



**FORM 51-102F1
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014**

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The following discussion and analysis, prepared as of April 17, 2015, should be read together with the audited consolidated financial statements for the years ended December 31, 2014 and 2013 and related notes thereto. All financial information in this document is prepared in accordance with International Financial Reporting Standards. All amounts are stated in Canadian dollars unless otherwise indicated.

Additional information related to the Company is available for view on the Company's website at www.tnrgoldcorp.com and SEDAR at www.sedar.com.

FORWARD LOOKING STATEMENTS

Certain information included in this discussion may constitute forward-looking statements. Readers are cautioned not to put undue reliance on forward-looking statements. These statements relate to future events or the Company's future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These forward-looking statements include statements regarding the future price of gold, the timing and amount of estimated future production, costs of production, capital expenditures, the success of exploration activities, permitting time lines, currency fluctuations, the requirements of future capital, drill results and the estimation of mineral resources and reserves. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements contained into this report should not be unduly relied upon. These statements speak only as of the date of this report. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this report. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- the supply and demand for, deliveries of, and the level and volatility of prices of gold, rare earth elements and other commodity prices;
- the availability of financing for the Company's development of the projects on reasonable terms;
- the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the ability to attract and retain skilled staff.

These forward-looking statements involve risks and uncertainties relating to, among other things, changes in commodity and, particularly, gold prices, access to skilled mining development personnel, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government approvals, actual performance of facilities, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, the risk factors hereinabove. Additional risk factors are described in more detail hereinafter. **Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. The Company cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the Company's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. The forward-looking statements contained in this report are expressly qualified by this cautionary statement.**

DESCRIPTION OF BUSINESS

TNR Gold Corp. (the "Company") was incorporated on January 14, 1988 under the laws of the Province of British Columbia and is in the process of exploring its resource properties. The Company's head office address is Suite 620 – 650 West Georgia Street, Vancouver, BC, V6B 4N9. The registered and records office address is Suite 700 – 595 Burrard Street, Vancouver, BC, V7X 1S8. The Company is listed on the Toronto Stock Exchange Venture and trades under the stock symbol "TNR".

The Company is in the process of exploring and developing its mineral properties located in Alaska, United States of America, and Labrador, Canada and has not yet determined whether the properties contain reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties and related deferred exploration costs are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

The Company will continue to pursue opportunities to raise additional capital through equity markets and/or debt to fund its exploration and operating activities; however, there is no assurance of the success or sufficiency of these initiatives. The Company's ability to continue as a going concern is dependent upon it securing the necessary working capital and exploration requirements and eventually to generate positive cash flows either from operations or additional financing. The consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the going concern assumption were inappropriate, and these adjustments could be material.

OVERALL PERFORMANCE

To date, the Company has not yet realized profitable operations and has relied on debt and equity financings and trade credit to fund the losses. The Company recognized a comprehensive loss of \$339,651 (2013 -\$947,216) during the year ended December 31, 2014.

The following is a summary of significant events during the year ended December 31, 2014 to the date of this MD&A:

McEwen Transfer Agreement

During the year ended December 31, 2013, the Company finalized a settlement with Minera Andes Inc., Minera Andes S.A., Los Azules Mining Inc. ("LAMI"), Andes Corporacion Minera S.A. ("Andes" and, together with LAMI, "Minera Andes"), McEwen and MIM Argentina Exploraciones S.A. which resolves litigation with respect to the Los Azules copper project that was commenced in 2008.

Pursuant to the settlement agreement, each party terminated all of its claims relating to the ongoing litigation related to the Los Azules project, the Company transferred to Minera Andes all of its interest in an adjacent property known as Escorpio IV, the Company received 1,000,000 common shares in the capital of McEwen, and Minera Andes and the Company entered into an amended and restated exploration and option agreement ("E&O Agreement Rights") which included restoring a 25% back-in right (the "Back-in Right") to the Company, exercisable following the completion of a feasibility study, without the requirement that the feasibility study be completed within 36 months of the exercise of the option thereunder and amending the NSR from 1% to 0.6%.

During the year ended December 31, 2014, the Company entered into a Transfer Agreement which converted the E&O Agreement Rights, including the Back-in Right and NSR, in change for:

1. 0.4% NSR on the entire Los Azules Project;
2. 850,000 McEwen common shares (received at a value of \$1,241,000); and
3. Payment to the Company 1% of any purchase price paid to and received by McEwen in respect of any sale, assignment of transfer of all of its interest in the Los Azules Project, to a party other than to an affiliate of McEwen, on or before the third anniversary of the Transfer Agreement.

The Company has accrued a transaction fee of \$30,000 with respect to the Transfer Agreement.

The Company believes converting the E&O Agreement Rights are in the best interest of its shareholders because it clarifies the ambiguity surrounding the details of the Back-In Right and the conditions under which the Back-In Right can be exercised.

In conjunction with the Transfer Agreement, the Company amended its advisory agreement with PI Financial Corp. ("PI"). The Company has engaged PI as a financial advisor in connection with selling the Company's 0.4% NSR on the Los Azules Copper Project. Following the completion of a transaction, the Company will pay to PI a success fee relative to total consideration received from a third party for the NSR subject to certain minimums.

Nuiklavik Project Acquisition

During the year ended December 31, 2014, the Company acquired, by staking, mineral exploration rights totaling 2,050 hectares within the Flowers River Igneous Suite located in Newfoundland and Labrador, Canada. The project area is approximately 25 kilometres from tidewater and 50 kilometres west of the community of Hopedale, Labrador. The Company identified the Nuiklavik project as highly prospective for rare earth elements ("REEs").

The Nuiklavik project area was briefly examined in the 1950s by Brinex, but saw no further exploration until Altius Resources Inc. ("Altius") targeting volcanic hosted uranium-type mineralization from 2006 to 2008. Altius sampled several rare earth occurrences, complementing earlier mapping and sampling work by the Geological Survey of Newfoundland and Labrador ("GSNL") in the 1980s and 1990s. All samples reported to date are grab samples and have returned assays of up to 1.4% zirconium oxide, 1.27% yttrium oxide, 1.15% niobium oxide and 1.1% total rare earth oxides with heavy REEs accounting for up to 67% of the total rare earths (Rare Elements Resources press release dated January 7, 2010). Grab samples are by nature selective and therefore may not be representative of mineralization on the property. Altius sold the project to Rare Element Resources Ltd. ("RER") in 2010. In 2012 RER made a decision to no longer maintain the mineral claims in favour of focusing on the exploration and development of their Bear Lodge REE Project. The Company believes the geology and geochemistry of the Nuiklavik volcanics indicate the potential to host mineralization that is enriched in critical elements. The Property location, only 25 kilometres from tidewater, potentially gives it an infrastructure advantage.

EXPLORATION AND EVALUATION ASSETS

A detailed listing and narrative of the Company's properties is included in the consolidated financial statements for the year ended December 31, 2014. The financial statements include the capitalized exploration and development costs presented on a property-by-property basis.

Detailed exploration and evaluation asset expenditures for the year ended December 31, 2014 are included in the accompanying condensed consolidated interim financial statements. Detailed exploration and evaluation asset expenditures for the year ended December 31, 2013 are included in the management's discussion and analysis for the year ended December 31, 2013.

Project Updates

Shotgun (Alaska)

The Shotgun project is located 175 kilometres south of the Donlin Gold within the Kuskokwim Gold Belt in Southwestern Alaska, an area emerging as a world-class gold district hosting multi-million ounces of gold resources. The Shotgun project includes a number of prospects, including Shotgun Ridge and nearby Winchester. Donlin Gold is an intrusion-associated system and represents one of the largest undeveloped gold deposits in the world. The Company believes that there are several key similarities between prospects in the Shotgun Project area and that of the Donlin Gold deposit as well as other significant intrusion associated deposits around the world.

During the year ended December 31, 2013, the Company acquired an additional 66 mineral claims, each 160 acres, located over and surrounding the Shotgun Ridge prospect, through conversion of historical claims to the newer system and addition of surrounding prospective areas.

The Company has completed a resource estimate at the Shotgun Gold Project. The Shotgun Ridge prospect contains an inferred mineral resource of 20,734,313 tonnes at 1.06 grams per tonne ("g/t") for a total of 705,960 ounces gold ("Au") using a 0.5 g/t Au cut-off. The inferred mineral resource estimate is prepared in compliance with the standards of disclosure as set out in NI 43-101 by Allan Armitage, PhD., P.Geol., of GeoVector Management Inc. TNR Gold is targeting a bulk mineable gold deposit at the Shotgun Gold Project and is highly encouraged with the recent resource calculation, which is being incorporated into an updated Form 43-101F1 Technical Report.

The Shotgun Zone mineral resource estimate is based on 34 diamond drill holes (NQ) totalling 4,932.3 metres, with 2,481 assays (0.2 up to 10 metres in length). Holes were drilled by several operators in five drill campaigns conducted between 1984 and 2012. The 34 drill holes are spaced primarily 40 to 100 metres apart in an area of approximately 375 x 300 metres. The drill holes tested mineralization to a vertical depth up to 150 metres.

The Shotgun project contains several gold targets, with most of the historic work having been carried out at Shotgun Ridge. The results of this resource estimate are an indicator to the Company that the Shotgun Ridge may prove up additional resources with further drilling. A table of the resource estimates at select cut-off grades is given below.

Shotgun Resource Estimate - modelled at a ~ 0.3 to 0.5 g/t cut-off.

<u>Au Cut-off</u>	<u>Tonnes</u>	<u>Grade (g/t)</u>	<u>Ounces</u>
0.3 g/t	24,509,842	0.96	759,442
0.5 g/t	20,734,313	1.06	705,960
0.7 g/t	14,779,225	1.24	590,600
1.0 g/t	9,101,458	1.49	437,365

The Company believes that the reported grade of 1.06 g/t Au at a 0.5 g/t Au cut-off is a realistic target for continued resource expansion and that this grade and cut-off combination is in line with other bulk mineable gold deposits in the region. Based on the recently identified structural model of mineralization and associated geophysical signatures that are duly coincident with the mineral resource shell and the mineralization model parameters, there are several targets at surface in close proximity to the defined resource that have never been drill tested. These targets will be a priority for future drill campaigns.

The Shotgun gold mineralization is associated with intrusions of various compositions (incl. granite porphyry), which intruded the Cretaceous sedimentary rocks of the Kuskokwim Group. Mineralization was emplaced within a transpressional environment evidenced by northeast oriented right lateral strike slip faulting and open folding with northwest oriented axes. In the Shotgun Zone, northwest oriented dilational jogs or relay zones host mineralized quartz breccias. A resource model for the Shotgun Zone was constructed based on the distribution of the gold mineralization (> 0.3 to 0.5 g/t Au) and this model was used to constrain the composite values chosen for interpolation, and the ore blocks reported in the mineral resource. A block model (x -548000, y - 6697000, z - 800, no rotation) with block dimensions of 5 x 5 x 5 metres in the x, y and z directions was placed over resource model solids with only that proportion of each block below the topographic/overburden surface and inside the solid recorded. Grades for gold were interpolated into the blocks by the inverse distance squared ("ID2") method using a minimum of 2 and maximum of 12 composites to generate block grades in the Inferred resource category.

The search ellipse used to interpolate grade into the blocks measured 110 x 60 x 110 (Principle Az - 235°, Principle Dip - 25°, Intermediate Az.- 325°). The size and orientation of the search ellipse approximates the strike, dip and thickness of the resource model and takes into account the limited drilling and relatively wide spacing of the drilling.

Two metre composite samples were used in the resource estimation. An average specific gravity (SG) of 2.60 was used for the resource estimate. The average SG value is based on limited SG testing (18 samples) of representative mineralized core from 11 drill holes that intersect the resource model. Gemcom GEMS 6.4.1 software was used to complete the resource estimate.

GeoVector has estimated a range of Inferred resources at various Au g/t cut-off grades (COG) for the Shotgun Zone. The current inferred resource is stated using a grade cut-off of 0.50 g/t Au. A cut-off grade of 0.50 is considered a reasonable economic cut-off grade for the Shotgun zone to maximize the grade of the resource while maintaining a coherent model of the resource. A COG of 0.50 is a reasonable cut-off for this type of Au deposit in this region (eg. Donlin, Livengood).

The inferred mineral resource estimate is prepared in compliance with the standards of NI 43-101. Allan Armitage, PhD., P.Geol., of GeoVector Management Inc., is responsible for the technical comments related to the resource estimate and its parameters. Armitage is an "independent qualified person" for the purposes of National Instrument 43-101 Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators and has verified the data disclosed in this release.

John Harrop, P. Geo., a Qualified Person under the meaning of Canadian National Instrument 43-101 and an officer of the Company, is responsible for the technical content of this Management's Discussion and Analysis.

SELECTED ANNUAL INFORMATION

	December 31, 2014	December 31, 2013	December 31, 2012
Total interest income	\$ 5,841	\$ 14,555	\$ 17,715
Loss and comprehensive loss	(339,651)	(947,216)	(5,817,890)
Basic and diluted loss per share	(0.00)	(0.01)	(0.04)
Total assets	10,251,855	11,222,236	12,460,972
Total long-term liabilities	-	3,500,000	3,500,000
Cash dividends	-	-	-

A decrease in assets from December 31, 2012 to December 31, 2013 relates to the settlement of the Los Azules claim and recovery against capitalized costs. In fiscal 2013, the balance of the Argentina properties were written down along with the Lake Iliamna property in Alaska and the Canadian claims. A further decrease in assets from December 31, 2013 to 2014 relates to the sale of marketable securities to finance the operating expenses of the Company.

SUMMARY OF QUARTERLY RESULTS

	For the Quarters Ended			
	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014
Total assets	\$ 10,251,855	\$ 9,240,013	\$ 9,777,834	\$ 10,478,473
Exploration and evaluation assets	8,675,155	8,663,430	8,658,510	8,658,510
Working capital (deficiency)	(3,280,682)	(3,883,721)	(3,475,215)	403,920
Shareholders' equity	5,839,876	5,266,606	5,703,015	6,130,518
Income (loss) for the period	554,755	(436,409)	(594,139)	136,142
Basic and diluted income (loss) per share	0.00	(0.00)	(0.01)	0.01

	For the Quarters Ended			
	December 31, 2013	September 30, 2013	June 30, 2013	March 31, 2013
Total assets	\$ 11,222,235	\$ 12,744,601	\$ 13,089,497	\$ 12,196,900
Mineral properties and exploration and evaluation assets	8,658,510	9,428,882	10,113,734	10,725,178
Working capital (deficiency)	197,371	1,040,879	760,423	(1,371,024)
Shareholders' equity	5,994,375	7,698,223	8,142,673	6,683,895
Income (loss) for the period	(1,703,849)	(444,450)	1,458,778	(257,697)
Basic and diluted income (loss) per share	(0.01)	(0.01)	0.01	(0.01)

The income recognized in the six months ended June 30, 2013 relates to the recovery recognized over the carrying value of the Los Azules property upon the receipt of the McEwen Mining Inc. ("McEwen") shares and receipt of funds from third party insurers pursuant to the settlement agreement with McEwen. The income in the three months ended March 31, 2014 relates to the gain on sale of marketable securities. The decrease in working capital in the nine months ended September 30, 2014 reflects the maturity of the loan, principal balance of \$3,500,000, within the next year.

The Company has no present intention of paying dividends on its common shares as it anticipates that all available funds will be invested to finance growth of its business.

RESULTS OF OPERATIONS

Years ended December 31, 2014 and 2013

The Company recognized a comprehensive loss of \$339,651 (2013 – \$947,216) during the year ended December 31, 2014.

The following non-recurring transactions occurred in the year ended December 31, 2014:

- The Company sold marketable securities for proceeds of \$2,495,823 resulting in a gain of \$623,823.
- The Company received 850,000 shares of McEwen pursuant to the sale of its Back-in Right on the Los Azules property at a value of \$1,211,000, net of a transaction fee of \$30,000.

The following non-recurring transactions occurred in the year ended December 31, 2013:

- The Company recognized a gain of \$275,000 on the sale of its 25% interest in the Batidero property.
- The Company completed the settlement of litigation with respect to the Los Azules property. The Company received 1,000,000 McEwen common shares at a value of \$2,230,000 which resulted in a recovery in excess of capitalized costs of \$1,573,533. Additionally, the Company received \$1,000,000 as a settlement from third party insurers related to the Los Azules litigation.
- In order to conserve funds, the Company relinquished its claims on the Soules Bay, Big Beaverhouse, and Seabrook claims in Canada and Lake Iliamna property in Alaska and recognized a write-down of \$803,419. Additionally, the Company impaired the balance of its assets in Argentina while it evaluates the options with respect to the claims in the amount of \$681,817. In the year ended December 31, 2012, the Company recognized a write-down on its El Salto and El Tapau properties as it formally terminated these agreements and a write-down on the Seabrook property for the option agreement which was allowed to lapse for a total write-down of \$3,192,629.

Significant trends and accounts contributing to the recurring transactions of the Company are discussed as follows:

- Argentina administration of \$168,766 (2013 - \$140,963) increased as the Company completed the severance of the last of its Argentine employees.
- Interest and bank charges of \$712,505 (2013 - \$784,750) has decreased as the Company settled the promissory note and accrued interest in the current year.
- Office and miscellaneous costs of \$89,496 (2013 - \$174,615) has decreased as the Company works to manage expenses given lower activity and limited financial resources.
- Professional fees of \$170,493 (2013 - \$198,107) has decreased following the settlement of the Los Azules litigation in the prior year.
- Property investigation fees of \$45,641 (2013 - \$Nil) relates to rare earth element projects investigated, including property staked in Labrador and Newfoundland.
- Share-based payments expense of \$185,151 (2013 - \$Nil) was recorded for the 5,275,000 options granted in the year ended December 31, 2014.
- Recognized an equity loss from associate, International Lithium Corp. (“ILC”), of \$190,334 (2013 - \$273,446) due to a lower loss incurred in the current year by ILC.
- Recognized an unrealized loss of \$134,700 (2013 – \$136,300) on the Company’s marketable securities. The receipt of the McEwen shares in fiscal 2013 has resulted in exposure to the fluctuations on year-end fair value adjustments.

Three months ended December 31, 2014 and 2013

The Company recognized a comprehensive income of \$554,755 (2013 – loss of \$1,703,849) during the period ended December 31, 2014. The impact of non-recurring transactions for the period is discussed above. Significant trends and accounts contributing to the recurring transactions of the Company are discussed as follows:

- Argentina administration of \$38,324 (2013 –\$29,478) increased as the Company completed the severance of the last of its Argentine employees.
- Interest and bank charges of \$177,297 (2013 - \$198,215) has decreased as the Company settled the promissory note and accrued interest in the current year thereby reducing the total principal of its debt instruments.

LIQUIDITY AND CAPITAL RESOURCES

To date, the Company has not yet realized profitable operations and has relied on debt and equity financings and trade credit to fund the losses. The Company currently requires additional financing to continue in business and there can be no assurances that such financing will be available or if available, will be on reasonable terms.

The consolidated financial statements of the Company have been prepared using accounting policies applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they fall due for the foreseeable future. The Company has not generated revenue from operations and with a working capital deficit of \$3,280,682; additional financing will be required in the foreseeable future to fund the Company's established business plan. These circumstances comprise a material uncertainty which may lend significant doubt as to the ability of the Company to meet its obligations as they fall due and, accordingly, the ultimate appropriateness of the use of accounting principles applicable to a going concern.

Net cash used in operating activities during the year ended December 31, 2014 was \$746,566 (2013 – \$287,268) representing the expense of general administrative costs. The Company benefited from some non-recurring cash inflows in the prior year including the receipt of \$1,000,000 pursuant to a legal claim.

Net cash provided by investing activities during the year ended December 31, 2014 was \$2,476,031 (2013 – \$283,950) of which consumption of \$23,737 (2013 - \$274,077) related to expenditures on its exploration and evaluation assets. During the current year, the Company generated \$2,495,823 (2013 - \$248,027) from the sale of McEwen shares. In the comparative year, \$310,000 was generated from the sale of the Batidero property and some equipment.

During the year ended December 31, 2014, the Company paid \$1,056,986 to repay the promissory note and accrued interest as financing activity cash outflows as well as \$700,000 in interest on the loan payable. In the year ended December 31, 2013, the Company paid \$715,069 in interest on the promissory note and loan payable.

There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate various programs and may be unable to continue in operation. The Company may seek such additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

RELATED PARTY TRANSACTIONS**Management Compensation and other related party transactions**

Transaction	Relationship	2014	2013
Management fees	0819351 BC Ltd – Gary Schellenberg, President and Director	\$ 90,000	\$ 90,000
Administration fees	Heather Schellenberg, Spouse of Director	12,000	12,000
Administration fees	Roberto Lara, Officer of Compania Minera	18,000	227,796
Exploration expenditures and property investigation costs	Coast Mountain Geological Ltd - Gary Schellenberg, President and Director	-	52,919
Exploration expenditures	Blacksmith Metals Exploration - Anthony Kovacs COO	-	33,672
Rent (office)	Coast Mountain Geological Ltd - Gary Schellenberg, President and Director	31,200	31,330
Consulting fees	BOA Services Ltd. – Paul Chung, Director	18,000	18,075
Consulting fees	619517 BC Ltd. – Jerry Bella, CFO	60,000	45,000
Consulting fees	Blacksmith Metals Exploration – Anthony Kovacs, COO	72,000	34,940
Consulting fees	Greg Johnson, Director	-	18,000
Consulting fees	Kirill Klip, Director	90,000	90,000
Exploration expenditures	Petra Gold Servicios Mineros, of which Roberto Lara is a shareholder	-	6,042

During the year ended December 31, 2014, the Company issued 4,000,000 (2013 – Nil) stock options to key members of management and directors of the Company and recognized a related value of \$140,445 (2013 - \$Nil) as share-based payments expense.

Accounts payable to related parties at December 31, 2014 of \$260,755 (2013 - \$146,230) consist of amounts due to directors, and officers. With the exception of the short-term promissory noted described below, all amounts are non-interest bearing and have no formal terms of repayment.

Included in accounts payable to related parties as at December 31, 2014 and December 31, 2013 is a short-term promissory note payable to a director of the Company's subsidiary. The promissory note had a principal balance of US\$50,000 which accrues interest at a rate of 12% per annum. The promissory note was granted with respect to the termination of a formal compensation arrangement with the Director and is due no later than December 31, 2014. During the year ended December 31, 2014, the Company paid US\$25,000 with respect to the promissory note. The balance is overdue.

During the year ended December 31, 2014, the Company granted ILC a short term loan in the amount of \$200,000. The loan bore interest at 20% per annum. The loan has been repaid, with accrued interest.

Commitments - Consulting agreements

The Company has entered into consulting agreements with three officers of the Company for the provision of consulting services at a current cost of \$60,000, \$90,000 and \$90,000 per annum respectively. The agreements renew annually at the discretion of the Company's compensation committee. If any of the agreements are terminated without cause, the Company is required to pay a lump sum equal to the greater of (a) one months' fees for each period the consultant has acted on behalf of the Company and (b) twelve months' worth of fees. Should the Company be subject to a change in control and the consultant terminated without cause, the Company must pay an amount equal to three times the prior twelve months gross pay.

Commitments - Bonus

In the event the Company completes the sale of its subsidiary Solitario or its NSR in the Los Azules Project, a bonus of up to US\$200,000 is payable to a Director of Solitario. The bonus is calculated as 0.5% of net proceeds received by the Company in the aforementioned transaction.

CRITICAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with international financial reporting standards as adopted in Canada and form the basis for the following discussion and analysis of critical accounting policies and estimates. The Company makes estimates and assumptions that affect the reported amounts of assets, liabilities and expenses and related disclosure of contingent assets and liabilities during the course of preparing these financial statements. On a regular basis, the Company evaluates estimates and assumptions including those related to the recognition of share-based payments.

Estimates are based on historical experience and on various other assumptions that the Company believes to be reasonable. These estimates form the basis of judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from those estimates.

New standards adopted

As of January 1, 2014, the Company adopted the new and amended IFRS pronouncements in accordance with transitional provisions outlined in the respective standards. The Company has adopted these new and amended standards without any significant effect on its financial statements.

- IAS 32 (Amendment) New standard that clarifies requirements for offsetting financial assets and financial liabilities.
- IAS 36 (Amendment) This amendment addresses the disclosure of information regarding the recoverable amount of impairment assets as the amount is based on fair value less costs of disposal.
- IFRIC 21 This is an interpretation of IAS 37, *Provisions, contingent liabilities and contingent assets*. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event, known as an obligating event. The interpretation clarifies that the obligation event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

New standard not yet adopted

IFRS 9 *Financial Instruments (Revised)* was issued by the IASB in October 2010. It incorporates revised requirements for the classification and measurement of financial liabilities and carrying over the existing derecognition requirements from IAS 39 *Financial instruments: recognition and measurement*. The revised financial liability provisions maintain the existing amortised cost measurement basis for most liabilities. New requirements apply where an entity chooses to measure a liability at fair value through profit or loss – in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The impact of IFRS 9 on the Company's financial instruments has not yet been determined.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include credit risk, currency risk, interest rate risk and liquidity risk. Where material, these risks are reviewed and monitored by the Board of Directors.

Please refer to Note 13 of the accompanying consolidated financial statements for further details.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements as at December 31, 2014.

PROPOSED TRANSACTIONS

The Company does not have any proposed transactions as at December 31, 2014 other than as disclosed elsewhere in this document.

CONTINGENCY

The Company is aware of an ongoing investigation by the Argentine Central Bank related to an alleged error in certain compliance filings made in Argentina. The outcome of the investigation is uncertain. The Company has completed the requisite filings and is working to resolve the investigation.

OUTSTANDING SHARE DATA

The following table summarizes the outstanding share capital as of the date of the MD & A:

	Number of shares issued or issuable
Common shares	147,816,447
Stock options	11,775,000

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future value for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements. Management maintains a system of internal controls to provide reasonable assurances that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

BUSINESS RISKS

Companies in the exploration stage face a variety of risks and, while unable to eliminate all of them, the Company aims at managing and reducing such risks as much as possible. The Company faces a variety of risk factors such as project feasibility and practically, risks related to determining the validity of mineral property title claims, grant of mining permits, commodities prices, changes in laws and environmental laws and regulations. Management monitors its activities and those factors that could impact them in order to manage risk and make timely decisions.

Risks and uncertainties the Company considers material in assessing its financial statements are described below.

TNR will require additional funding.

At December 31, 2014 the Company held cash of \$6,230 and had current liabilities of \$4,411,979. The Company has historically relied upon equity subscriptions to satisfy its capital requirements and will likely continue to depend upon these sources to finance its activities. There can be no assurances that the Company will be successful in raising the desired level of financing on acceptable terms.

TNR will require various permits to enable it to conduct its current and anticipated future operations.

The Company's current and anticipated future operations, including further exploration and development activities and the commencement of production from the Company's portfolio of exploration and evaluation assets in the USA and Argentina require the granting of the necessary permits from various federal, state and local authorities. The granting, continuing validity and enforcement of the terms of such concessions and permits are, as a practical matter, often subject to the discretion of the applicable governments or government officials. There can be no assurance that all concession and permits that the Company requires will be obtainable on reasonable terms, or at all, or will continue to be valid. Further, delays or failure to obtain such concession and permits, the withdrawal, expiry or non-renewal of existing concessions and permits, or failure to comply with the terms of such concessions and permits could have a material adverse impact on the Company.

TNR is subject to government regulation

The Company's mineral exploration is, and any development activities will be, subject to various laws governing exploration, development, production, taxes, labour standards and occupational health, mine safety, environmental protection, toxic substances, land use, water use and other matters. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory authorities curtailing the Company's operations or requiring corrective measures, any of which could result in the Company incurring substantial expenditures. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development.

Exploration, development and mining activities can be hazardous and involve a high degree of risk.

The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of base or precious metals, including, without limitation, unusual and unexpected geologic formations, seismic activity, rock bursts, pit-wall failures, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and legal liability. Milling operations, if any, are subject to various hazards, including, without limitation, equipment failure and failure of retaining dams around tailings disposal areas, which may result in environmental pollution and legal liability.

TNR may be adversely affected by fluctuations in commodity prices.

The value and price of the Company's common shares, the Company's financial results, and exploration, development and mining activities of the Company, if any, may be significantly adversely affected by declines in the price of gold and other key commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control such as interest rates, exchange rates, inflation or deflation, global and regional supply and demand, and the political and economic conditions of mineral producing countries throughout the world.

Infrastructure

Exploration, development and ultimately mining and processing activities depend, to one degree or another, on the availability of adequate infrastructure. Reliable air service, roads, bridges, power sources and water supply are significant contributors in the determination of capital and operating costs. Inadequate infrastructure could significantly delay or prevent the Company exploring and developing its projects and could result in higher costs.

TNR does not and likely will not insure against all risks.

The Company's insurance will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to environmental liability or other hazards which may not be insured against or which we may elect not to insure against because of premium costs or other reasons. Losses from these events may cause TNR to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

TNR may be subject to disputes

The Company may be involved in disputes with other parties in the future, which may result in litigation or arbitration. The results of litigation or arbitration cannot be predicted with certainty. If the Company is unable to resolve these disputes favorably, it may have a material adverse impact on the Company.

TNR is dependent on key personnel.

The Company's success depends in part on its ability to recruit and retain qualified personnel. Due to its relative size, the loss of the services of one or more of such key management personnel could have a material adverse effect on the Company. In addition, despite its efforts to recruit and retain qualified personnel, even when those efforts are successful, people are fallible and human error could result in a significant uninsured loss to the Company.

TNR's officers and directors may have potential conflicts of interest

TNR's directors and officers may serve as directors and/or officers of other public and private companies and devote a portion of their time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which the Company is also participating, such directors and officers may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. However, applicable law requires the directors and officers to act honestly, in good faith, and in the best interests of the Company and its shareholders and in the case of directors, to refrain from participating in the relevant decision in certain circumstances.

OUTLOOK

The Company's primary focus for the foreseeable future will be to concentrate its efforts on the development of the Shotgun Property and its newly staked Nuiklavik Project in Labrador and market its interest in the Los Azules property.