KLONDIKE GOLD CORP.

MANAGEMENT DISCUSSION & ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED NOVEMBER 30, 2013

Corporate Information

Klondike Gold Corp ("Klondike Gold" or the "Company") is a Canadian listed public company with its shares traded on the TSX Venture Exchange under the symbol "KG" as a Tier 2 company.

The Company is a resource exploration stage company engaged in the acquisition and exploration of mineral properties. For the funding of property acquisitions and exploration that the Company conducts, the Company depends on the issuance of shares from the treasury to investors and does not use long term debt. The Company currently holds exploration properties in Canada. The Company's Canadian properties are located in the Yukon, British Columbia and Ontario. For more information, please refer to the properties section.

Additional information relating to the Company can be found on SEDAR at www.sedar.com and also on the Company's website at www.klondikegoldcorp.com.

Management Discussions and Analysis

This Management Discussion and Analysis ("MD&A") should be read in conjunction with the audited consolidated financial statements of the Company for the year ended February 28, 2013, which were prepared in accordance with International Financial Reporting Standards (IFRS).

The Company's consolidated financial statements have been prepared on a going concern basis, which presume the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The Company's ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining additional financing. While the Company is extending its best efforts in this regard, the outcome of these matters cannot be predicted at this time. The accompanying unaudited condensed consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

This MD&A has been prepared as of January 28, 2014. All amounts are expressed in Canadian dollars unless otherwise stated.

Forward Looking Information

This MD&A includes some statements that may be considered "forward-looking statements". All statements in this discussion that address the Company's expectations about future exploration and development are forward-looking statements. Although the Company believes the expectations presented 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 market prices, exploration successes, availability of capital and financing, and general economic, market, and business conditions. Readers are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

Risks and Uncertainties

The Company is subject to a number of risks and uncertainties due to the nature of its business. The Company's exploration and development activities expose the Company to various financial and operational risks that could have a significant impact on its level of operating cash flows in the future. Readers are advised to study and consider risk factors stressed below. The following are identified as main risk factors that could cause actual results to differ materially from those stated in any forward-looking statements made by, or on behalf of, the Company.

Financing

The Company's future financial success depends on the ability to raise additional capital from the issue of shares or the discovery of properties which could be economically justifiable to develop. Such development could take years to complete and resulting income, if any, is difficult to determine. The sales value of any mineralization potentially discovered by the Company is largely dependent upon factors beyond the Company's control, such as the market value of the products produced.

Properties

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

General Resource Exploration Risks and Competitive Conditions

The resource exploration industry is an inherently risky business with significant capital expenditures and volatile metals markets. The marketability of any minerals discovered may be affected by numerous factors that are beyond the Company's control and which cannot be predicted, such as market fluctuations, mineral markets and processing equipment, and changes to government regulations, including those relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. This industry is intensely competitive and there is no guarantee that, even if commercial quantities are discovered, a profitable market will exist for their sale. The Company competes with other junior exploration companies for the acquisition of mineral claims as well for the engagement of qualified contractors. Metal prices have fluctuated widely in recent years, and they are determined in international markets over which the Company has no influence.

Governmental Regulation

Regulatory standards continue to change, making the review process longer, more complex and therefore more expensive. Exploration and development on the Company's properties are affected by government regulations relating to such matters as environmental protection, health, safety and labour, mining law reform, restrictions on production, price control, tax increases, maintenance of claims, and tenure. There is no assurance that future changes in such regulations couldn't result in additional expenses and capital expenditures, decreasing availability of capital, increased competition, reserve uncertainty, title risks, and delays in operations. The Company relies on the expertise and commitment of its management team, advisors, employees and contractors to ensure compliance with current laws.

Overall Financial Performance

Financial Condition

As at November 30, 2013, a total of $9.1 million was invested in exploration and evaluation assets (February 2013 - $8.5 million) of which $4.7 million was invested in the Yukon, $3.9 million in British Columbia, $433,000 in Ontario and $122,000 in Portugal. Total assets decreased slightly to $10.1 million (February 2013 - $10.3 million), total liabilities decreased by $70,000 to $275,000 (February 2013 - $345,000) and shareholders' equity decreased slightly to $9.8 million (February 2013 - $10.0 million).

Results from Operations (9 Months)

During the nine months ended November 30, 2013, the Company's cash decreased by $1.038 million. Cash received as a result of financing activities included $798,000 (November 2012 - $600,000) net from the issuance of shares, $396,000 received on share subscriptions issued in the prior year (November 2012 - nil) and $109,000 (November 2012 - $344,000) of restricted cash redeemed for cash. Cash used in investing activities included $653,000 (November 2012 - $2.561 million) used to fund exploration and evaluation expenditures, $584,000 (November 2012 - nil) invested in the Joint Venture, $199,000 (November 2012 - nil) used to fund reclamation bonds, partially offset by $8,000 (November 2012 - nil) received on the sale of equipment. Cash used in operating activities totaled $912,000 (November 2012 - $425,000).

Expenditures on the Company's Yukon claims totaled $541,000 (November 2012 - $2.2 million) of which $384,000 was spent on geology and $57,000 was spent on field supplies. $57,000 was spent on geology in its Portuguese properties (November 2012 - $37,000) and $55,000 (November 2012 - $298,000) was spent in BC.

The Company's comprehensive loss for the period was $1.6 million which was up from $598,000 from the prior year. The most significant change from the prior period was the Company's share of loss during the startup of KG46 Holdings Ltd. during its first full operating season of $359,000 (2012 - $Nil).

Results from Operations (3 Months)

The Company's comprehensive loss for the quarter was $355,000 which was down from comprehensive income of $565,000 from the prior year quarter. The most significant change from the prior year quarter was the Company's share of loss during the startup of KG46 Holdings Ltd. during its first full operating season of $359,000 (2012 - $Nil).

Summary of Quarterly Results

Quarter Ended

	Nov. 30, 2013	Aug. 31, 2013	May 31, 2013	Feb. 28, 2013
Other Income (Loss)	(96,263)	(117,369)	(130,836)	(383,309)
Net Income (Loss)	(355,171)	(453,121)	(816,212)	(896,677)
Net Income (Loss) Per Share	(0.00)	(0.00)	(0.01)	(0.01)

	Nov. 30, 2012	Aug. 31, 2012	May 31, 2012	Feb 29, 2012
Other Income (Loss)	857,405	5,804	3,676	(69,854)
Net Income (Loss)	567,957	(393,128)	(750,362)	(417,463)
Net Income (Loss) Per Share	(0.00)	(0.00)	(0.01)	(0.01)

The net losses in the quarters ended May 31, 2012 and May 31, 2013 includes stock-based compensation. The net losses in the quarter ended February 29, 2012 includes write-off of exploration and evaluation assets.

Financial Liquidity and Capital Resources

Nature of Financing Activities

The Company has financed its operations primarily by the issue of share capital. The continued operations of the Company are dependent on its ability, to receive continued financial support from public equity financing.

Subsequent to November 30, 2013, the Company received $500,000 in loans from various investors to cover immediate operating expenses and help restructure the Company.

Private Placement Activity

	Shares Issued	Proceeds	Cost Per Share
October 2013	1,200,000	$ 62,000	$0.052
February / March 2013	27,880,000	$2,297,100	$0.082

Working Capital

The Company had a working capital deficiency of $(137,928) at November 30, 2013 compared to working capital of $1,002,721 at February 28, 2013. The Company's cash position at November 30, 2013 was $58,413 and at February 28, 2013 was $1,096,304.

Transactions with Related Parties

Key Management Compensation

Key management is comprised of the Company's executive officers and directors. Consulting and wages paid to key management for the period ended November 30, 2013 amounted to $226,600. Payments to key management personnel including the Directors and Officers are wages and consulting fees and are directly related to their position in the organization. In addition to consulting and wages, $12,000 was deferred in exploration and evaluation assets for the nine months ended November 30, 2013.

On March 22, 2013, the Company granted 3,500,000 incentive stock options to directors and officers of the Company for a period of three years. Included in stock based compensation expense for the nine months ended November 30, 2013 is nil (2012 - $164,800 for options issued to directors and officers.

Other Related Party Transactions

In addition to related party transactions disclosed in the available-for-sale investments note and the mineral properties note, the Company entered into the following transactions and had the following balances payable with related parties. The transactions were recorded at fair value. Balances outstanding are non-interest bearing, unsecured and had no specific terms for collection or repayment.

a) Due to related parties comprised $Nil (February 28, 2013 - $4,408) payable to a company controlled by a director and $Nil (February 28, 2013 - $39,960) to companies with common directors and $35,000 (February 28 2013 - $31,503) to directors and officers. These amounts were settled in full subsequent to November 30, 2013.

b) Under an agreement for services and cost recovery, the Company was charged administration fees of $18,050 (February 28, 2013 - $180,000) by a company controlled by a former director. The agreement has been terminated.

c) The Company was charged $Nil (February 28, 2013 – $6,000) for rent in the Yukon by a director. In addition, the Company was charged $12,000 (February 28, 2013 – $4,025) for consulting fees by directors and a family member of an officer. These amounts were included in exploration and evaluation assets.

   The Company has amounts receivable from companies with directors formerly in common in the amount of $29,725 (February 28, 2013 - $17,551) for expenses and shared mineral property costs. The advances are unsecured, non-interest bearing and have no fixed terms of repayment. The Company has a receivable from a former director of $25,000 (February 28, 2013 - $25,000). The Company has a receivable from directors of $6,996 (February 28, 2013 - $10,000) for a prepaid expense advance.

Material Transactions

Klondike Star Minerals Corporation

On March 1, 2012, the Company announced a proposal to acquire, by way of a takeover bid to be conducted in accordance with applicable regulatory requirements, a majority equity interest in the common voting shares of Klondike Star Mineral Corporation (“Klondike Star”), a Delaware company. During the period, the Company has been preparing the necessary regulatory requirements with the U.S. Securities and Exchange Commission to complete the takeover of Klondike Star.

The Company will invite the shareholders of Klondike Star to exchange their common shares (the “Klondike Star shares”) for newly issued Klondike Gold common shares on the basis of four (4) Klondike Star shares for one (1) share of Klondike Gold. The offer is subject to the tender of a sufficient number of Klondike Star shares to provide the Company with a minimum 66.6% interest in Klondike Star. The offer is also subject to various regulatory approvals including acceptance for filing by the TSX Venture Exchange.

Klondike Star has approximately 68 million common shares issued and outstanding. Accordingly, the Company will be seeking to acquire a minimum of 45 million Klondike Star shares. To make this acquisition, the Company will issue a total of 11.25 million common shares in its capital, if the minimum amount is tendered, and up to a total of 17 million shares, if all of the shares of Klondike Star are tendered. There will be no change in effective control, or change in control, of the Company as a result of the share exchange, and no new control person in the Company will be created by this transaction.

Klondike Star’s principal asset is a 20 % interest in Lonestar Gold Inc. and a 27.5 % interest in the Lone Star property, which interest has been optioned to Lonestar Gold Inc. Klondike Star also holds a 55% stake in 342 quartz claims that cover important areas of the northern Klondike Gold Fields and a 100 % interest in the 26 quartz claims that form the Gold Run Property, Yukon Territory. Further, Klondike Star also holds rights over 188 placer claims located in the Indian River Gold Fields in the Dawson Mining District, Yukon Territory.

Adding the additional Klondike Star claims, produces a continuous block of 1,100 quartz claims covering nearly 200 square kilometers of the northern and southern Klondike Gold Fields. The consolidation of this title will allow for more efficient exploration of this project and enhanced access to exploration funding.

New Accounting Standards and Interpretations

Following the joint arrangement of KG 46 Holdings Ltd., the Company determined that it holds an interest in a joint venture as defined under IFRS 11 and elected to early adopt IFRS 10, 11 and 12, and IAS 27, new pronouncements relating to the accounting and presentation of joint ventures and to consolidation. The Company has applied the standards retrospectively. The standards did not result in significant changes to the Company's prior year financial statements.

IFRS 10 'Consolidated Financial Statements' – effective for annual periods beginning on or after January 1,2013, with early adoption permitted, establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities.

IFRS 11, 'Joint Arrangements' – effective for annual periods beginning on or after January 1, 2013, with early adoption permitted provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. There are two types of joint arrangement; joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and therefore accounts for its share of assets, liabilities, revenue and expenses. Joint ventures arise where the joint venture has rights to the net assets of the arrangement and therefore equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed. The Company had early adopted the standard and accounted for its investment in KG46 using the equity method.

IFRS 12 'Disclosure of Interests in Other Entities' – effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, requires the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows. During the year ended February 28, 2013, the Company elected to early adopt this standard.

IAS 27 'Separate Financial Statements'– effective for annual periods beginning on or after January 1, 2013, as a result of the issue of the new consolidation suite of standards, IAS 27 Separate Financial Statements has been reissued, as the consolidation guidance will now be included in IFRS 10. IAS 27 will now only prescribe the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.

IAS 28 'Investments in Associates and Joint Ventures' – effective for annual periods beginning on or after January 1, 2013, as a consequence of the issue of IFRS 10, IFRS 11 and IFRS 12, IAS 28 has been amended and will provide the accounting guidance for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The amended IAS 28 will be applied by all entities that are investors with joint control of, or significant influence over, an investee. During the year ended February 28, 2013, the Company elected to early adopt this standard. Certain new accounting standards and interpretations have been published that are not mandatory for the February 28, 2013 reporting period. The Company has not early adopted the following new and revised standards, amendments and interpretations that have been issued but are not yet effective:

IFRS 7 'Financial Instruments: Disclosures' – effective for annual periods beginning on or after January 1, 2015, is amended to outline the disclosure required when initially applying IFRS 9 Financial Instruments. IFRS 9 'Financial Instruments: Classification and Measurement' – effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, introduces new requirements for the classification and measurement of financial instruments.

IFRS 13 'Fair Value Measurement' – effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, provides the guidance on the measurement of fair value and related disclosures through a fair value hierarchy.

IFRS 32 'Financial Instruments: Presentation' - effective for annual periods beginning on or after January 1, 2014, is amended to provide guidance on the offsetting of financial assets and financial liabilities. IAS 1 'Presentation of Financial Statements' – the IASB amended IAS 1 effective for annual periods beginning on or after July 1, 2012 with a new requirement for entities to group items presented in other comprehensive income on the basis of whether they are potentially re-classifiable to profit or loss.

The Company anticipates that the application of the above new and revised standards, amendments and interpretations will have no material impact on its results and financial position. Disclosure changes are anticipated.

Financial Instruments and Other Instruments

Commodity Price Risk

The Company's ability to raise capital to fund exploration or development activities is subject to risk associated with fluctuations in the market prices of base and precious metals including gold, silver, zinc and lead, and the outlook for these metals. The Company does not have any hedging or other derivative contracts respecting its operations.

Market prices for metals historically have fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, levels of worldwide production, short-term changes in supply and demand, industrial and retail demand, central bank lending, and forward sales by producers and speculators. The Company has elected not to actively manage its commodity price risk, as the nature of Company's business is in exploration.

Liquidity Risk

The liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages its liquidity risk through careful management of its financial obligations in relation to its cash position. Using budgeting processes the Company manages its liquidity requirements based on expected cash flow to ensure there are adequate funds to meet the short term obligations during the year.

During the past years the Company has been able to maintain its liquidity position through private placements.

Outstanding Share Data – As of January 28, 2014

Authorized share capital

The authorized share capital consists of an unlimited number of common shares.

Common Shares

An aggregate of 116,685,008 common shares are issued and outstanding.

Preferred Shares

There are Nil preferred shares issued and outstanding.

Warrants

The Company has the following warrants outstanding:

Number Outstanding	Exercise Price Per Share	Expiry Date
406,667	$1.50	September 30, 2014
326,667	$1.50	November 15, 2014
2,937,500	$0.20	October 22, 2015
600,000	$0.12	October 30, 2016
4,270,834		

Options

The Company has the following options outstanding:

Number Outstanding	Exercise Price Per Share	Expiry Date
86,333	$1.50	February 4, 2014
350,000	$0.20	March 4, 2014
500,000	$0.10	March 4, 2014
33,333	$1.50	December 31, 2014
400,000	$0.20	December 31, 2014
500,000	$0.10	December 31, 2014
250,000	$0.10	March 21, 2015
250,000	$0.20	March 21, 2015
3,125,000	$0.10	March 21, 2016
48,333	$1.50	February 2, 2017
2,515,000	$0.20	February 28, 2017
8,057,999		

Additional Disclosure

Contractual Obligations

The Company has future obligations under various contracts relating to an operating lease and minimum conditional and non-conditional exploration commitments to keep properties agreements in good standing. The obligations for any conditional exploration expenditures are non-binding, as the Company has the option to relinquish these licenses and any right to the properties at any time. A summary of these contractual obligations (based on undiscounted cash flows) as at November 30, 2013:

	Total	< 1 Year	1-3 Years	3-5 Years	5+ Years
Operating Lease	$33,675	$33,675	$Ni	$Nil	$Nil

Yukon Properties

Lone Star

Title Holder:	Klondike Gold Corp
KG Ownership:	The Company currently owns 72.5% of the property, which is comprised of a 22.5% ownership in the Company's name and 50% in a subsidiary's. The remaining 27.5% is owned by Klondike Star Mineral Corporation. The proposed takeover of Klondike Star will result in a 100% Klondike Gold Corp ownership of the Lone Star property.
Acquisition Method:	Earned-in/staked
Underlying Royalties:	No
Land:	134 km^2 claims & 214 ha Crown Grants
Claims:	722 claims, 14 Crown Grants
Location:	20 km Southeast of Dawson City 586700 m E 7086000 m N, UTM ZONE 7N (NAD83)
Mineral Targets:	Gold

Recent Work

2013 Exploration on the Lone Star Property

Work on the Lone Star Property in 2013 focused on producing a comprehensive property scale geology map that combined reexamination of outcrop, pit and trench exposures, and includes soil, prospecting and drilling information as well as recently compiled historic structural information. This is the first comprehensive detailed geology map produced for the property since a smaller area was mapped by Kennecott in the early 1990's. The new mapping provides a framework for future drill targeting.

Pre-2013 Exploration on the Lone Star Property

During the 2012 exploration season Klondike Gold Corp. conducted diamond drilling, trenching, soil sampling, rock sampling, geological mapping and prospecting on the Lone Star Property

2012 Exploration Highlights

- Boulder Lode open cut results of 1.86 g/t over 5 by 25 m, including **9.43 g/t over 2.5 by 4.2 m** of the excavation and significant advances in understanding of the structural and lithologic control on two types of gold mineralization
- Nugget Zone mapping, extension and grab samples of **179 g/t Au with 78 g/t Ag** and recognition of a possible trend to the Buckland Zone
- Upper Eldorado grab samples of up to **98.8 g/t Au with 20.7 g/t Ag**
- Violet Ridge trend advancement with high sample of **47.4 g/t Au and 894 g/t Ag** and recognition of possible 4 km strike length

Historical Work Summary

The Lone Star property has a long history starting with the 1896 gold rush and contains many active placer claims. It also has two past producing mines, the Lone Star mine (Boulder Lode) which operated from 1911-1914 and the Violet mine from 1901-1907.

The following is a list of the significant work completed on the project:

- 1901-1907: Violet mine development of including: 3 shafts (47, 7 and 11 m deep), 133 m of drifting and an open cut mining (15 by 4 by 5 m), and a 1065 m tramway to a cyanide mill on Ophir Creek. The mill processed 4.5 tonnes in 1905 and 1.4 tonnes in 1906.
- 1911-1914: The Lone Star mine produces 1,545 oz @ 5.20 g/t.
- 1940-1947: 27.2 tonne bulk sample.
- 1960-1961 when the claims were explored with bulldozer trenching and sampling as well as 180 m of diamond drilling and 84 m of churn drilling.
- 1967: Airborne magnetics survey of area published by Geological Survey of Canada
- 1979-1985: Dawson Eldorado Gold Exploration / Klondike Ken Ventures explored the property with geochemical sampling, a resistivity survey and trenching in 1980-81, geological mapping in 1983 and 1984 and geochemical sampling and rock sampling of old workings in 1984. In 1985, Dawson Eldorado drilled 6 percussion holes (183 m).
- 1986-1994: Arbor Resourses then Kennecott Canada Inc. as part of an option agreement with Arbor conducted exploration on the property. This included multiple geophysics grids and 196 drill holes consisting of 13,075 m of RC and percussion drilling and 8094 m of diamond drilling. In addition approximately 220 trenches were dug and over 4000 trench samples assayed as well as over 5000 soil samples across the property. The majority of the work was concentrated around the Boulder Lode and the Nugget to Buckland Zone between Gay Gulch and 27 Pup which accounted for 68 and 63 drill holes respectively.
- 1995: Kennecott terminated its option agreement with Arbor Resources who changed their name to Klondike Gold Corp. in 1996.
- 1996: Newmont performed bulk sampling and amenability to milling tests as an evaluation of the property.
- 2004: Klondike Gold Corp. enters into a joint venture with Klondike Star Mineral Corp.
- 2004- 2008: Klondike Star drilled 66 diamond holes and 6 percussion holes totaling 9291 m. Approximately 35 trenches were dug and numerous historic trenches were cleaned out and re-assayed with over 1600 samples collected as well as over 2500 soil samples. A bulk sampling program was also conducted on selected targets between 2005 and 2007 in areas identified by geologists as having anomalous mineralization.
- 2011: Klondike Gold conducted a limited exploration program including trenching and soil and rock sampling along the Lone Star ridge road. In addition select trenches and the historic Boulder Lode were examined to investigate the relationship of structure to gold grade. The relationship between mineralization and the complicated structure of the area was also examined and a structural model was developed that may be used to guide future work in the Lone Star area.
- 2012: Lone Star Gold produced a 43-101 Report, entitled: "Geology and Summary Report of the Lone Star Claim Group (Klondike Goldfield), Yukon Territory" by T. Liverton PhD, C. Geol., FGS

15 Mile Silver

Title Holder: Klondike Gold Corp
KG Ownership: 100%
Acquisition Method: Staked
Underlying Royalties: No
Land: 20.90 km^2
Claims: 100 claims
Location: 36 km NW of Dawson City
555100 E 7133300 N, UTM ZONE 7N (NAD 83)
Mineral Targets: Gold/Silver

The Silver City property is prospective for silver expressed as galena-tetrahedrite veining and for the source of gold mined locally from placer deposits.

Recent Work

2013 Exploration Activity on the Silver City Property

Work in 2013 on the Silver City Property consisted of property ridge and spur soil sampling and prospecting as a follow-up to 2012 surveying. In 2013 a total of 228 soils, 20 rocks and 3 stream sediments were collected. No significant anomalies were identified. The claims will remain in good standing without further expenditure until 2015.

Indian River Placer

Title Holder: Klondike Star Mineral Corporation
KG Ownership: 0%
Acquisition Method: Leased
Underlying Royalties: Yes
Land: 10.28km^2
Claims: 188 claims leased
Location: 48 km SSE of Dawson City
600125 E 7062600 N, UTM ZONE 7N (NAD 83)
Mineral Targets: Gold

The Indian River Placer property is owned 100% by Klondike Star Mineral Corporation. Klondike Gold has obtained the Mining Rights to the property for a period of 10 years by way of a Royalty and Lease agreement, subject to a 10% gross royalty. Subsequently, Klondike Gold entered into a 50/50 Joint Venture Agreement with a private company for the purpose of further exploring and developing a placer gold mine located on the property.

The Indian River valley is located 35 km south of Dawson City and forms the southern boundary of the Klondike Gold Fields.

Approximately 60% of the property has been auger drilled between 2005 and 2007. Gold was recovered from nearly 100% of the holes in the main target area which is wedge shaped and some 300 m (984 feet) at the beginning before broadening to a width of over 1,500 m (4,921 feet). To date, the gold-bearing 'pay' gravel extends over a distance of more than three km (1.9 miles) and remains open to expansion to the east and south. Gold grade is variable but consistently distributed across this broad area. The fineness of the gold assayed at over 80%. Recent staking has added 32 additional placer claims increasing the property to 220 claims.

Recent Work in 2013

A gold plant was set up in 2012 and a preliminary pit excavated. Some processing of pay gravel produced a total of 130 ounces of gold in that year. In 2013, additional stripping and stockpiling of pay gravel continued and a total of 210 ounces of gold was produced.

Portugal Properties

Five Licenses (Lagares, Balazar, Castelo de Paiva, Valongo, Ponte Do Barca)

Title Holder: Klondike Gold Corp.Portugal Unipessoal Lda.
KG Ownership: 100%
Acquisition Method: By Direct Tender
Land: 604 km^2
Claims: Granted Exploration License
Location: Northern Portugal
Mineral Targets: Gold, Silver, Antimony, Copper, Lead, Tin, Tungsten and Zinc

Klondike Gold Corp. has obtained five three year exploration licenses from the Portuguese government for exclusive exploration rights to the Lagares, Balazar, Castelo de Paiva, Valongo, Ponte Do Barca license concessions.

On December 11, 2013 the Company signed a Letter of Intent ("LOI") with Medgold Resources Corp. ("Medgold") for the acquisition by Medgold of 100% of Klondike's Portuguese assets comprised of five gold exploration permits covering 604 square kilometers located in northern Portugal. The terms of the acquisition are subject to approval by the TSX Venture Exchange.

The terms for the acquisition of Klondike's Portuguese assets are as follows:

- Payment of $10,000 in cash to Klondike upon signing of the LOI.
- Medgold will have up to 45 days to complete due diligence and if satisfactory will make a payment of $40,000 in cash and $100,000 in Medgold shares, and complete the acquisition.
- A final payment in 12 months of $100,000 in cash and $250,000 in cash or shares (to be decided by Medgold).
- On closing of the purchase, Klondike will retain a 2.0% NSR, which will be re-purchasable for $1.0 million per percentage point.

On January 24, 2014 the Company signed a definitive agreement with Medgold incorporating the terms of the LOI.

British Columbia Properties

The Company's properties under current exploration and evaluation include non-contiguous groups of claims acquired by staking and option agreements in the southeastern mountain region of British Columbia. The properties are prospective for gold, and also for lead-zinc-silver mineralization. The following table summarizes the claims as at February 28, 2013 in the groups presented in the Company's consolidated financial statements.

Property - Royalty %	%	Size KM^2	Location
Cranbrook Group			
Ron Gold - 2	100.0	11.7	West Kootenays
Quartz Mountain - 12	100.0	42.7	East Kootenays

Pit Ash - 0	100.0	23.0	East Kootenays
South Vine - 0	100.0	13.7	East Kootenays
Vine - 0	100.0	60.3	East Kootenays
Kid-Star - 0	100.0	51.5	East Kootenays
Hughes Range - 0	100.0	57.1	East Kootenays
Clubine – 0	100.0	2.3	West Kootenays
Cold Creek - 2	98.5	71.3	East Kootenays
Red Point			
Red Point - 2	100.0	32.6	West Kootenays
Sedex Group			
Cruz-Midway - 2	86.8	22.4	East Kootenays
Leadville - 0	100.0	10.0	East Kootenays
Lewis McNeil Creek - 0	100.0	96.7	East Kootenays
Panda Irishman - 0	100.0	12.0	East Kootenays
Thea Gold - 0	100.0	23.0	East Kootenays

2013 Exploration of the Cranbrook Property Group

Vine

The Company has a joint venture agreement with PJX Resources Ltd. (“PJX”) which allows PJX to obtain a 50% undivided interest to the Company’s Vine Project. Under the terms of the option, PJX is committed to spending a total of $1,500,000 over five years on the property, of which $1,000,000 must be spent on drilling. By way of an Amending Agreement dated March 26, 2013 the spending commitment was deferred for one year.

2013 Exploration of the Sedex Property Group

Hughes Range

The Hughes Range property has potential for both sediment-hosted zinc-lead-silver (“sedex”) mineralization and also gold mineralization. Work prior to 2012 was focused mainly on a massive sulphide sedex target, based on the recognition of a similar setting as the Sullivan deposit and the presence of the “Kootenay King” stratiform lead-zinc prospect on the property. Placer gold has also been recovered in the area and several small gold occurrences on the property have been identified. Work in 2012 led to the discovery of a widespread zone of disseminated copper sulphide mineralization that is marked by Cretaceous intrusive rocks and base and precious metal vein mineralization.

The 2013 program on the Hughes Range claims included a ground geophysical VLF-EM and magnetic survey with the objective of outlining zones of increased conductivity that could be related to higher sulphide concentrations and to more closely constrain both controlling structures and lithologies. Based on known results, further work including more detailed mapping, additional prospecting and sampling, and expansion of the geophysical survey is warranted. The Hughes Range property currently consists of 33 mineral claims covering 56.8 km^2 area. A portion of the property requires work by March 2014 to remain in good standing.

Lewis McNeil Creek

Exploration on the Lewis-McNeil property in 2013 focused on the Brook gold occurrence. The work was an extension of a mapping, prospecting and ground geophysical survey conducted in 2012 that outlined a north-trending vein-shear system up to 15 to 20 m in width and an inferred strike length of approximately 300 m. The zone is characterized by elevated base and precious metals with selective grab samples assaying up to 15.3 g/T Au (December 2012 news release). The 2013 program included mapping and a ground VLF-EM and magnetic survey that filled in and extended the 2012 surveys. The Lewis McNeil Creek property currently consists of 85 mineral claims covering 90.8 km^2 area. The property requires work by February 2014 and/or September 2014 to remain in good standing.

Outlook

The Company in 2014 aims to deliver an offer to Klondike Star shareholders that, if successful, would finally consolidate ownership of the Yukon properties. Exploration and operating permits for Yukon are required to be updated in 2014, and a modest size exploration program directed at lode gold targets is envisioned contingent upon receipt of those permits.

The Company has recently found a European-focused explorer, Medgold, and divested its interest in Portugal mineral leases in return for a meaningful share position in Medgold while retaining a royalty interest. This strategy will allow Klondike Gold shareholders indirect participation in mineral discoveries in a substantial land package in Portugal while keeping the Company's financial focus on its core Yukon assets.

The Company is seeking a British Columbia-focused explorer for potential strategic partnership, joint venture, sale, or other participation in the Company's numerous gold and base metal properties in this province. These mineral properties have received limited exploration attention in recent years from the Company. The Company is also considering alternatives that would enhance the value of its Yukon placer claim holdings. The Company's Indian River placer Joint Venture produced small amounts of gold in 2012 and 2013.

The technical and scientific information contained within the Management Discussion and Analysis has been reviewed and approved by Peter Tallman, P.Geo, President of the Company and Qualified Person as defined by National Instrument 43-101 policy.