be represented by Victory Gold (50%), St. Andrew (25%) and Plato (25%).

In 2013, Victory Gold Mines Inc. was amalgamated with Northern Gold Mining Inc. with the 1,000,000 shares of Victory Gold Mines Inc. held by the Company converted to 500,000 shares of Northern Gold Mining Inc.

On February 1, 2013 the Company announced that it had sold its 80% interest in the Harker Property to Northern Gold Mining Inc. and entered into a joint venture agreement with Northern Gold Mining Inc. on the property for $200,000 and 250,000 common shares of Northern Gold Mining Inc (see Note 6 of the accompanying audit financial statements).

Following completion of the transaction, Plato will retain a 20% participating interest in the Harker Properties. If at any time either party's interest is reduced to 10% or less, such interest shall be surrendered and the forfeiting party shall be granted a one percent (1%) NSR from production on the Harker Properties. The non-forfeiting party shall have the right and option to purchase the entire 1% NSR for $1,000,000.

The Company currently holds 925,000 shares of Northern Gold Mining Inc.

**Val d'Or Project, Quebec**

On August 8th, 2006 the Company signed an option agreement with Globex Mining Enterprises Inc. to acquire 100% of Globex's interest in the Nordeau/Bateman properties, consisting of 44 claims covering 660.9 hectares in the southwestern part of Vauquelin Township, some 50 km east of Val D'Or, Quebec. In 2013, the Company terminated the option agreement with Globex Mining Enterprises Inc.

The Company has acquired through staking in past years an additional 192 mineral claims in this prospective mineral belt which was sold in 2013 to Monarques Resources Inc. (see Note 6 of the accompanying audited financial statements).

**Administration**

During the year ended December 31, 2013, interest income of $2,461 for the period was offset by administrative expenses, normal operating expenses, write-down of mineral properties, and unrealized loss on portfolio investments resulting in a net loss before income taxes of $743,705 for the year compared to a loss of $3,978,857 for the year ended December 31, 2013. The loss per share was nil for basic and fully diluted for the period ended December 31, 2013 compared to a loss per share of $0.03 for the period ended December 31, 2012.

Expenses during the year totaled $746,166 compared to $3,980,235 for the comparable period in 2012. The decrease is mainly due to last year's one time write-down of mineral properties offset by increase in unrealized loss on portfolio investment, both are non-cash items. As well, decreases were noted in investor relations, publicity and advertising, office and general, professional fees, and rent reflecting management's efforts to minimize expenses due to the reduced activities for the year.

As a junior gold exploration company, cash flow from financing will continue to be an ongoing focus for management. The current market conditions represent significant challenges to the entire junior exploration sector and there is no assurance that financing will be available in this market. We are maintaining a close watch on market activities as it relates to financing in our sector.

## Summary of Quarterly Results

The following selected financial data are derived from the unaudited quarterly financial statements of the Company, which were prepared in accordance with International Financial Reporting Standards for the results from January 1, 2012 to December 31, 2013.

| | 2013 | | | | 2012 | | | |
|---|---|---|---|---|---|---|---|---|
| **For the Quarters Ended** | **Dec 31** | **Sep30** | **Jun 30** | **Mar 31** | **Dec 31** | **Sep 30** | **Jun 30** | **Mar 31** |
| | $ | $ | $ | $ | $ | $ | $ | $ |
| Income | 512 | 487 | 659 | 803 | 415 | 375 | 309 | 279 |
| Net Income (loss) and Comprehensive Income (loss) | (146,923) | (110,501) | (286,592) | (199,689) | (3,460,799) | (82,040) | (121,968) | (70,563) |
| Net Income (loss) and Comprehensive Income (loss), per share | - | - | - | - | (0.03) | - | - | - |
| Net Income (loss) and Comprehensive Income (loss), per share fully diluted | - | - | - | - | (0.03) | - | - | - |

## Liquidity and Capital Resources

In management's view, given the nature of the Company's operations, which consist of the exploration of mining properties, the most relevant financial information relates primarily to current liquidity, solvency and planned exploration expenditures. In addition, the Company holds common shares in three publicly traded companies as reported in the accompanying audited financial statements. The Company's financial success will be dependent on the economic viability of the Lolita Project and the Timmins Gold Project.

The Company had cash of $5,670 as of December 31, 2013 which is sufficient to cover the Company's short term cash requirements. As well, the Company has other receivables of $161,140 consisting primarily of Quebec government exploration rebate anticipated to be received in 2014. Additional financing is required to finance on-going administration and continue the exploration activities of the Company.

As a gold exploration company, the Company generates minimal revenue, with the exception of government exploration rebate, and will have to return to the equity markets in order to secure additional financing for the Company to continue exploration. Management believes that it has the ability to raise sufficient funds for the continuation of operations. While management has been historically successful in raising the necessary capital, it cannot provide assurance that it will be able to obtain the required financing in light of the current economic conditions.

## Changes in Accounting Policies

The Company adopted the following new standards in preparing these consolidated financial statements:

i) IFRS 10 - Consolidated Financial Statements

The IASB issued a new standard, IFRS 10, Consolidated Financial Statements ("IFRS 10"), which establishes the principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. IFRS 10 establishes control as the basis for consolidation and defines the principle of control. An investor controls an investee if the investor has power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the investor's returns. IFRS 10 was issued as part of the IASB's broader project on interests in all types of entities. This project also resulted in the issuance of additional standards as described below. IFRS 10 is effective for annual periods beginning on or after January 1, 2013 and must be applied retrospectively. The adoption of IFRS 10 did not have an impact on the Company's consolidated results of operations, financial position and disclosures.

ii) IFRS 11 - Joint Arrangements

The IASB issued a new standard, IFRS 11, Joint Arrangements ("IFRS 11"), which establishes the principles for financial reporting by parties to a joint arrangement. IFRS 11 supersedes IAS 31, Interests in Joint Ventures and SIC Interpretation 13, Jointly Controlled Entities – Non Monetary Contributions by Venturers. The standard defines a joint arrangement as an arrangement where two or more parties have joint control, with joint control being defined as the contractually agreed sharing of control where decisions about relevant activities require unanimous consent of the parties sharing control. The standard classifies joint arrangements as either joint operations or joint investments and the classification determines the accounting treatment. IFRS 11 is effective for annual periods beginning on or after January 1, 2013 and must be applied retrospectively. The adoption of IFRS 11 did not have an impact on the Company's consolidated results of operations, financial position and disclosures.

iii) IFRS 12 - Disclosure of Interests in Other Entities

The IASB issued a new standard, IFRS 12, Disclosure of Interests in Other Entities ("IFRS 12"), which integrates and provides consistent disclosure requirements for all interests in other entities such as subsidiaries, joint arrangements, associates and unconsolidated structured entities. IFRS 12 is effective for annual periods beginning on or after January 1, 2013 and must be applied retrospectively. The adoption of IFRS 12 did not have an impact on the Company's consolidated results of operations, financial position and disclosures.

iv) IFRS 13 - Fair Value Measurement

The IASB issued a new standard, IFRS 13, Fair Value Measurement ("IFRS 13"), which provides a standard definition of fair value, sets out a framework for measuring fair value and provides for specific disclosures about fair value measurements. IFRS 13 applies to all IFRS that require or permit fair value measurements or disclosures. IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. IFRS 13 is effective for annual periods beginning on or after January 1, 2013 and must be applied retrospectively. The Company determined that there is no impact of IFRS 13 on its consolidated results of operations, financial position and disclosures.

v) IAS 27 - Separate Financial Statements

The IASB issued a revised standard, IAS 27, Separate Financial Statements ("IAS 27"), which contains the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate (non-consolidated) financial statements. IAS 27 is effective for annual periods beginning on or after January 1, 2013 and must be applied retrospectively. The adoption of the revised IAS 27 did not have an impact on the Company's consolidated results of operations, financial position and disclosures.

vi) IAS 28 - Investments in Associates and Joint Ventures

The IASB issued a revised standard, IAS 28, Investments in Associates and Joint Ventures (“IAS 28”), which prescribes the accounting 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. IAS 28 is effective for annual periods beginning on or after January 1, 2013 and must be applied retrospectively. The adoption of the revised IAS 28 did not have an impact on the Company's consolidated results of operations, financial position and disclosures.

vii) IAS 19 - Employee Benefits

The IASB issued a revised standard, IAS 19, Employee Benefits (“IAS 19”), which prescribes the accounting requirements for employee benefits and establishes the principle that the cost of providing employee benefits should be recognized in the period in which the benefit is earned by the employee, rather than when it is paid or payable. IAS 19 is effective for annual periods beginning on or after January 1, 2013 and must be applied retrospectively. The adoption of the revised IAS 19 did not have an impact on the Company's consolidated results of operations, financial position and disclosures.

## Financial Instruments

The Company's financial instruments consist of cash, portfolio investments, accounts payable and accrued liabilities.

Management does not believe these financial instruments expose the Company to any significant interest, currency or credit risks arising from these financial instruments. The fair market value of cash, portfolio investments, and accounts payable and accrued liabilities approximate their carrying values.

In conducting its business, the principal risks and uncertainties faced by the Company relate to exploration and development success.  Exploration for gold involves significant risks, many of which are outside the Company's control. In addition to the normal and usual risks of exploration, the Company often works in remote locations that lack the benefit of infrastructure and easy access.

The Company relies on equity financing for its long term working capital requirements and to fund its exploration programs. There is no assurance that such financing will be available to the Company, or that it will be available on acceptable terms.

## Outstanding Share Data

a) Common and Preferred Shares

The Company is authorized to issue an unlimited number of common shares without par value. As at December 31, 2013, the Company had issued and outstanding 143,591,655 common shares with a carrying value of $6,179,587.

During the year ended December 31, 2013 and December 31, 2012, the Company did not issue any common shares.

The Company is also authorized to issue an unlimited number of preferred shares without par value, of which none have been issued.

b) Warrants

As at December 31, 2013, there were no warrants outstanding.

As at December 31, 2012, the Company had 19,605,000 warrants outstanding with a weighted average exercise price of $0.10 and a carrying value of $382,691.

c) Stock Options

As at December 31, 2013, the Company had an aggregate of 7,355,000 options outstanding with a weighted average exercise price of $0.10.

As at the date of December 31, 2013, the following options were outstanding:

| | Number of Options | | Weighted Average Remaining Contractual Life |
|---|---|---|---|
| **Option Price** | **Unvested** | **Vested** | **In Years** |
| $0.100 | | 1,350,000 | 0.3 |
| $0.100 | | 1,530,000 | 5.9 |
| $0.100 | | 1,325,000 | 6.3 |
| $0.100 | | 300,000 | 6.8 |
| $0.100 | | 2,850,000 | 7.25 |
| | - | 7,355,000 | 5.5 |

## Off-Balance Sheet Arrangements

For the year ended December 31, 2013, the Company had no off-balance sheet arrangements, such as guaranteed contracts, contingent interests in assets transferred to an entity, derivative investment obligations or any investments that could trigger financing, market or credit risk to the Company.

## Transactions with Related Parties

During the year ended December 31, 2013 the Company:

a) Incurred rent at 1300 Bay Street of $6,000 (2012 - $24,000) with a related party, Gulf & Pacific Equities Corp.. The Company and the related party are related by virtue of the fact that they both have the same President of the company. The President is also a director and shareholder of both companies. As at December 31, 2013, accounts payable and accrued liabilities included (net of taxes) $54,000 (2012 - $48,000) payable.

b) Incurred consulting fees for financial, technical and management services of $84,096 **(**2012 - $84,096) by Greg K. W. Wong, in the position of CFO, one of the Company's officers. As at December 31, 2013, accounts payable and accrued liabilities included (net of taxes) $56,064 (2012 - $84,096) payable to the officer.

c) Incurred consulting fees for corporate services of $5,900 (2012 - $5,900) by Robert E. Van Tassell, in the position of Corporate Secretary, one of the Company's officers and also serves as one of the Company's directors. As at December 31, 2013, accounts payable and accrued liabilities included (net of taxes) $2,950 (2012 - $2,950) payable.

d) Incurred directors fees of $28,000 (2012 - $28,000). As at December 31, 2013, accounts payable and accrued liabilities included (net of taxes) $141,700 (2012 - $113,700).

f) Received an advance of $56,000 (2012 - $157,500) from Ceyx Properties Ltd. ("**Ceyx**") a related party by virtue of the fact that they have the same President, who also serves as director for both companies. The President is a shareholder of both corporations. As at December 31, 2013, the amount due to related party was $313,500 (2012 - $257,500).

g) Accounts payable and accrued liabilities included $nil (2012 - $28,334) payable to Anthony J. Cohen, an officer of the Company for reimbursement of business related expenditures.

## Contractual Obligations and Commitments

Contractual obligations exist with respect to royalties, however gold production subject to royalty cannot be ascertained with certainty, as the Company is still in the exploration stage with respect to it properties.

## Internal Control over Financial Reporting and Disclosure Controls

Management, including the President and Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), is responsible for designing, establishing, and maintaining a system of internal controls over financial reporting ("ICFR") to provide reasonable assurance that all information prepared by the Company for external purposes is reliable and timely. Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with IFRS.

The Company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately reflect the transactions of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the Company's Financial Statements. Due to its inherent limitations, internal control over financial reporting and disclosure may not prevent or detect all misstatements.

The CEO and CFO have evaluated whether there were changes to the ICFR during the year ended December 31, 2013 that have materially affected, or are reasonably likely to materially affect, the ICFR. As a result, no such significant changes were identified through their evaluation.

There have been no material changes in the Company's internal control over financial reporting during the three months ended September 30, 2013 that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

## Outlook

The Company's focus going forward will be on our Argentina property with the intent of moving to the next stage of exploration on the Lolita Project with a drill ready program subject to available financing or an option agreement.

In Ontario, the Company will monitor its option agreements with St. Andrew Goldfields Ltd. on its Timmins Properties, along with its interest on properties with Northern Gold Mining Inc.. As well, the Company will continue to identify other exploration activities and remains active in securing on going funding for the exploration projects.

## Risk Factors

Readers of this Management Discussion and Analysis should give careful consideration to the information included or incorporated by reference in this document and the Corporation's audited financial statements and related notes for the period ended December 31, 2013. Significant risk factors for the Corporation are metal prices, government regulations, foreign operations, environmental compliance, dependence on management, claim renewals and performance of option agreements.

The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for further exploration and development of its projects. Although the Company has been successful in the past in financing its activities through the issuance of equity securities, there can be no assurance that it will be able to obtain sufficient financing in the future to execute its business plan.

a) Foreign Operations

The Company's Lolita project is currently conducted through a subsidiary located in Argentina and, as such, its operations are exposed to various levels of political, economic and other risks and uncertainties which could result in work stoppages of the Company's exploration activities. There is currently no local opposition to exploration activities, but there can be no assurance that such local opposition will not arise with respect to the Company's Argentina operations.

The Company's exploration and development activities are subject to extensive foreign federal, state and local laws and regulations governing such matters as environmental protection, management and use of toxic substances and explosives, management of natural resources, health, safety and labour, mining law reform, price controls import and export laws, taxation, maintenance of claims, tenure, government royalties and expropriation of property. There is no assurance that future changes in such regulations, if any, will not adversely affect the Company's activities.

## Other Information

Additional information on the Company is available on SEDAR at www.sedar.com or by contacting the Company at 1300 Bay Street, Suite 300, Toronto Ontario M5R 3K8 or on our website at www.platogold.com.

Finally, I would again like to thank all of our shareholders for your faith and confidence as we continue to explore and discover mineral wealth in Santa Cruz, Argentina and Northern Ontario.

Yours truly,

<u>(signed) "Anthony J. Cohen"</u>
Anthony J. Cohen
President & CEO
April 23, 2014