CASTLE PEAK MINING LTD.

Management's Discussion & Analysis

For the year ended December 31, 2015

INTRODUCTION

The following Management's Discussion and Analysis ("MD&A") provides information that management considers to be relevant to an assessment and understanding of Castle Peak Mining Ltd.'s ("Castle Peak" or the "Company") financial condition as at December 31, 2015 and the results of its operations and cash flows for the year ended December 31, 2015 and follows the requirements of National Instrument 51-102 ("NI 51-102"). This discussion should be read in conjunction with the annual audited financial statements and the related notes for the year ended December 31, 2015 which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts included therein and in the following MD&A are expressed in Canadian Dollars unless otherwise noted.

We report in accordance with IFRS and the following disclosures, and associated consolidated financial statements, are presented in accordance with IFRS. This MD&A is prepared as at April 19, 2016 and includes certain statements that may be deemed "forward looking statements". We direct readers to the sections entitled "Risk Factors" and "Forward Looking Statements" in this MD&A.

Further information can be obtained from the Company's filings on the SEDAR website at www.sedar.com, or on the Company's website at www.castlepeakmining.com.

DEVELOPMENT OF THE BUSINESS

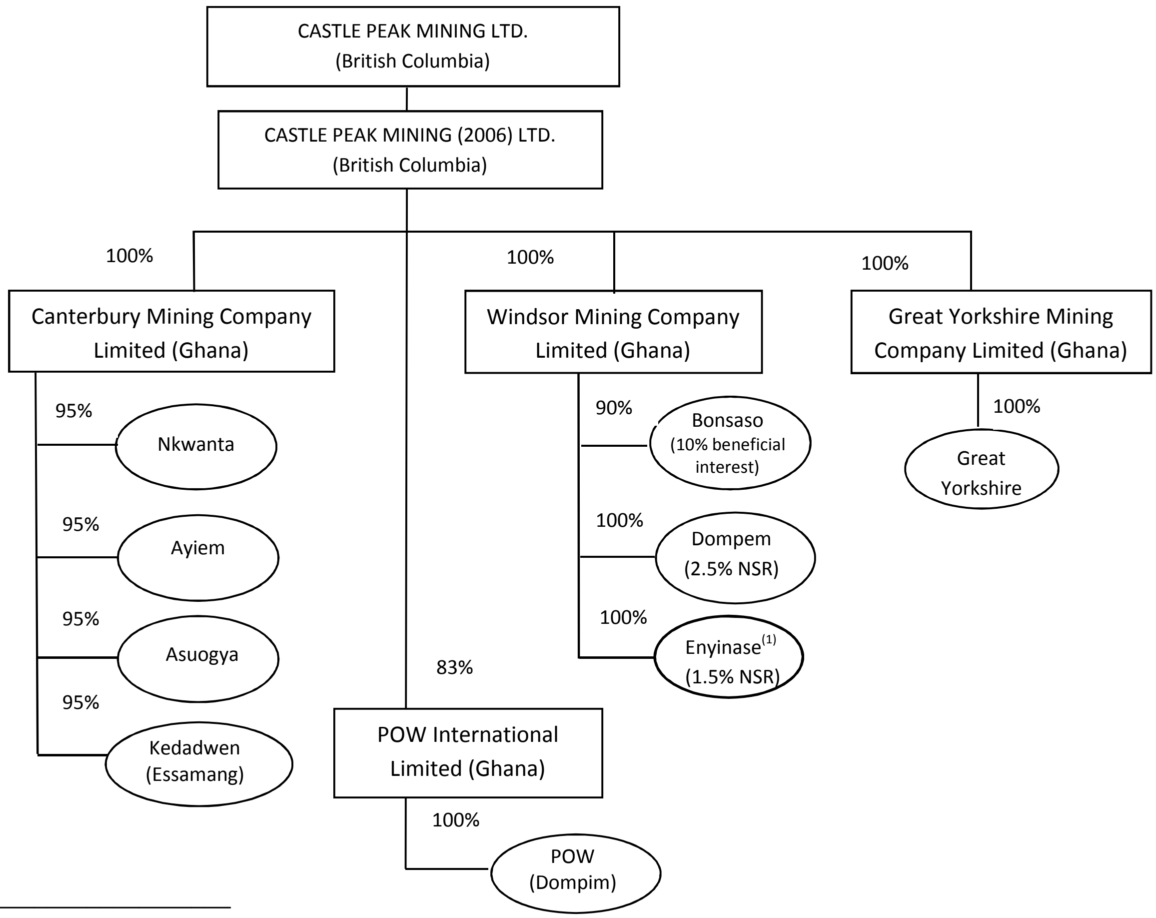
Castle Peak is a public, junior exploration company listed on the TSX Venture Exchange ("TSX-V") with the symbol CAP-V. The Company's Akorade Project comprises a strategic land package in the prolific Ashanti Gold Belt in Ghana, West Africa adjacent to several producing gold mines. The Company is focused on the acquisition, exploration and evaluation of early stage, high potential gold properties. The Company's material properties are the Nkwanta, Asuogya and Ayiem concessions located within the Company's Akorade gold project.

Castle Peak, formerly Critical Capital Corporation ("Critical"), was incorporated under the laws of British Columbia on June 3, 2009, as a capital pool company. On March 4, 2011, Critical completed a qualifying transaction by acquiring Castle Peak Mining (2006) Ltd., formerly Castle Peak Mining Ltd. ("Castle Peak 2006"), a company incorporated on September 13, 2006 under the laws of British Columbia, Canada. The acquisition was accomplished through an exchange of shares which resulted in the former shareholders of Castle Peak 2006 obtaining control of the Company. This transaction constituted Critical's qualifying transaction in accordance with the policies of the TSX-V.

As a result of the share exchange, Castle Peak 2006 changed its name to Castle Peak Mining (2006) Ltd. and became Critical's wholly-owned subsidiary. Accordingly, the acquisition was considered a reverse takeover with Castle Peak 2006 being the acquirer of Critical, and therefore the accompanying consolidated financial statements are a continuation of the financial statements of Castle Peak 2006 while the capital structure is that of the Company. Upon completion of the acquisition, Critical changed its name to Castle Peak Mining Ltd. Concurrent with closing the acquisition, the Company completed a private placement financing for gross proceeds of $8,000,000. The Company commenced trading as Castle Peak Mining Ltd. on March 9, 2011 on the TSX-V, with the symbol CAP-V.

Intercorporate Relationships

The following is a condensed chart which shows the Company's intercorporate relationships:



[1] The Enyinase prospecting license is under option-assignment.

PROJECT REVIEW

Akorade Project Description

The Akorade Project consists of nine contiguous mineral concessions covering a total of approximately 225 square kilometres ("km") situated within the Ashanti Gold Belt, south-west Ghana. The licenses are known as Nkwanta, Ayiem, Asuogya, POW, Kedadwen (Essamang), Bonsaso, Dompem, Enyinase and Great Yorkshire (Simpa). The Project is centrally located approximately 20 km south-west of the city of Tarkwa and 40 km north-northwest of the port city of Takoradi, and within 25 km there are three producing gold projects owned by major and intermediate gold producers (see Appendix 1). Ghana is now using a cadastral system for new tenement applications, where the country is divided into "blocks" that are 15 seconds of longitude by 15 seconds of latitude (approximately 21 hectares or 0.21 square kilometres in area). Full implementation of the cadastral system began in January 2012. It should be noted that Castle Peak's licences were granted prior to full implementation of the cadastral system, consequently the shapes of the licences do not conform to the cadastral system and will be adjusted as the licences are renewed.

The properties are early stage exploration properties. The Nkwanta concession is host to the Apankrah Deposit where the Company published, effective date of June 1, 2013, a preliminary inferred NI 43-101 compliant mineral resource estimate of 275,000 tons at 8.6 g/t Au for a total of 76,000 contained ounces using a cut-off grade of 2.0 g/t Au, a capping grade of 50 g/t Au and a gold price of US$1,400 per ounce.

Mineral resources are not mineral reserves and do not have demonstrated economic viability. Mineral resources have been classified according to CIM Standards on Mineral Resources and Reserves. There are no known legal, political, environmental, or other risks that could materially affect the potential development of the mineral resources. The other concessions do not host known gold deposits or resources.

Seven of the nine licenses cover two key structural trends for gold deposits, the North-East ("N-E") Structure and the North-South ("N-S") Structure. The N-E Structure (Bonsaso, Dompem, Enyinase, Great Yorkshire, and the western portion of POW) runs along the largely underexplored southern Birimian-Tarkwaian structural corridor. Many large tonnage deposits have been mined along the northern Tarkwaian boundary, but potential is now being recognized along the southern Tarkwaian boundary (Akyem Mine, Newmont Ghana Ltd.). The N-S Structure (Nkwanta, Asuogya, Ayiem and the eastern portion of POW) hosts a 12 km long gold-in-soil anomaly, which lies immediately adjacent to Apankrah. The geological footprint appears to be analogous to what is known of the Nzema mine producing in close proximity to the Akorade Project. The Kedadwen license lies outside of these two main structural corridors; however, it covers an inferred auriferous ENE trending fault zone between the historic Asheba mine located immediately west of the license and the historic Kanyankaw mine located immediately east of the license.

The bedrock of south-west Ghana has a very thick overburden of tropical laterite, is poorly exposed and direct evidence is difficult to come by. That being said, successive mapping efforts by a variety of groups, including our mapping efforts, have been successful in locating sparse outcrops that provide map controls for inferred geological units resulting from geophysical interpretation. The Company's licenses cover Birimian metavolcanic and metasedimentary rock units that include massive mafic flows, volcaniclastic units, greywackes and phyllites. The Birimian sequences are broadly bounded to the east and south-west by granitoid bodies currently interpreted to be synchronous with the development of the volcanic stratigraphy. To the north, the Birimian volcanic units are structurally juxtaposed against the younger Tarkwaian sedimentary rock units that consist of interlayered conglomerates and sandstones.

There are four to five recognized structural events that have affected the southern Ashanti belt: an early N-S folding event (Tarkwaian sedimentation), large scale folding north-west to south-east, north-northwest to south-southeast shortening event with syn-sinistral strike slip faulting and finally a NE to SW shortening event with early bedding parallel shearing.

Project Highlights

Progress during the quarter ended December 31, 2015

During the quarter ended December 31, 2015, the Company continued to focus its efforts primarily on capital conservation, data compilation and Akorade target prioritisation and sourcing potential project partners.

Regional data compilation from earlier 2015 programs was completed with target modeling based on Ghanaian analogs and known mineralised trends. As of the date of this document additional field programs have been proposed to further define potential drill targets on newly evolving targets of interest which prioritise near surface bulk mineable targets. The majority of the work completed this quarter involved initiating and/or completing annual reports on an individual prospecting licence level; these reports document all the work undertaken by the Company to date and provide proposed next steps in the evaluation of the prospecting licence. The results of this work provided a comprehensive list of targets requiring follow-up efforts that span the exploration activity range of basic ground-evaluation through drilling evaluation. Additional work prioritizing the resulting targets between the licences was also undertaken in order to be able to assess the best available targets in priority.

Six priority targets have been identified. These include three targets on the POW licence (POW-A1, A3, Dansuom East; Appendix 2a), one target spanning the Great Yorkshire and Enyinase licences (and trends into to the Akoko North resource of Castle Minerals; Appendix 2b), a series of quartz veins within a 70ppb gold in spoil anomaly on the

Dompem licence, and an 30m by 200m area of quartz tourmaline veining in the Kedadwen licence (on strike of the historic Asheba Mine). At this time the highest priority target is the Akoko-Enyinase-Great Yorksire trend for the following reasons: the geophysical survey indicates the extension of a known shallow resource northwards, auger sampling has confirmed a coincident gold in soil anomaly with the geophysical anomaly, a U.K. based company (Goldcrest Resources) has been consolidating resources in the immediate area, and it is located roughly 20km from both the Endeavour Mining (Adamus) mill and Anglogold-Ashanti Iduapriem mine site. Follow up programs for all of these targets have been proposed for the upcoming dry season which may include activities such as detailed auger sampling, trenching or drilling and will be dependent on the Company finding partners or raising additional capital.

The Apankrah Deposit and surrounding prospecting licences remain under discussion with third parties interested in continuing advanced work on the Deposit, however to date, no concrete agreement has been reached. Castle Peak continues to identify potential partners to advance the Apankrah Deposit as well as potential partners for advancing some of the high priority targets mentioned above through initial drill evaluation.

Previous Exploration

The Company has compiled and reviewed all historical stream, soil, auger sampling and trenching (335 stream samples, more than 12,355 soil samples) with the largest anomaly identified as the 9500m x 1000m anomaly on Asuogya-Ayiem trend on a +20km structure.

The Company has completed a 3,425 km airborne survey (VTEM, magnetics, radiometrics) over the entire land package. Approximately 32km of IP surveys and 65 km of magnetic surveys on a series of five target areas: Apankrah/Scorpio/Nana, Ayiem South, Ayiem North, the Asuogya-Ayiem trend and Great Yorkshire. Additionally a gradient and pole-dipole induced polarisation survey was completed over the Dansuom area covering approximately 3 km2. Most recently, a gravity survey covering the entire Akorade Project area was completed by a third party.

In addition to the prospecting license level road cut channel sampling, a property wide multi-element soil survey was completed on 400m x 400m spacing in 2013 with compilation completed during the first quarter of 2014.

The Company has upgraded its regional geological understanding by creation of a geological fact map (a compilation of all available current and historical data varying from ground observations to geological and geophysical interpretations within and surrounding our land package) for the region and focused on Apankrah and high priority targets. Field traverses are undertaken to confirm the historical outcrop locations and observations in order to improve our base understanding. All newly identified information is regularly compiled into this evolving geological understanding which improves our ability to propose targets based on geological controls to potential mineralisation.

The latest passes of field reconnaissance completed on the Akorade Project partnered with the recent updated data compilations have identified more than 35 target areas within the Akorade Project area. Additional field activities are currently prioritized for target development within the N-E trend and the N-S trend. Exploration activities on all concessions are continually compiled and re-evaluated in order to prioritize the targets that have the strongest potential to provide Castle Peak with its next resource base.

Drill Evaluation

Castle Peak completed drill evaluations on initial priority targets within the Akorade Project. To date a total of 12,584 metres of diamond drilling has been completed with the bulk of this (7,600m) focused on the higher grade Apankrah Deposit. Other targets evaluated included two targets within the high potential N-S Structure at Dansuom (POW) and AA Veins (Asuogya-Ayiem). The drilling completed at Apankrah resulted in an initial resource estimate on the high grade Apankrah Deposit with coarse visible gold confirmed in additional mineralised trends: Scorpio structure, and Nana structure.

Drill highlights to date are summarized below:

Apankrah Target Area on the Nkwanta Concession:

A total of 43 holes totaling ~7,600m have been drilled on three identified targets. Drill highlights include:

Apankrah Deposit: (see Resources section)

Nana Structure:

- 0.5m of 10.3 g/t Au
- 3.0m of 1.9 g/t Au

Scorpio Structure:

- 16.5m of 1.1 g/t Au
- 13.0m of 1.0 g/t Au

N-S Trend Target Area on the POW, Asuogya and Ayiem Concessions:

Dansuom Structure (seven holes, ~900m):

- 10.8m of 2.9 g/t Au, incl. 3.6m of 8.0 g/t Au
- 16.5m of 0.7 g/t Au, incl. 6.9m of 1.2 g/t Au15.0m of 0.6 g/t Au, incl. 4.5m of 1.6 g/t Au

Asuogya-Ayiem Structure, AA Veins target (18 holes, ~4000m):

- 16.5m of 1.1 g/t Au
- 13.0m of 1.0 g/t Au

The Akorade Project is an early stage exploration project and, with the exception of the initial resource estimate at the Akorade Project's Apankrah Deposit, does not contain any mineral resource estimates as defined by NI 43-101. The potential quantities and grades disclosed for targets other than the Apankrah Deposit are conceptual in nature and there has been insufficient exploration to define a mineral resource for those targets. It is uncertain if further exploration will result in any of those targets being delineated as a mineral resource. A full table of the drill results can be found on the Company's website www.castlepeakmining.com.

Resources

The Company has reported a NI 43-101 inferred mineral resource estimate prepared by S.M.Smith of SEMS Exploration ('SEMS') of Accra, Ghana for the Akorade Project in the southern Ashanti belt with an effective date of June 1, 2013. The technical report was amended and restated on March 3, 2014. The mineral resource estimate was calculated based on results from 20 of 33 drill holes totaling 4,253 metres of drilling in a series of parallel structures within the Apankrah Target Area. The inferred mineral resource estimate is as follows:

Zone	**Category**	**Tonnes**	**Grade (g/t Au)**	**Contained Ounces**
Apankrah Shoot	Inferred	275,000	8.6	76,000

*Mineral resources are reported at a cut-off grade of 2 grams per tonne ('g/t') gold ('Au'). Cut-off grades are based on a price of $1,400 USD/oz Au. All figures are rounded to reflect the relative accuracy of the estimate. Mineral resources are not mineral reserves and do not have demonstrated economic viability. Mineral resources have been classified according to CIM Standards on Mineral Resources and Reserves.

The mineral resource estimate was prepared by SEMS to estimate the amount of gold defined to date within the Apankrah Deposit, which is situated immediately south of two parallel structures (Nana and Scorpio), where high grade mineralization with visible gold has been intersected in first pass drilling. Both the Nana and Scorpio structures require further drilling to confirm their potential to host mineral resources. Additional information is available on the Company's website (www.castlepeakmining.com) and on SEDAR.

Technical Information

On June 13, 2013, and as amended and restated on March 3, 2014, Castle Peak filed on SEDAR a NI 43-101 technical report entitled "Apankrah Project NI 43-101 Technical Report" supporting the preliminary mineral resource estimate of the Apankrah Target Area within the Akorade Project with an effective date of June 1, 2013. This report was prepared by Simon Meadows Smith (IOM3) of SEMS, who is a Qualified Person as defined by NI 43-101 and has reviewed and approved the contents of the information relating to the Apankrah Shoot resource in this MD&A. The analyses used in the preparation of the mineral resource estimate were carried out at SGS Laboratory Services ('SGS') in Tarkwa. All samples used for the mineral resource estimation represent approximately one-metre, orientated diamond drill core which was sawn in half. Half of the core has been stored in the on-site core yard and its counterpart sent for preparation and gold assaying by SGS. Samples were analyzed by 50g charge fire assay with an atomic absorption finish. Samples with visible gold or returning greater than 5 g/t Au from fire assay are subject to analysis using screen metallic assay. Sampling procedures included the systematic insertion of blanks, certified standards and duplicates into the sample stream both in the field and at the lab. SEMS conducted an independent review of Castle Peak's drill hole and QAQC databases and concluded that Castle Peak's gold assay data is of acceptable quality to be used for a mineral resource estimate and made certain recommendations for future QAQC protocols.

Castle Peak's technical disclosure in this MD&A relating to all other concessions and properties other than the Apankrah Deposit has been reviewed and approved by Darren Lindsay, P.Geo., Castle Peak's President and CEO, who serves as a Qualified Person under the definition in NI 43-101. The procedures include the systematic insertion of blanks, standards and duplicates into the sample stream both in the field and at the lab; drill, auger and road cut channel samples are placed in sealed bags and are delivered to SGS Laboratory Services GH Ltd. in Tarkwa, Ghana, for routine gold analysis by 50g charge fire assay with atomic absorption finish. Samples with visible gold or returning greater than 5 g/t Au from fire assay are subject to analysis using screen metallic assay. Multi-element soil survey samples are placed in sealed bags and are delivered to ALS Minerals in Kumasi, Ghana, for routine aqua regia ICPMS multi-element analysis. The concessions and properties other than the Apankrah Deposit are early stage exploration projects and do not contain any mineral resources as defined by NI 43-101. The potential quantities and grades disclosed herein relating to such concessions and properties are conceptual in nature and there has been insufficient exploration to define a mineral resource for those targets disclosed herein. It is uncertain if further exploration will result in those targets being delineated as a mineral resource. Further information is available in the NI 43-101 compliant technical report dated February 14, 2011 and entitled "NI 43-101 Technical Evaluation Report on Nkwanta & Ayiem concessions, Wassa-West District, Republic of Ghana, West Africa" authored by Daniel Gaudreault, P.Eng. and Alain-Jean Beauregard, P.Geol. of Geologica Groupe-Conseil Inc., and in the NI 43-101 compliant technical report dated January 2, 2012 and entitled "NI 43-101 Technical Report on the Asuogya License, Ghana" authored by Gareth O'Donovan, Corporate Exploration Consultant, of SRK Exploration Services Ltd, copies of which are filed under the Company's profile on SEDAR at www.sedar.com.

SELECTED ANNUAL INFORMATION

	For the Years Ended		
	December 31, 2015	December 31, 2014	December 31, 2013
Expenses for the year	$ 315,303	$ 535,814	$ 888,162
Net loss for the year	(323,485)	(535,845)	(879,028)
Net loss per share	(0.00)	(0.00)	(0.01)
Exploration expenditures	2,747,963	1,347,631	2,556,547
Total assets	19,656,366	17,326,152	16,440,198
Capitalized exploration costs	19,603,810	16,855,847	15,508,216
Total liabilities	358,169	567,934	400,630

SUMMARY OF QUARTERLY RESULTS

Selected financial indicators for the past eight quarterly periods are shown in the following table:

	For the three months ended			
	Dec. 31, 2015	Sept. 30, 2015	Jun. 30, 2015	Mar. 31, 2015
Revenue for the period	$ -	$ -	$ -	$ -
Expenses for the period	52,049	74,844	91,912	96,498
Net loss for the period	(58,811)	(74,844)	(91,912)	(97,918)
Net loss per share	(0.00)	(0.00)	(0.00)	(0.00)
Exploration expenditures	650,276	1,271,387	(172,609)	998,909
Exploration expenditures (net of translation adjustment and proceeds of royalty agreement)	81,695	105,796	136,544	130,326
Total assets	19,656,366	19,100,550	18,032,218	18,457,757
Capitalized exploration costs	19,603,810	18,953,534	17,682,147	17,854,756
Total liabilities	358,169	312,955	334,088	361,156

	For the three months ended			
	Dec. 31, 2014	Sept. 30, 2014	Jun. 30, 2014	Mar. 31, 2014
Revenue for the period	$ -	$ -	$ -	$ -
Expenses for the period	101,146	137,665	162,723	134,280
Net loss for the period	(101,176)	(137,972)	(162,665)	(134,032)
Net loss per share	(0.00)	(0.00)	(0.00)	(0.00)
Exploration expenditures	165,565	814,047	(394,051)	762,070
Exploration expenditures (net of translation adjustment and proceeds of royalty agreement)	146,348	116,508	98,484	227,778
Total assets	17,326,152	16,758,757	15,980,856	16,538,169
Capitalized exploration costs	16,855,847	16,690,282	15,876,235	16,270,286
Total liabilities	567,934	415,169	198,561	102,059

The Company is in the business of exploring and evaluating assets in Ghana, Africa and as a result has no revenues. Expenses consist of general corporate administrative costs not attributable to the exploration activities. All costs that are attributable to exploration activities are capitalized to the mineral concessions to which they relate.

Exploration expenditures fluctuate most significantly with drilling activity, and expenditures for the quarter ended December 31, 2015 were lower than quarters when drilling took place. Expenses for the three month period ended December 31, 2015 totaled $52,049, a decrease from the previous quarter mainly due to lower salaries, transfer agent, filing and regulatory and rent. Total liabilities increased to $358,169 at December 31, 2015, from $312,955 at September 30, 2015, primarily due to salaries owing to an officer of the Company. Included in the liabilities balance is $117,934 owing to three directors of the Company and $106,500 in accrued wages to an officer of the Company. It is expected that the most of these amounts will be converted to shares subject to approval from the regulatory and exchange authorities.

RESULTS OF OPERATIONS

Three months ended December 31, 2015 compared to the three months ended December 31, 2014

The Company incurred a net loss of $58,811 for the three months ended December 31, 2015 compared to a net loss of $101,176 for the same period in the prior year.

Total expenses for the three months ended December 31, 2015 were $52,049 compared to $101,146 for the same period in the prior year reflecting the Company's efforts to reduce expenses.

Expenses for the three months ended December 31, 2015 included $44,429 in salaries and benefits for Vancouver employees, lower than $66,304 for the same period last year due to a reduction in staffing levels and salaries. Professional fees for the three months ended December 31, 2015 were $10,448 compared to $23,234 for the same period in the prior year representing legal expenses. Additionally, for the three months ended December 31, 2015, the Company incurred $5,038 for office and administrative expenses, higher than $3,154 incurred for the same period in the prior year. Office and administrative expenses for the three months ended December 31, 2014, included a reduction of $2,574 representing late interest charges canceled on settlement of a contractor's account. The Company recorded a credit of $11,082 in rent for its Vancouver office premises for the three months ended December 31, 2015, reflecting settlement of the Vancouver office lease, compared to $4,230 for the same period in the prior year. The Company sub-leased it is office space in 1030 West Georgia St, in September 2014, in efforts to reduce expenses. The Company incurred $642 for transfer agent, filing and regulatory costs for the three months ended December 31, 2015 lower than $1,429 for the same period in the prior year. Other expenses for the three months ended December 31, 2015 included $289 for investor relations compared to $1,117 for the same period in the prior year. The Company incurred $6,762 loss on sale of its Vancouver office's furniture for the three months ended December 31, 2015, compared to $Nil for the same period in the prior year. The Company recorded a foreign exchange loss of $Nil for the three months ended December 31, 2015 compared to a foreign exchange loss of $30 for the same period in the prior year mainly due to the translation of foreign currency denominated working capital items.

Year ended December 31, 2015 compared to the year ended December 31, 2014

The Company incurred a net loss of $323,485 for the year ended December 31, 2015 compared to a net loss of $535,845 for the prior year.

Total expenses for the year ended December 31, 2015 were $315,303 compared to $535,814 for the prior year reflecting the Company's efforts to reduce expenses.

Expenses for the year ended December 31, 2015 included $222,041 in salaries and benefits for Vancouver employees, lower than $297,724 for the same period last year due to a reduction in staffing levels and salaries. Professional fees for the year ended December 31, 2015 were $30,250 compared to $71,315 for the prior year due to lower legal and accounting expenses. Additionally, for the year ended December 31, 2015, the Company incurred $21,608 for office and administrative expenses, lower than $50,924 incurred for the prior year, reflecting Company's efforts to reduce expenses. The Company paid $1,152 in rent for its Vancouver office premises for the year ended December 31, 2015 compared to $65,963 for the same period in the prior year. The Company sub-leased it is office space in 1030 West Georgia St, in September 2014, in efforts to reduce expenses. The Company incurred $22,832 for transfer agent, filing and regulatory costs for the year ended December 31, 2015 higher than $11,300 for the prior year, due to expenses for annual AGM held in March and renewal of the stock option plan. Other expenses for the year ended December 31, 2015 included $1,367 for investor relations and $6,945 for travel compared to $11,254 and $11,270, respectively, for the prior year. The Company recorded $Nil in share-based payments for the year ended December 31, 2015, compared to $6,461 for the prior year. The Company incurred $6,762 loss on sale of its Vancouver office's furniture for the year ended December 31, 2015, compared to $Nil for the prior year. The Company recorded a foreign exchange loss of $1,420 for the year ended December 31, 2015 compared to a foreign exchange loss of $726 for the prior year mainly due to the translation of foreign currency denominated working capital items.

Finance income for the year ended December 31, 2015 was $Nil compared to $695 for the prior year.

Exploration and Evaluation Asset Expenditures

Three months ended December 31, 2015 compared to the three months ended December 31, 2014

During the three months ended December 31, 2015, exploration and evaluation assets expenditures totaled $650,276 compared to $165,565 for the three months ended December 31, 2014 as summarized in the following table:

	Three months ended December 31, 2015	Three months ended December 31, 2014
Field logistics	$ 1,849	$ 5,303
Exploration salaries and wages	32,552	27,118
Contract labour	12,092	12,400
General and administrative	26,880	34,784
Land acquisition costs	-	58,005
Environmental, permitting and other	8,322	8,738
Proceeds from Royalty agreement	-	(575,000)
Transaction costs from royalty agreement	-	74,844
Translation adjustment	568,581	519,373
	$ 650,276	$ 165,565

In December 2014, the Company entered into a royalty agreement (the "Royalty Agreement") with a royalty company pursuant to which Castle Peak will receive an aggregate amount of $1,150,000 in exchange for a 1% net smelter returns royalty (the "Royalty") on the sale of minerals from the Akorade project in Ghana, excluding the Bonsaso license.

The Company received the proceeds for the grant of the Royalty on two instalments, 50% on signing of the Royalty Agreement in December 2014, with the remainder received in the first quarter of 2015 upon registration of the Royalty Agreement with the applicable entities in Ghana.

Excluding translation adjustment, transaction costs from royalty agreement and proceeds from royalty agreement, exploration and evaluation assets expenditures for the three month period ended December 31, 2015 decreased to $81,695 from $146,348 incurred for the same period in the prior year. During the three months ended December 31, 2015, the Company focused its efforts primarily on capital conservation, unlocking value of the high-grade Apankrah Shoot Deposit through discussions with potential partners and documenting all the work completed and targets identified to date on each prospecting licence.

The Company incurred $1,849 in field logistics for the three months ended December 31, 2015 compared to $5,303 for the same period in the prior year. Exploration salaries and wages were $32,552 for the three months ended December 31, 2015 compared to $27,118 for the same period in the prior year. Contract labour was $12,092 for the three months ended December 31, 2015 compared to $12,400 for the same period in the prior year. General and administrative expenses, primarily related to costs associated with the Company's office in Ghana, were $26,880 for the three months ended December 31, 2015, compared to $34,784 for the same period in the prior year. The decrease was mainly due to lower communication, car rental, information technology and office expenses. Land acquisition costs totaled $Nil for the three months ended December 31, 2015, compared with $58,005 incurred for the same period in the prior year. The variance is due to timing of payments. Environmental, permitting and other costs totaled $8,322 for the three months ended December 31, 2015, compared to $8,738 for the same period in the prior year. To keep its concessions in good standing, the Company is required to pay certain fees to the Minerals Commission of Ghana, including fees to renew or extend its prospecting and reconnaissance licenses, and to the Environmental Protection Agency of Ghana ("EPA") for processing and certificate fees with respect to EPA permits and forestry permits. Fees paid totaled US$5,262 for the three months ended December 31, 2015 compared to US$4,603 for the same period in the prior year.

The Company recorded a translation adjustment of $568,581 resulting from the weakening of the Canadian dollar against the US dollar during the three months ended December 31, 2015 compared to a translation adjustment of $519,373 for the same period in the prior year. The translation adjustments are related to the translation of exploration and evaluation assets from US dollars, the functional currency of the Ghana subsidiaries, to Canadian dollars.

Year ended December 31, 2015 compared to the year ended December 31, 2014

During the year ended December 31, 2015, exploration and evaluation assets expenditures totaled $2,747,963 compared to $1,347,631 for the year ended December 31, 2014 as summarized in the following table:

	Year ended December 31, 2015	Year ended December 31, 2014
Drilling and access	$ 30,623	$ 14,706
Geochemistry	6,802	-
Field logistics	43,584	28,197
Exploration salaries and wages	118,860	114,307
Contract labour	53,847	50,448
Exploration management and consulting services	-	26,667
General and administrative	95,106	181,243
Land acquisition costs	53,576	102,305
Environmental, permitting and other	51,963	71,245
Proceeds from Royalty agreement	(575,000)	(575,000)
Transaction costs from royalty agreement	-	74,844
Translation adjustment	2,868,602	1,258,669
	$ 2,747,963	$ 1,347,631

In December 2014, the Company entered into a royalty agreement (the "Royalty Agreement") with a royalty company pursuant to which Castle Peak will receive an aggregate amount of $1,150,000 in exchange for a 1% net smelter returns royalty (the "Royalty") on the sale of minerals from the Akorade project in Ghana, excluding the Bonsaso license.

The Company received the proceeds for the grant of the Royalty on two instalments, 50% on signing of the Royalty Agreement in December 2014, with the remainder received in the current quarter upon registration of the Royalty Agreement with the applicable entities in Ghana.

Excluding translation adjustment, transaction costs from royalty agreement and proceeds from royalty agreement, exploration and evaluation assets expenditures for the year ended December 31, 2015 decreased to $454,361 from $589,118 incurred for the prior year. During the year ended December 31, 2015, the Company focused its efforts primarily on capital conservation, unlocking value of the high-grade Apankrah Shoot Deposit through discussion with potential partners and maintaining the land package in good standing through the undertaking of a limited, targeted mapping and auger sampling program. Also undertaken was documentation, on a prospecting licence level, of all work completed to date and targets identified with proposals for further evaluation of the prospecting licences.

The Company incurred $30,623 in drilling (auger drilling) and access costs for the year ended December 31, 2015 compared to $14,706 for the prior year, reflecting a limited auger drilling program that was started in the first quarter of the year and was finished in April. The Company incurred $6,802 in Geochemistry for the year ended December 31, 2015 compared to $Nil for the prior year. The Company incurred $43,584 in field logistics for the year ended December 31, 2015 higher than $28,197 for the prior year, due to timing of field rent payment and settlement of long standing internet charges. Exploration salaries and wages were $118,860 for the year ended December 31, 2015 compared to $114,307 for the prior year. Contract labour was $53,847 for the year ended December 31, 2015 compared to $50,448 for the prior year. Exploration management and consulting services totaled $Nil for the year ended December 31, 2015, compared to $26,667 incurred for the prior year. General and administrative expenses, primarily related to costs associated with the Company's office in Ghana, were $95,106 for the year ended December 31, 2015 compared to $181,243 for the prior year, the decrease was mainly due to lower communication, car rental, information technology and office expenses. Environmental, permitting and other costs totaled $51,963 for the year ended December 31, 2015, lower than the $71,245 for the prior year mainly due to the timing of expenses. To keep its concessions in good standing, the Company is required to pay certain fees to the Minerals Commission of Ghana, including fees to renew or extend its prospecting and reconnaissance licenses, and to the Environmental Protection Agency of Ghana ("EPA") for processing and certificate fees with respect to EPA permits and forestry permits. Fees paid totaled US$36,490 for the year ended December 31, 2015 compared to US$30,975 for the prior year. Included in the prior year's balance are amounts paid to Knight Piesold Ghana Ltd. for their review of the Apankrah Deposit site and surroundings including road access to the site, in addition to amounts paid to Core Value Concepts ("CVC") to complete a needs assessment for the Nkwanta community.

The Company recorded a translation adjustment of $2,868,602 resulting from the weakening of the Canadian dollar against the US dollar during the year ended December 31, 2015 compared to a translation adjustment of $1,258,669 for the prior year. The translation adjustments are related to the translation of exploration and evaluation assets from US dollars, the functional currency of the Ghana subsidiaries, to Canadian dollars.

OUTLOOK

During the quarter ended December 31, 2015, the Company focused its efforts on two fronts: firstly, reviewing and documenting the work completed on the land package focussed on generating high potential, near term drill targets for bulk mineable deposits and outlining the programs needed to bring these targets to drill ready, and secondly, continuing to unlock value in the shallow high grade Apankrah Deposit by reviewing changes in the local mining environment which has also included discussions with numerous parties interested in the advancement of the

Apankrah Deposit on a small scale. These discussions focused on the high grade nature of the deposit, as well as the potential for extracting a small bulk sample that would provide abundant geological information on the controls of the mineralisation. To date no agreement has been reached.

Although the financing market for junior explorers is very challenging and there is no certainty that the Company will consummate a financing or partnership from the current discussions, we are very encouraged in the fact that parties are still interested in evaluating our land package and discussing its potential. The expectation is that the Company will be able to identify sufficient capital to maintain the land package in conjunction with identifying partners to share the exploration risk of these early stage targets.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2015, the Company had cash and cash equivalents of $34,319 (December 31, 2014 - $390,872) to settle current liabilities of $358,169 (December 31, 2014 - 567,934). The Company expects to fund its liabilities, operations and operational activities through cash on hand, loans, and the issuance of capital stock.

As at December 31, 2015, the Company's cash and cash equivalents decreased by $356,553 to $34,319 from $390,872 as at December 31, 2014. Cash of $369,813 (2014 - $548,011) was used for operating activities, and $10,084 was provided by investing activities (2014 - $72,807 was used in investing activities).

Net cash used in operating activities for the year ended December 31, 2015 was 369,813 (2014 - $548,011). The cash used during the year consists primarily of the loss of $323,485 (2014 - $535,845) which includes non-cash expenses for Share-based compensation of $Nil (2014 - $6,461), and depreciation of $9,108 (2014 - $8,603).

Net cash provided by investing activities for the year ended December 31, 2015 was $10,084 (2014 - $72,807 used in investing activities) which includes receiving $575,000; the proceeds for the second 50% the grant of the Royalty upon registration of the Royalty Agreement with the applicable entities in Ghana. Balance is cash used to finance the acquisition and exploration of exploration and evaluation assets.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

	Year ended December 31, 2015	Year ended December 31, 2014
Consulting fees paid to a member of the Company's Advisory Committee	$ -	$ 1,000
Salaries and benefits paid to officers and senior management (1)	327,619	373,454
Share-based payments	-	6,461

(1) Remuneration attributed to key management personnel is recorded in salaries and benefits, and exploration and evaluation assets.

a) Salaries totaling $327,619 were paid to the officers and senior management of the Company for the year ended December 31, 2015 (December 31, 2014: $373,454). These individuals include Darren Lindsay, President, CEO, and Director; Henry Sowah, Exploration Manager; and Iyad Jarbou, interim CFO.
b) Share-based payments is related to the continued vesting of stock options. No stock options were issued during the year ended December 31, 2015, and December 31, 2014.

As at December 31, 2015, $106,500 (December 31, 2014 - $138,998) was owing to a director and officer of the Company and is included in accounts payable and accrued liabilities.

Amounts payable to related parties as included in accounts payable and accrued liabilities are non-interest bearing, unsecured, and have no fixed terms of repayment.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts and disclosures of assets and liabilities at the date of the consolidated financial statements and the reported amounts of expenses during the year. Actual results could differ from those estimates and such differences could be significant.

SIGNIFICANT ACCOUNTING POLICIES

For a complete summary of the Company's significant accounting policies, see Note 3 to the audited financial statements for the three month period ended December 31, 2014.

New standards and interpretations not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after January 1, 2015. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 7: Amended to require additional disclosures on transition from IAS 39 and IFRS 9, effective for annual periods beginning on or after January 1, 2015.
- IFRS 9: New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash and cash equivalents, receivables, accounts payable and accrued liabilities and loans due to related parties.

The fair value of the Company's receivables, accounts payable and accrued liabilities and loans due to related parties approximate carrying value due to their short terms to maturity, which is the amount recorded on the condensed interim consolidated statement of financial position. The Company's other financial instrument, cash and cash equivalents is recorded at fair value, and under the fair value hierarchy is based on level one quoted prices in active markets for identical assets and liabilities.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

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 credit risk is primarily attributable to cash and cash equivalents, receivables, and deposits. Other than cash held by its subsidiary for its immediate operating needs in Ghana, the majority of the Company's cash and cash equivalents are held with a major Canadian chartered bank and management believes the risk of loss to be remote. Receivables consist of input tax credits receivable from the Government of Canada, and sub-leased rent due from a reputable Canadian company, therefore, the Company does not believe it is subject to significant credit risk in relation to its receivables.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. As at December 31, 2015, the Company had cash and cash equivalents of $34,319 and current liabilities of $358,169. The Company will need to raise additional funds in the coming period to meet its obligations.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the Company's financial instruments will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk on its cash balances which earn interest at variable market interest rates, however, this exposure is considered to be minimal. The Company has no interest-bearing debt, and therefore, is not exposed to risk in the event of interest rate fluctuations.

b) Currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company's expenditures are predominantly in Canadian dollars, US dollars, and Ghanaian cedis. The Company has financial assets and liabilities denominated in US dollars and Ghanaian cedis as at December 31, 2015. Based on the Company's net exposure as at December 31, 2015, a 10% depreciation or appreciation of the Canadian dollar against the US dollar and Ghanaian cedis would result in a change of approximately $4,700 in Comprehensive Income (Loss).

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

RISK FACTORS

This MD&A does not include all of the information required for full risk factors discussion and should be read in conjunction with the Company's annual MD&A for the year ended December 31, 2015.

INTERNAL CONTROLS

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation. Castle Peak has undertaken to put into place a system of internal controls appropriate for its size, and reflective of its operations. The Company's certifying officers are responsible for establishing and maintaining disclosure controls and procedures for the Company, and have concluded based on an evaluation as at December 31, 2015, that the disclosure controls and procedures for the Company are effective.

OUTSTANDING SHARE INFORMATION

Common shares, stock options and warrants issued and outstanding as at December 31, 2015 are described in detail in Note 8 to the audited condensed interim consolidated financial statements for the year December 31, 2015.

Summarized balances as at December 31, 2015 and April 19, 2016 are as follows:

	December 31, 2015	April 19, 2016
Common shares outstanding	116,096,693	116,096,693
Stock options exercisable	3,617,500	3,617,500
Share purchase warrants exercisable	40,000,000	40,000,000
Fully-diluted	159,714,193	159,714,193

FORWARD-LOOKING STATEMENTS

This MD&A contains "forward looking information" within the meaning of applicable Canadian securities legislation. Forward looking information may include, but is not limited to, information with respect to our planned exploration and evaluation activities including generating new targets, costs and timing of future exploration, results of future exploration and drilling, potential development plans in the future, timing and receipt of approvals, consents and permits under applicable legislation, our executive compensation approach and practice, the composition of our board of directors and committees, and adequacy of financial resources. Wherever possible, words such as "plans", "expects" or "does not expect", "budget", "scheduled", "estimates", "forecasts", "anticipate" or "does not anticipate", "believe", "intend" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, have been used to identify forward looking information.
Forward looking information is subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied by the forward looking information, including, without limitation:

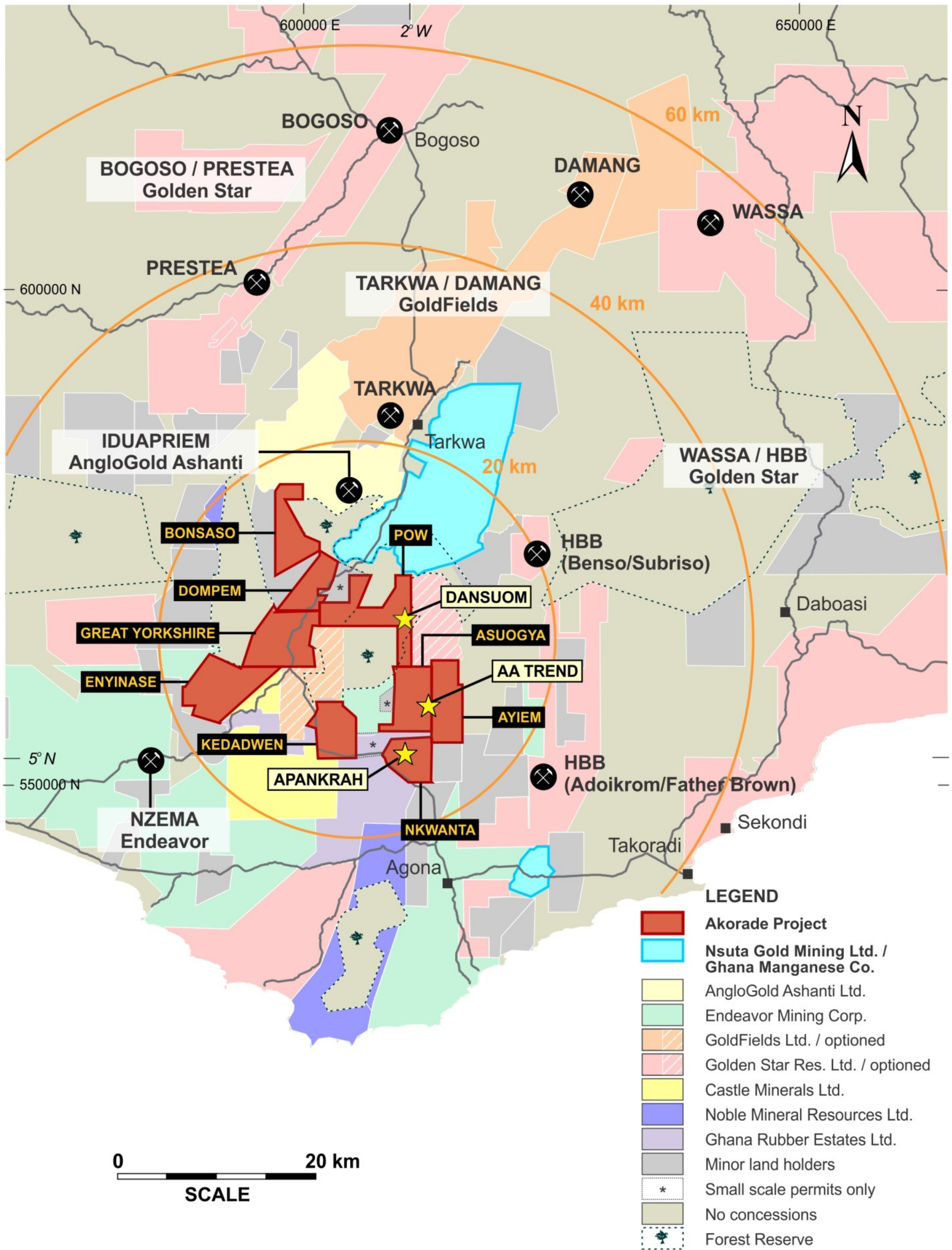
- risks related to commodity price fluctuations, including gold price volatility;
- risks related to the exploration and evaluation of our mineral property including general operating risks;
- risks related to the fact that we are a new company with no exploration and evaluation assets in production or development and no history of production or revenue;
- uncertainties related to title to our exploration and evaluation assets and surface rights;
- risks and uncertainties relating to the interpretation of drill results and the geology, grade and continuity of our mineral deposits;
- risks related to governmental regulations, including environmental regulations;
- increased costs and restrictions on operations due to compliance with environmental laws and regulations;
- increased costs affecting the mining industry;
- increased competition in the mining industry for properties, qualified personnel and management;
- risks related to some of our directors' and officers' involvement with other natural resource companies;
- risks related to the delay in obtaining or failure to obtain required permits, or non-compliance with permits that have been obtained;
- risks related to our ability to obtain adequate financing for our planned exploration and evaluation activities and to complete further exploration programs;
- risks related to general economic conditions;
- recent market events and conditions; and

• currency fluctuations.

This list is not exhaustive of the factors that may affect any of our forward-looking information. Although we have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Forward-looking information involves statements about the future and is inherently uncertain, and our actual achievements or other future events or conditions may differ materially from those reflected in the forward-looking information due to a variety of risks, uncertainties and other factors. Our forward-looking information is based on the beliefs, expectations and opinions of management on the date the statements are made and we do not assume any obligation to update forward looking information, whether as a result of new information, future events or otherwise, other than as required by applicable law. For the reasons set forth above, prospective investors should not place undue reliance on forward looking information.

APPROVAL

Management is responsible for all information disclosed in the consolidated financial statements. The Board of Directors of Castle Peak Mining Ltd. has approved the disclosures contained in this MD&A.


600000 E
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Golden Star
BONSASO
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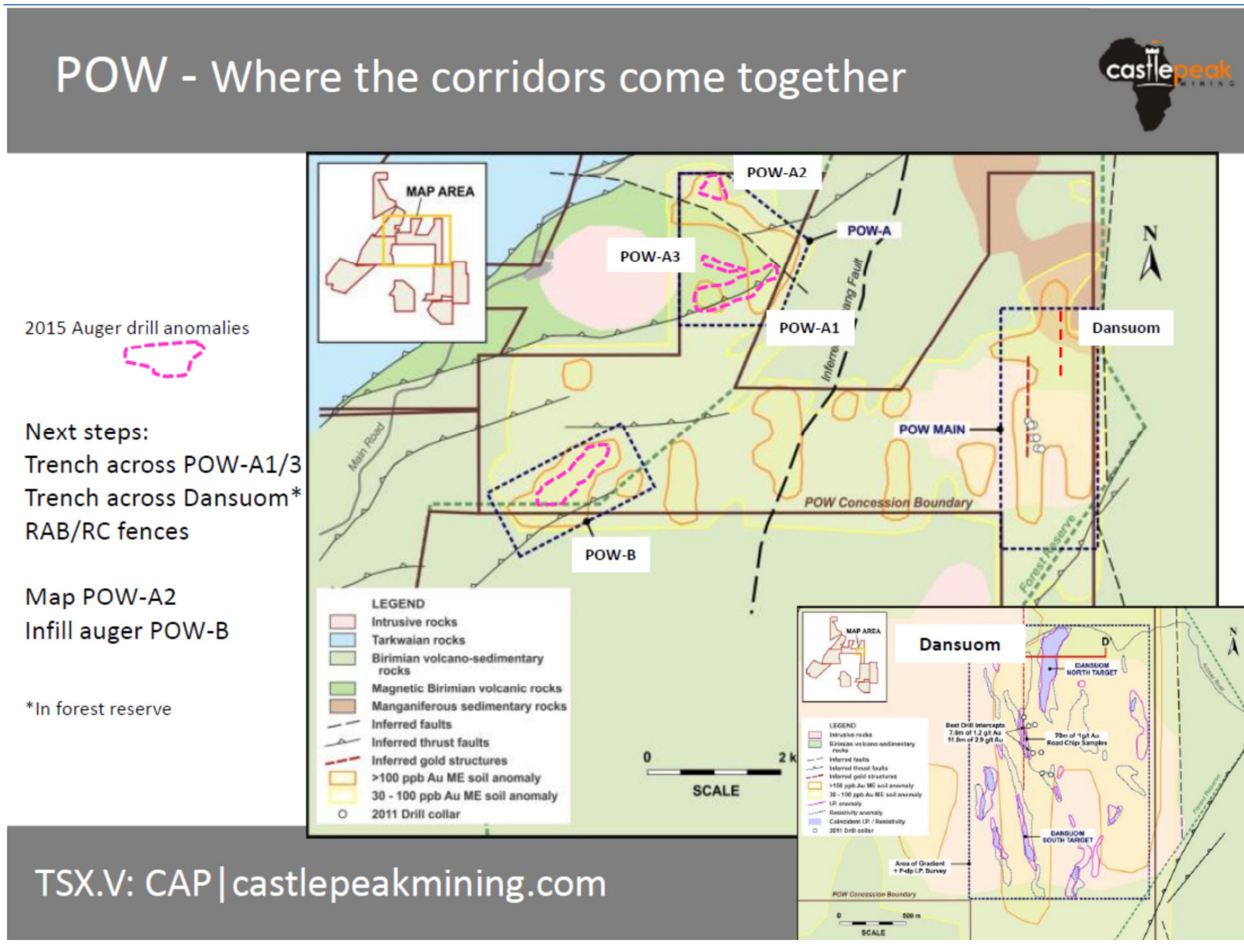
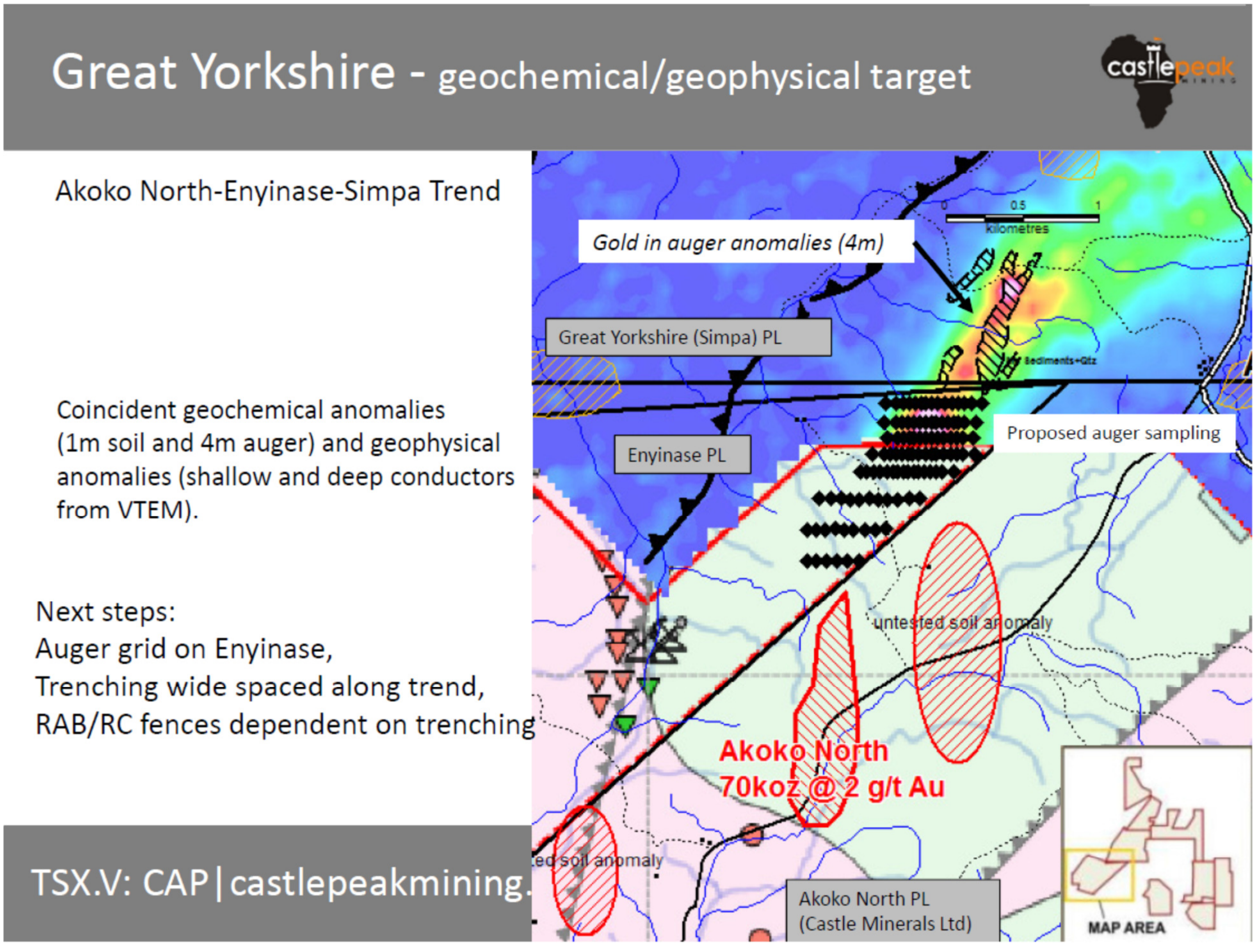
Endeavor
NKWANTA
Sekondi
Takoradi
Agona
LEGEND
Akorade Project
Nsuta Gold Mining Ltd. /
Ghana Manganese Co.
AngloGold Ashanti Ltd.
Endeavor Mining Corp.
GoldFields Ltd. / optioned
Golden Star Res. Ltd. / optioned
Castle Minerals Ltd.
Noble Mineral Resources Ltd.
Ghana Rubber Estates Ltd.
Minor land holders
Small scale permits only
No concessions
Forest Reserve
0
20 km
SCALE


POW - Where the corridors come together
castlepeak
2015 Auger drill anomalies
Next steps:
Trench across POW-A1/3
Trench across Dansuom*
RAB/RC fences
Map POW-A2
Infill auger POW-B
*In forest reserve
MAP AREA
POW-A2
POW-A
POW-A3
POW-A1
Dansuom
POW MAIN
POW-B
Main Road
POW Concession Boundary
Forest Reserve
LEGEND
Intrusive rocks
Tarkwaian rocks
Birimian volcano-sedimentary rocks
Magnetic Birimian volcanic rocks
Manganiferous sedimentary rocks
Inferred faults
Inferred thrust faults
Inferred gold structures
>100 ppb Au ME soil anomaly
30 - 100 ppb Au ME soil anomaly
2011 Drill collar
0
SCALE
N
Dansuom
TSX.V: CAP|castlepeakmining.com


Great Yorkshire - geochemical/geophysical target
castlepeak
Akoko North-Enyinase-Simpa Trend
Coincident geochemical anomalies (1m soil and 4m auger) and geophysical anomalies (shallow and deep conductors from VTEM).
Next steps:
Auger grid on Enyinase,
Trenching wide spaced along trend,
RAB/RC fences dependent on trenching
TSX.V: CAP | castlepeakmining.
Gold in auger anomalies (4m)
0
0.5
1
Kilometres
Great Yorkshire (Simpa) PL
Enyinase PL
Proposed auger sampling
untested soil anomaly
Akoko North
70koz @ 2 g/t Au
ted soil anomaly
Akoko North PL
(Castle Minerals Ltd)
MAP AREA