FIRST AMERICAS GOLD CORPORATION

Management Discussion & Analysis

For the nine months ended December 31, 2014

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GENERAL

The purpose of this Management Discussion and Analysis ("MD&A") is to explain management's point of view of the past performance and future outlook of First Americas Gold Corporation (the "Company"). This MD&A also provides information to improve the reader's understanding of the Company's financial statements and related notes, and should therefore be read in conjunction with the unaudited condensed interim financial statements of the Company and notes thereto for the three and nine months ended December 31, 2014 (the "Financial Statements"). Additional information on the Company is available on SEDAR and on the Company's website, www.firstamericasgold.com. All information contained in this MD&A is current as of March 2, 2015, unless otherwise stated.

All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

FORWARD LOOKING STATEMENTS

Certain sections of this MD&A may contain forward-looking statements.

All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Forward-looking statements may relate to the Company's future financial conditions, results of operations, plans, objectives, performance or business developments including, among other things, exploration and work programs, drilling plans and timing of drilling, plans for development and facilities construction and timing, method of funding and completion thereof, the performance characteristics of the Company's mineral properties, drilling results of various projects of the Company, the existence of mineral resources or reserves and the timing of development thereof, projections of market prices and costs, supply and demand for gold, expectations regarding the ability to raise capital and to acquire reserves through acquisitions and/or development, treatment under governmental regulatory regimes and tax laws, and capital expenditure programs and the timing and method of financing thereof. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of the Company contained in this MD&A, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein and in the MD&A, or as otherwise expressly incorporated herein by reference as well as: (1) there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment, adverse weather conditions or otherwise; (2) permitting, access, exploration, expansion and acquisitions at the Company's projects (including, without limitation, land acquisitions for and permitting of exploration plans) being consistent with the Company's current expectations; (3) prices for and availability of equipment, labor, natural gas, fuel oil, electricity, water and other key supplies remaining consistent with current levels; (4) labour and materials costs increasing on a basis consistent with the Company's current expectations; and (5) the availability and timing of additional financing being consistent with the Company's current expectations. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: fluctuations in the currency markets; fluctuations in the spot and forward price of gold or certain other commodities (such as diesel fuel and electricity); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada and United States; business opportunities that may be presented to, or pursued by, the Company; the Company's ability to successfully integrate acquisitions; operating or technical difficulties in connection with exploration or development activities; employee relations; the speculative nature of gold exploration and development, including the risks of obtaining necessary licenses and permits; competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel; incorrect assessments of the value of acquisitions; geological, technical, drilling and processing problems; fluctuations in foreign exchange or interest rates and stock market volatility; changes in income tax laws or changes in tax laws and incentive programs relating to the mineral resource industry; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of gold exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion losses (and the risk of inadequate insurance, or the inability to obtain insurance, to cover these risks). Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements and those made in the Company's other filings with applicable securities regulators in Canada. These factors are not intended to represent a complete list of the factors that could affect the Company and readers should not place undue reliance on forward-looking statements in this MD&A. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

The forward looking statements contained herein are based on information available as of March 2, 2015.

OVERALL PERFORMANCE

The Company was incorporated under the *Business Corporations Act* (British Columbia) (the "BCBCA") on April 3, 2007 under the name "Pannonia Ventures Corp.". The Company's head office and principal address is 2300-1066 West Hastings Street, Vancouver, British Columbia, Canada, V6E 3X2. The Company's registered and records office is located at 800 – 885 West Georgia Street, Vancouver, British Columbia, Canada V6C 3H1.

The Company completed its Qualifying Transaction on January 31, 2012 and, as a result, the Company ceased to be a Capital Pool Company. In connection with the completion of the Qualifying Transaction, the Company changed its name to "First Americas Gold Corporation" and commenced trading as a Tier 2 Mining Issuer on the TSX-V on February 2, 2012 under the new trading symbol "FAC.V". The Company completed its Qualifying Transaction through the closing of an amended and restated option agreement with Aurumbank Incorporated, Watering Hole Productions Inc., and Nevada Pacific Mining Inc., pursuant to which Nevada Pacific and Watering Hole granted the Company an option to acquire a 100% interest, and Aurumbank granted the Company an option to acquire a 50% interest, in their respective interests in certain mineral rights and unpatented mining claims located in the Gold Basin Mining District, located in Mohave County, Arizona. The Company's business is to acquire, explore, and develop interests in mining projects.

In April 2014, the Company was advised by the Optionors of the Gold Basin property that unless the Company returned an executed Quit Claim Deed within an imposed time frame, the Optionors would proceed with judicial action to quiet title to the properties. Refer to Note 11 of the Financial Statements for discussion regarding the dispute.

In June 2014, Roman Friedrich III resigned as a director of the Company.

On August 6, 2014, the Company was served a summon, Certificate on Compulsory Arbitration, and Complaint (Quiet Title) stating a lawsuit had been filed against the Company in the Superior Court of the State of Arizona USA regarding the Gold Basin Project in Arizona. While discussions designed to resolve matters between the Company and the Optionors have been initiated, at the time of this filing, no resolution has been reached.

On August 31, 2014, the Company failed to meet its payment obligation under the Chu Chua property option agreement and wrote-down related costs of $82,079.

SELECTED INTERIM INFORMATION

As at December 31, 2014, the Company was a Tier 2 Mining Issuer. Accordingly, the Company has not recorded any revenues other than interest earned, and depends upon share issuances to fund its administrative expenses. See the summary of results below:

	Three months ended December 31,		Nine months ended December 31,	
	2014 ($)	2013 ($)	2014 ($)	2013 ($)
Revenues	-	-	-	-
General and administrative expenses	(44,788)	(64,539)	(124,319)	(190,409)
Other income (expenses)	1	(246,975)	(82,164)	(247,303)
Net and comprehensive loss	(44,787)	(311,514)	(206,483)	(437,712)
Basic and diluted loss per share	(0.01)	(0.04)	(0.03)	(0.05)
Exploration and evaluation assets	1	147,883	1	147,883
Total assets	11,516	183,237	11,516	183,237
Working capital deficit	(153,412)	(9,669)	(153,412)	(9,669)
Dividends per share	-	-	-	-

At December 31, 2014, the Company had not yet achieved profitable operations and had accumulated losses of $1,618,616 (March 31, 2014 – $1,412,133) since inception. These losses resulted in a net loss per share for the nine months ended December 31, 2014 of $0.03 (December 31, 2013 - $0.05).

At December 31, 2014, the Company had no continuing source of operating revenues and related expenditures. The Company has not paid any dividends on its common shares nor does it have any present intention of paying dividends on its common shares, as it anticipates that all available funds obtained in the foreseeable future will be invested to finance its business activities.

RESULTS OF OPERATIONS

As an exploration company, the Company has yet to generate any revenue since its inception from its planned operations.

The operating and administrative expenses for the nine months ended December 31, 2014 totalled $124,319 (December 31, 2013 - $190,409), including filing and transfer agent fees of $4,660 (December 31, 2013 - $7,786), investor relations of $3,164 (December 31, 2013 - $13,000), management and director fees of $92,500 (December 31, 2013 - $112,500), office and miscellaneous expenses of $4,368 (December 31, 2013 - $12,063) and professional fees of $18,261 (December 31, 2013 – $41,847).

The table below details the changes in major expenditures for the nine months ended December 31, 2014 as compared to the nine months ended December 31, 2013:

Expenses	Increase / Decrease in Expenses	Explanation for Change
Investor relations	Decrease of $9,836	Decreased fees related to less investor relations activity.
Management and director fees	Decrease of $20,000	Decreased due to resignation of a director.
Office and miscellaneous	Decrease of $7,695	Decreased as less general corporate activity and cost cutting initiatives.
Professional fees	Decrease of $23,586	Decreased due to lower legal fees as a result of less corporate activity.

The table below details the changes in major expenditures for the three months ended December 31, 2014 as compared to the three months ended December 31, 2013:

Expenses	Increase / Decrease in Expenses	Explanation for Change
Management and director fees	Decrease of $6,000	Decreased due to resignation of a director.
Office and miscellaneous	Decrease of $4,284	Decreased as less general corporate activity and cost cutting initiatives.
Professional fees	Decrease of $11,487	Decreased due to lower legal fees as a result of less corporate activity.

SUMMARY OF QUARTERLY RESULTS FOR THE LAST CONSECUTIVE 8 QUARTERS

Historical quarterly financial information derived from the Company's eight most recently completed quarters is as follows:

	Quarters Ended			
	December 31, 2014	**September 30, 2014**	**June 30, 2014**	**March 31, 2014**
	$	$	$	$
Loss	(44,787)	(124,245)	(37,451)	(89,009)
Loss Per Share	(0.01)	(0.02)	(0.00)	(0.01)
Weighted Average Number of Shares	8,245,400	8,245,400	8,245,400	8,245,400
	December 31, 2013	**September 30, 2013**	**June 30, 2013**	**March 31, 2013**
	$	$	$	$
Loss	(311,514)	(70,021)	(56,177)	(77,680)
Loss Per Share	(0.04)	(0.01)	(0.01)	(0.01)
Weighted Average Number of Shares	8,245,400	8,241,052	8,145,400	8,145,400

The variations in net loss from quarter to quarter are a result of the extent of the amount of administrative expenses needed, due to the amount of activity the Company is incurring on its exploration and evaluation assets, and the amount of write-downs and impairments recorded.

The following one-time events occurred:

- In the quarter ended September 30, 2014, the Company wrote down the Chu Chua property in the amount of $82,079 as the Company failed to meet the required payment obligation;
- In the quarter ended March 31, 2014, the Company abandoned the Idaho Property and wrote down related exploration and evaluation property interests of $37,229; and
- In the quarter ended December 31, 2013, the Company wrote down the Gold Basin Property by $248,603 as a result of the dispute with the Optionors.

SUMMARY OF EXPLORATION PROPERTIES

For the nine months ended December 31, 2014, the Company incurred $850 in deferred exploration and development costs compare to $148,088 in deferred exploration costs for the corresponding nine months ended December 31, 2013.

The following is a breakdown of the changes in material components of the Company's deferred exploration and development costs on the properties for the nine month periods ended December 31, 2014 and 2013:

	Gold Basin Property	Idaho Property	Chu Chua Property	Total Balance
	$	**$**	**$**	**$**
Nine months ended December 31, 2013				
Property acquisition and staking costs	-	10,708	10,067	20,775
Exploration expenditures				
Field gear and supplies	-	646	-	646
General administration	182	3,799	1,267	5,248
Geological consulting and engineering	-	57,164	12,600	69,764
Land claims	-	-	4,988	4,988
Mapping and prospecting	-	8,950	-	8,950
Samples and lab analysis	-	15,264	-	15,264
Travel and accommodation	24	14,122	8,307	22,453
	206	**110,653**	**37,229**	**148,088**
Nine months ended December 31, 2014	**-**	**-**	**-**	**-**
Exploration expenditures				
General administration	**-**	**-**	**850**	**850**

The total cumulative acquisition and deferred exploration costs to December 31, 2014 are summarized as follows:

	Gold Basin Property ($)	**Idaho Property ($)**	**Chu Chua Property ($)**	**Total Balance ($)**
Property acquisition and staking costs	124,635	10,067	10,708	145,410
Exploration expenditures				
Field gear and supplies	-	-	646	646
General administration	2,109	1,267	5,449	8,025
Geological consulting and engineering	37,316	12,600	57,164	107,080
Land claims	-	4,988	-	4,988
Legal fees	1,480	-	-	1,480
Mapping and prospecting	-	-	8,950	8,950
Permits and licenses	82,869	-	-	82,869
Samples and lab analysis	-	-	15,264	15,264
Travel and accommodation	195	8,307	14,122	22,624
	248,604	37,229	112,303	398,136
B.C. mineral exploration tax credit	-	-	(30,224)	(30,224)
Write down of exploration and evaluation property interests	(248,603)	(37,229)	(82,079)	(367,911)
Cumulative deferred exploration costs at December 31, 2014	**1**	**-**	**-**	**1**

Exploration Update

Due to persistent financial challenges within the industry, the Company is evaluating strategic alternatives on how best to proceed prior to advising on further decisions regarding its exploration programs.

Property Written Down During Fiscal 2015:

Chu Chua Property

In June 2013 (later amended in July 2013 and June 2014), the Company optioned to earn 100% interest in 61 contiguous mining claims consisting of 11,592 hectares, which compromise the Kamloops Au Cu Property. The property is located in the Kamloops Mining Division, approximately 24 kilometres northeast of Barriere, British Columbia.

The Property is part of the mineral-rich Adams Plateau-Vavenby belt of south-central British Columbia, host of the Harper Creek Deposit (measured and indicated resource of 532.1 MMt grading 0.31% Cu, 0.032 g/t Au, 1.08 g/t Ag; Narcisco and others, 2011) and the Sumatosum Deposit with past production of 14 MM oz silver, 21 M oz gold, 8 M lbs copper, 11 M lbs lead and 21 M lbs zinc from 612 M tons of ore milled.

There are at least seven (7) significant mineral occurrences on the Property and in 2013 the company explored two: a gold showing in Devonian-age rhyolitic porphyry; and a copper anomaly discovered directly south of and contiguous with the Chu Chua massive sulfide copper deposit which has a NI 43-101 compliant inferred resource measuring 2.5 MM tonnes averaging 2% copper, 0.3% zinc, 9.4 g/t silver and 0.5 g/t gold assuming a copper block cut-off grade of 1.0% and 75% of the resource within 100m of the surface (Dufresne and others, 2012); the Company's qualified person has been unable to verify the above information and it is not necessarily indicative of the mineralization on the Property. The gold showing has a strike length approximating 6 km and a width that varies between about 400 and 700 m. The host rocks are silicified, veined and brecciated high level porphyritic felsic intrucions of Devonian age. Wholesale silica replacement, combined with multiple episodes of veining and brecciation make this target appealing. More than 400 prospecting grab samples were collected, several having multi-gram gold values and many containing anomalous to very anomalous gold concentrations. Reconnaissance VLF lines across the target were undertaken to identify massive pyrite zones that may, based on historical drill data, contain multi gram to multi ounce gold concentrations. As well, Ah (humus) soils samples were taken adjacent to rock samples to test the efficacy of this exploration tool as a vector to gold. The copper anomaly located due south of the Chu Chua deposit was identified using Ah (humus) soil samples and VLF (very long frequency) geophysical techniques. In both cases the signatures seen over the Chu Chua deposit were repeated south of the deposit suggesting the possibility of a southward extension. This work was reconnaissance in nature and will require field follow-up.

The Optionors granted an option to the Company to acquire a 100% interest in the Property on the terms and conditions of the Option Agreement subject to the following:

(a) Incurring exploration expenditures on the claim as follows:
   (i) $125,000 on or before August 31, 2014,
   (ii) an additional $475,000 on or before August 31, 2015,
   (iii) an additional $650,000 on or before August 31, 2016,
   (iv) an additional $750,000 on or before August 31, 2017;

(b) Issuing shares to the Optionor, in each case, other than the initial share issuance, upon the Company deciding to continue with exploration efforts on the claim, as follows:
   (i) 100,000 shares on July 5, 2013 (issued at a value of $10,000),
   (ii) an additional 150,000 shares thirty calendar days after confirmation of the Company incurring $125,000 in cumulative exploration expenditures,
   (iii) an additional 200,000 shares thirty calendar days after confirmation of the Company incurring $600,000 in cumulative exploration expenditures,
   (iv) an additional 250,000 shares thirty calendar days after confirmation of the Company incurring $1,250,000 in cumulative exploration expenditures,
   (v) an additional 300,000 shares thirty calendar days after confirmation of the Company incurring $2,000,000 in cumulative exploration expenditures; and

(c) The Company making a one-time cash payment of $500,000 to the Optionors thirty calendar days after confirmation that the Company incurred $2,000,000 in exploration expenditures on or before August 31, 2017 and upon the Company deciding to continue with exploration efforts on the claim.

The Company failed to meet its payment obligation under the option agreement and wrote-down related costs of $82,079.

Properties Written Down During Fiscal 2014:

Gold Basin Property

The Properties comprised approximately 7,700 acres, or almost 12 square miles, of mineral rights and mining claims in North Western Arizona. The area is easily accessible 12 months of the year.

In 2011, a National Instrument 43-101 compliant technical report (the “Technical Report”) was prepared on the Properties on behalf of the Company. The Technical Report discussed the relevance of the historical exploration activities at the Properties and the merits of further exploration work. As recommended in the Technical Report, the Company planned to verify the historical results achieved from past exploration efforts on the Properties prior to further work.

The verification process commenced with the compilation of the significant body of past data into a technically current and usable GIS database, which could then be reviewed and evaluated to determine the best possible approach for the Company to proceed with activities on the Properties. CDM Smith of Irvine California was engaged to compile the available historical drill data from the Properties and generated a preliminary Vulcan software model of these results. Additional historical exploration data was planned to be added to the current Vulcan model, prior to further exploration decisions.

As otherwise reported, the Company was been advised of internal disputes between shareholders and a director of Aurumbank, one of the Optionors, which are the holders of record to the Properties. In addition, there have been numerous occasions where the director of Aurumbank has failed to respond to repeated requests for information made by the Company. Due to these events, the Company has been unable to obtain access to critical records and technical data regarding the Properties. As a result, the Company has been unable to properly identify mineral exploration targets on the Properties and has been effectively prohibited from pursuing its exploration and development program. The Company has accordingly deferred further activities on the Properties until the dispute is settled. The Company gave notice to the Optionors to this effect on January 25, 2013.

Given the uncertainty in the status of the Option Agreement, the Company decided to write down the property to $1 as at March 31, 2014.

Idaho Property

In April 2013, the Company staked 33 lode mining claims south east of Salmon Idaho. The Company has commenced with a local initiative in Lemhi County, Idaho. The Company aligned itself with local Lemhi County community leaders and geological experts, Mr. Dennis Krasowski MSc, P Geo and Mr. Brian Brewer BSc, P Geo. The purpose of this alignment/association was to establish a locally based mineral management, exploration, and development team in the County, which can then be engaged with the many local mineral property owners resident in the region.

The intention was to aggregate many of the smaller scale properties existing, some of which reportedly held historic non-compliant mineralized resources, into a collective total that over time, would prove to be economically feasible to develop.

During the year ended March 31, 2014, the Company abandoned this property and wrote-down related exploration and evaluation property interests of $37,229.

Quality Assurance/Quality Control

Robert I. Thompson, PhD, P Eng., who is the Company's Qualified Person as defined under NI 43-101 and a director of the Company has reviewed and approved the contents of the Discussion on Properties section above.

LIQUIDITY, FINANCIAL POSITION, AND CAPITAL RESOURCES

The Company has financed its operations to date through the issuance of common shares. The Company continues to seek capital through various means including the issuance of equity and/or debt. As at December 31, 2014, the Company's liquidity and capital resources were as follows:

	December 31, 2014	March 31, 2014
	$	$
Cash and cash equivalents	9,003	23,094
Receivables	620	847
Prepaid expenses and deposits	848	947
Total current assets	10,471	24,888
Payables and accrued liabilities	163,883	83,574
Working capital deficit	(153,412)	(58,686)

The Company's operations consist of acquisition, maintenance, and exploration of mineral properties. The Company's financial success will be dependent on the extent to which it can discover new mineral deposits.

As at December 31, 2014, the Company had cash and cash equivalents of $9,003 (March 31, 2014 - $23,094) consisting of proceeds from its last private placement in fiscal 2012. As at December 31, 2014, the Company had a working capital deficit of $153,412 (March 31, 2014 - $58,686).

The Company's continuation as a going concern is dependent on its ability to raise equity capital or borrow debt to acquire new mineral projects and meet current working capital requirements. See "Risks and Uncertainties".

OFF BALANCE SHEET ARRANGEMENTS

The Company did not have any off-balance sheet arrangements as at December 31, 2014 or as of the date of this report.

COMMITMENTS

In April 2012, the Company entered into an Investor Relations Agreement ("IRA") for the provision of certain investor relations services, including assisting the Company with developing a social media platform, as further set out in the IRA. In consideration for the services, the Company agreed to pay the Consultant: $2,500 upon the execution of the IRA; $2,500 upon the Company reviewing and approving the launch of the social media platform; $2,000 per month during the initial six month term of the IRA; and $2,500 per month upon completion of the initial term, which would have continued on a month to month basis until terminated by the Company and the Consultant. Effective February 1, 2013 to April 30, 2013, the IR fee had been reduced to $1,000 per month on a month to month basis with review to follow. The Company suspended payment to this consultant effective November 1, 2013.

Pursuant to the terms of the IRA, the Company agreed to grant the consultant up to 30,000 stock options based on certain milestones, with an initial 10,000 options being granted upon the commencement of services, at an exercise price of $0.25 per share and exercisable for a period of five years, vesting over a period of twelve months, with 25% of such initial options vesting every three months.

The remaining 20,000 stock options were not granted and the IRA was terminated during the year ended March 31, 2014.

RELATED PARTY TRANSACTIONS

During the nine months ended December 31, 2014, the Company entered into the following transactions with key management personnel (senior officers and directors).

a) Incurred $94,500 (December 31, 2013 - $94,500) in management fees to Drew Bonnell, President and CEO of the Company. As at December 31, 2014, $142,000 (March 31, 2014 - $54,500) was included in accounts payable and accrued liabilities for unpaid management fees.
b) Recovered $2,000 (December 31, 2013 – incurred fees $18,000) in director fees relating to Roman Friedrich III, a former director of the Company.

Below is a summary of key management personnel compensation:

	For the nine months ended December 31,	
	2014	2013
	$	$
Management and director fees	**92,500**	112,500

These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related party.

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including directors (executive and non-executive) of the Company.

RISKS AND UNCERTAINTIES

The business and operations of the Company are subject to numerous risks, many of which are beyond the Company's control. The Company considers the risks set out below to be some of the most significant to potential investors in the Company, but not all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently unaware or which it considers to be material in relation to the Company's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

Exploration, Development and Operating Risks

The Company has not yet determined whether their mineral properties contain economically recoverable reserves and, therefore, has not generated any revenues from production. The recovery of expenditures on mineral properties and the related deferred exploration expenditures are dependent on the existence of economically recoverable mineralization, the ability of the Company to obtain financing necessary to complete the exploration and development of the Properties, and upon future profitable production, or alternatively, on the sufficiency of proceeds from disposition. Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful.

Risk of Potential Litigation

The Company has received correspondence from a group of shareholders of Aurumbank Incorporated in which such shareholders have notified the Company that they have commenced a lawsuit against a current director of Aurumbank alleging breach of fiduciary duty against such director. Although no such threat of litigation has been made against the Company, the Company may be included as a party in such litigation and portions of the Properties may become the subject of any such lawsuit. Such litigation may be time consuming and costly, and, as with all litigation, there is no guarantee of success. Should any such litigation be determined adversely to the Company, such litigation may have a material and adverse effect on the Company's ongoing operations and financial condition.

On August 6, 2014, the Company was served a summon, Certificate on Compulsory Arbitration, and Complaint (Quiet Title) stating a lawsuit had been filed against the Company in the Superior Court of the State of Arizona USA regarding the Gold Basin Project in Arizona. While discussions designed to resolve matters between the Company and the Optionors have been initiated, at the time of this filing, no resolution has been reached.

Substantial Capital Requirements and Liquidity

Substantial additional funds for the establishment of the Company's planned mining operations will be required. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations. Mineral prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures and operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and pursue only those projects that can be funded through cash flows generated from its existing operations, if any.

Fluctuating Mineral Prices

The economics of mineral exploration are affected by many factors beyond the Company's control, including commodity prices, the cost of operations, variations in the grade of minerals explored and fluctuations in the market price of minerals. Depending on the price of minerals, the Company may determine that it is impractical to continue a mineral exploration operation. Mineral prices are prone to fluctuations and the marketability of minerals is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of any minerals found on the Properties.

Regulatory, Permit and License Requirements

The future operations of the Company require permits from various governmental authorities, and such operations are and will be governed by laws and regulations concerning exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for facilities and the conduct of exploration and development operations on the Properties will be obtainable on reasonable terms, or that such laws and regulations will not have an adverse effect on any exploration or development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, 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 exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or exploration and development costs, or require abandonment or delays in the development of new or existing properties.

Title to Properties

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. The Company cannot give an assurance that title to the Properties will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that the Optionors or the Company, as the case may be, does not have title to the Properties could cause the Company to lose any rights to explore, develop and mine any minerals on the Properties without compensation for its prior expenditures relating to the Properties.

Competition

The mineral exploration and development industry is highly competitive. The Company will have to compete with other mining companies, many of which have greater financial, technical and other resources than the Company, for, among other things, the acquisition of minerals claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. Failure to compete successfully against other mining companies could have a material adverse effect on the Company and its prospects.

Reliance on Management and Dependence on Key Personnel

The success of the Company will be largely dependent upon the performance of its directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Environmental Risks

The Company's exploration and appraisal programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

Local Resident Concerns

Apart from ordinary environmental issues, the exploration, development and mining of the Properties could be subject to resistance from local residents that could either prevent or delay exploration and development of the Properties.

Conflicts of Interest

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers may become subject to conflicts of interest. The BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to an issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Company's results of operations and financial condition and could cause a decline in the value of the Company's shares.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

CRITICAL ACCOUNTING ESTIMATES

The preparation of condensed interim financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates on the resulting effects of the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

All of the Company's significant accounting policies and estimates are included in Note 2 of its Financial Statements for the nine months ended December 31, 2014. The most significant accounts that require estimates as the basis for determining the stated amounts include recoverability of exploration and evaluation assets, the valuation of share-based compensation and recognition of deferred tax assets and liabilities as follows:

Economic recoverability and probability of future economic benefits of exploration and evaluation assets
Management has determined that exploration, evaluation, and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including, geologic and other technical information, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

Valuation of share-based compensation
The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Income taxes
In assessing the probability of realizing income tax assets, management makes estimates related to expectation of future taxable income, applicable tax 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.

ACCOUNTING PRONOUCEMENTS NOT YET ADOPTED

There were no changes to the Company's accounting policies during the nine months ended December 31, 2014.

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the nine months ended December 31, 2014 and have not been applied in preparing the Financial Statements. The new and revised standards which will be effective to the Company's financial statements for the year ending March 31, 2016 or later:

a) *IFRS 9 – Financial Instruments: Classification and Measurement* applies to classification and measurement of financial assets and liabilities as defined in IAS 39. This amendment is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. The Company does not expect any effect on its financial statements from the adoption of this standard.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company has deposited the cash with its bank from which management believes the risk of loss is remote. The majority of the Company's receivables are amounts receivable from Canada Revenue Agency for excise tax credits and as such, the credit risk is minimal.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when due. Accounts payable and accrued liabilities are due within the current operating period. The Company does not currently have sufficient cash to settle current liabilities.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on call with financial institutions and management actively negotiates favourable market related interest rates.

Capital Management

The Company defines capital as the Company's shareholder's equity. The Company's objectives when managing capital is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. See Note 9 of the Financial Statements for further discussion.

DISCLOSURE OF DATA FOR OUTSTANDING COMMON SHARES, OPTIONS AND WARRANTS

Common Shares

As at December 31, 2014 and at the date of this report, the Company had 8,245,400 common shares issued and outstanding.

	As at December 31, 2014	**As at March 2, 2015**
Common shares	8,245,400	8,245,400
Stock options	1,397,500	1,397,500
Share purchase warrants	1,555,000	1,555,000

Stock Options

The Company has granted incentive options to certain directors, officers, and consultants of the Company. As of the date of this report, there are four tranches of options as shown below:

Options outstanding and exercisable	Exercise price	Expiry date
	$	
10,000	0.25	April 11, 2017
527,500	0.20	February 10, 2021
175,000	0.20	January 27, 2022
685,000	0.25	March 23, 2022
1,397,500		

Share Purchase Warrants

As at the date of this report, the Company has one tranche of warrants outstanding as shown below:

Warrants outstanding	Exercise price	Expiry date
1,555,000	$0.30	July 27, 2015

Escrow Shares

As at the date of this report, the Company has nil shares subject to escrow under the terms of a Tier 2 Issuer Escrow Agreement pursuant to the requirements of the TSX-V.

OTHER MD&A REQUIREMENTS

Additional information relating to the Company may be found on or in:

- SEDAR at www.sedar.com,
- The Company's audited financial statements for the year ended March 31, 2014.
- The condensed interim financial statements for the three and nine months ended December 31, 2014.

This MD&A was approved by the Board of Directors of First Americas Gold Corp. effective March 2, 2015.