NuLegacy Gold CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED
March 31, 2013

GENERAL

The purpose of this Management Discussion and Analysis ("**MD&A**") is to explain management's point of view regarding the past performance and future outlook of NuLegacy Gold Corporation. ("**NuLegacy**" or the "**Company**"). This report also provides information to improve the reader's understanding of the financial statements and related notes as well as important trends and risks affecting the Company's financial performance, and should therefore be read in conjunction with the Company's annual audited consolidated financial statements and notes (the "**Financial Statements**") for the year ended March 31, 2013.

All information contained in this MD&A is current as of July 26, 2013 unless otherwise stated.

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

Additional information on the Company is available on SEDAR at www.sedar.com and at the Company's website, www.*nulegacygold*.com. The date of this MD&A is July 26, 2013.

FORWARD LOOKING STATEMENTS

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

All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words.

Forward-looking statements contained or incorporated by reference in this MD&A may relate to the Company's future financial condition, results of operations, plans, objectives, performance or business developments including, among other things, exploration and work programs, drilling plans and timing of drilling, plans for development and facilities construction and timing, method of funding and completion thereof, the performance characteristics of the Company's exploration and evaluation assets, drilling, results of various projects of the Company, the existence of mineral resources or reserves and the timing of development thereof, projections of market prices and costs, supply and demand for gold and other precious metals, expectations regarding the ability to raise capital and to acquire reserves through acquisitions and/or development, treatment under governmental regulatory regimes and tax laws, and capital expenditure programs and the timing and method of financing thereof. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of the Company contained or incorporated by reference in this MD&A, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein or as otherwise expressly incorporated herein by reference as well as: (1) there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment, adverse weather conditions or otherwise; (2) permitting, access, exploration, expansion and acquisitions at our projects (including, without limitation, land acquisitions for and permitting of exploration plans) being consistent with the Company's current expectations; (3) the viability, permitting, access, exploration and development of the Red Hill project including, but not limited to, the establishment of resources being consistent with the Company's current expectations; (4) political developments in the State of Nevada including, without limitation, the implementation of the new Nevada state mining tax and related regulations being consistent with the Company's current expectations; (5) the exchange rate between the Canadian dollar and the U.S. dollar being approximately consistent with current levels; (6) certain price assumptions for gold and silver; (7) prices for and availability of equipment, labor, natural gas, fuel oil, electricity, water and other key supplies remaining consistent with current levels; (8) the results of the Company's exploration program on the Red Hill project being consistent with the Company's expectations; (9) labour and materials costs increasing on a basis consistent with the Company's current expectations; (10) the availability and timing of additional financing being consistent with the Company's current expectations. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: fluctuations in the currency markets; fluctuations in the spot and forward price of gold or certain other commodities (such as diesel fuel and electricity); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada, the United States, or other countries in which the Company may carry on business in the future; business opportunities that may be presented to, or pursued by, us; our ability to successfully integrate acquisitions; operating or technical difficulties in connection with exploration or development activities; employee relations; the speculative nature of gold exploration and development, including the risks of obtaining necessary licenses and permits; competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, geological, technical, drilling and processing problems, fluctuations in foreign exchange or interest rates and stock market volatility, changes in income tax laws or changes in tax laws and incentive programs relating to the mineral resource industry; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of gold exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion losses (and the risk of inadequate insurance, or the inability to obtain insurance, to cover these risks). Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking statements made or incorporated by reference in this MD&A are qualified by these cautionary statements and those made in our other filings with applicable securities regulators in Canada. These factors are not intended to represent a complete list of the factors that could affect the Company and readers should not place undue reliance on forward-looking statements in this MD&A. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

The forward looking statements contained herein are based on information available as of July 26, 2013.

DESCRIPTION OF BUSINESS

NuLegacy Gold Corporation (the "Company" or "NuLegacy") was incorporated on May 19, 2009 in the province of British Columbia. The Company has under option the 104 square km Red Hill Project in the well-established and prolific Cortez gold trend of Nevada. The Company's objective is to discover and vend significant multi-million ounce Carlin-type replacement gold deposits. It utilizes highly-focused exploration programs employing sophisticated techniques for targeting multi-million ounce deposits.

On December 9, 2010, the Company began trading on the TSX Venture Exchange under the symbol NUG as a Tier 2 mining issuer. The Company is in the process of exploring its mineral properties and has yet to determine whether these properties contain mineral reserves that are economically recoverable.

The Company has not earned revenues from its exploration activities and is considered to be in the exploration stage.

Overall performance

In August 2011, the Company issued 100,000 common shares at $0.20 for the acquisition of the Wilson property for a value of $20,000.

In August 2012, the Company issued 100,000 common shares at $0.14 in connection with the Wilson Property option agreement for a value of $14,000.

On December 5, 2011, the Company completed a non-brokered private placement for a total of 6,932,500 units (the "Units") at a price of $0.15 per Unit for gross proceeds of $1,039,875. Each Unit consisted of one common share and one share purchase warrant, each warrant entitling the holder thereof to purchase one additional common share of the Company for a period of 18 months at a price of $0.25 during the first 12 months and $0.35 during the last 6 months. A finder's fee of 8% cash and a total of 16,560 non-transferable finder's warrants were paid to certain registered dealers on a portion of the private placement. Each finder's warrant will entitle the holder to purchase one common share of the Company for a period of 18 months at a price of $0.15.

On December 23, 2011, the Company completed a non-brokered private placement for a total of 4,125,266 units (the "Units") at price of $0.15 per Unit for gross proceeds of $618,790. Each Unit consisted of one common share and one share purchase warrant entitling the holder to purchase an additional common share for a period of 18 months at a price of $0.25 during the first 12 months and $0.35 during the last 6 months. A finder's fee of $40,200 (8%) and 268,000 non-transferable finder's warrants was paid to an arm's length dealer in respect of a portion of the Units sold under the second closing. Each finder's warrant entitles the holder to purchase one common share of the Company for a period of 18 months at a price of $0.15.

On January 26, 2012, the Company completed a non-brokered private placement for a total of 313,636 units (the "Units") at a price of $0.15 per Unit for gross proceeds of $47,045. Each Unit consisted of one common share and one share purchase warrant, each warrant entitling the holder thereof to purchase one additional common share of the Company for a period of 18 months at a price of $0.25 during the first 12 months and $0.35 during the last 6 months.

On February 3, 2012, the Company completed a non-brokered private placement for a total of 1,128,598 units (the "Units") at price of $0.15 per Unit for gross proceeds of $169,290. Each Unit consisted of one common share and one share purchase warrant entitling the holder to purchase an additional common share for a period of 18 months at a price of $0.25 during the first 12 months and $0.35 during the last 6 months.

On June 25, 2012, the Company completed a non-brokered private placement for a total of 2,200,000 units (the "Units") at a price of $0.20 per Unit for gross proceeds of $440,000. Each Unit consists of one common share and one share purchase warrant, each warrant entitling the holder thereof to purchase one additional common share of the Company for a period of 24 months at a price of $0.30 during the first 12 months and $0.45 during the last 12 months.

On November 21, 2012, the Company completed a non-brokered private placement for a total of 8,797,666 units (the "Units") at a price of $0.15 per Unit for gross proceeds of $1,319,650. Each Unit consisted of one common share and one-half share purchase warrant, with each full warrant entitling the holder thereof to purchase one additional common share of the Company for a period of 24 months, subject to acceleration, at a price of $0.25 during the first 12 months and $0.35 during the last 12 months. Finders' fees totaling $24,140 cash and 160,933 warrants were paid to certain registered finders in connection with the closing, each finder's warrant entitling the holders to purchase one common share of the Company for a period of two years.

On December 5, 2012 the Company completed a non-brokered private placement for a total of 946,665 units ("Units") at a price of $0.15 per Unit for gross proceeds of $142,000. A finder's fee of $3,150 cash and 21,000 finder's warrants has been paid to a registered finder on a portion of the second tranche of the private placement, each finder's warrant entitling the holder to purchase one common share of the Company for a period of two years at a price of $0.25.

On December 20, 2012 the Company completed a non-brokered private placement for a total of 366,667 units ("Units") at a price of $0.15 per Unit for gross proceeds of $55,000. A finder's fee of $1,050 cash and 7,000 finder's warrants has been paid to a registered finder on the third closing of the private placement, each finder's warrant entitling the holder to purchase one common share of the Company for a period of two years at a price of $0.25.

During the year, the Company expended $914,784 on its Red Hill properties; $701,766 on the Barrick property and $213,018 on the Wilson property.

During the year, the Company decided to terminate the Miranda Property and Miranda (Coal Canyon) Option Agreements of the Red Hill project, and as a result wrote off related exploration and evaluation assets of $2,231,618. The Company also wrote off additional exploration and evaluation assets of $1,280,712 due to termination of Wood Hills South Property Option Agreement subsequent to year end.

For a more detailed description of the Company's interest in its exploration and evaluation assets and the terms and conditions of the underlying agreements, please refer to the section "Summary of Exploration Activities".

Subsequent events

a) In April 2013, the Company terminated the Wood Hills South Property Option Agreement.

b) In May 2013, the Company completed a non-brokered private placement of 10,284,250 units at a price of $0.10 per unit for gross proceeds of $1,028,045. Each unit consists of one common share and one share purchase warrant, with each warrant entitling the holder to purchase one additional common share of the Company for a period of 24 months, subject to acceleration, at a price of $0.15 during the first 12 months and $0.20 during the last 12 months.

c) In July 2013, the Company granted stock options to certain consultants of the Company to purchase up to an aggregate 500,000 shares at a price of $0.15 per share for a period of five years.

SELECTED ANNUAL INFORMATION

All financial information in this MD&A has been prepared in accordance with IFRS.

The following financial data is derived from the Company's annual audited consolidated financial statements for the years ended March 31, 2013, 2012 and 2011:

	2013 $	2012 $	2011* $
General and administrative expenses	(1,546,920)	(1,762,549)	(1,131,419)
Other income (loss) – Write-offs, foreign exchange gain (loss) and interest income	(3,524,237)	(9,276)	(86,158)
Loss and comprehensive loss	(5,071,157)	(1,771,825)	(1,217,577)
Basic and diluted loss per common share	(0.08)	(0.04)	(0.04)
Working capital	532,910	2,119,422	3,526,177
Exploration and evaluation assets	1,993,136	3,414,442	1,107,893
Total assets	2,620,251	5,792,188	4,717,545
Total liabilities	83,030	243,060	79,987

*Restated in accordance with IFRS.

All of the Company's projects are at the exploration stage and, to date, the Company has not generated any revenues other than interest income.

At March 31, 2013, the Company had not yet achieved profitable operations and has accumulated losses of $8,369,052 (March 31, 2012 – $3,297,895) since inception. These losses resulted in a net loss per share (basic and diluted) for the year ended March 31, 2013 of $0.08 (March 31, 2012 - $0.04).

SUMMARY OF QUARTELY RESULTS

The following selected quarterly consolidated financial information is derived from the financial statements of the Company.

	Net loss for the quarter	Basic and diluted loss per share for the quarter
Fiscal 2013 quarter ended:	$	$
March 31, 2013	4,056,741	0.06
December 31, 2012	309,169	0.00
September 30, 2012	398,568	0.01
June 30, 2012	306,679	0.01
Fiscal 2012 quarter ended:		
March 31, 2012	467,269	0.01
December 31, 2011	483,449	0.01
September 30, 2011	284,774	0.01
June 30, 2011	536,333	0.01

Variances quarter over quarter can be explained as follows:

In the quarter ended March 31, 2013, the Company wrote off $3,512,330 in exploration and evaluation assets due to the termination of the Miranda Property and Miranda (Coal Canyon) Option Agreements in January 2013 and the Wood Hills South Property Option Agreement in April 2013.

RESULTS OF OPERATIONS

For the year ended March 31, 2013, the Company earned no revenue and incurred a comprehensive loss of $5,071,157 compared to $1,771,825 for the comparative period of 2012, an increase of $3,299,332. The increase in comprehensive loss is due to the Company terminating the Miranda Property and Miranda (Coal Canyon) Option Agreements of the Red Hill project in January 2013 and the Wood Hills South Property Option Agreement in April 2013.

The table below details the changes in major expenditures for the year ended March 31, 2013 as compared to the corresponding year ended March 31, 2012.

Expenses	Increase / Decrease in Expenses	Explanation for Change
Consulting fees	Decrease of $97,461	Decreased due to a higher portion of fees paid to the Company's senior executive officers allocated to investor relations activities.
Investor relations	Increase of $261,351	Increased due to more marketing focused activities and a higher portion of senior executive officers' time allocated to investor relations activities.
Professional fees	Increase of $42,810	Increased due to correcting un-accrued audit fee liabilities from prior year.
Share-based compensation	Decrease of $454,331	Decreased due to significantly lower stock options vesting in the year.

FOURTH QUARTER

The operating and administrative expenses for the quarter ended March 31, 2013 totalled $529,278. The major expenses for the quarter ended March 31, 2012 were consulting fees of $40,771, investor relations fees of $192,143, professional fees of $48,626, and share based compensation of $148,892.

During the quarter ended March 31, 2013, the Company commenced drilling on its Wood Hills South project, located in Elko County, Nevada, to test the several favourably complex structural areas with anomalous gold that were delineated on the Wood Hills South project in 2012. These complex areas appear to be similar in nature to those that host the higher grade gold of the Long Canyon gold deposit.

SUMMARY OF EXPLORATION ACTIVITIES

The Company's main properties of interest are the Red Hill properties located in Nevada, USA.

For the year ended March 31, 2013, the Company incurred $2,091,024 in staking costs and deferred exploration and development costs compared to $2,346,921 for the corresponding year ended March 31, 2012.

The following is a breakdown of the material components of the Company's deferred exploration and development costs, on a property by property basis, for the years ended March 31, 2013 and March 31, 2012:

	Red Hill Properties					
	Miranda Property $	Barrick Property $	Wilson Property $	Wood Hills South Property $	Half Ounce Property $	Total $
Balance April 1, 2011	563,691	58,609	119,886	325,598	40,109	1,107,893
Additions	901,584	572,356	327,501	545,217	263	2,346,921
Dispositions	-	-	-	-	(40,372)	(40,372)
Balance March 31, 2012	1,465,275	630,965	447,387	870,815	-	3,414,442
Additions	766,343	701,766	213,018	409,897	-	2,091,024
Dispositions	(2,231,618)	-	-	(1,280,712)	-	(3,512,330)
Balance March 31, 2013	**-**	**1,332,731**	**660,405**	**-**	**-**	**1,993,136**

The total cumulative acquisition and deferred exploration costs to March 31, 2013 are summarized as follows:

	Miranda Property $	Barrick Property $	Wilson Property $	Wood Hills South Property $	Total $
Acquisition and legal	105,420	16,153	109,305	21,089	251,967
Geological consulting	321,521	336,910	92,977	352,908	1,104,316
Geophysical and survey	164,416	-	-	-	164,416
Property maintenance	166,072	244,682	220,996	280,273	912,023
Assays	194,068	118,707	26,228	181,567	520,570
Drilling	1,179,583	525,686	189,294	398,791	2,293,354
Travel	71,630	67,679	15,422	27,931	182,662
Miscellaneous	28,908	22,914	6,183	18,153	76,158
Write-off	(2,231,618)	-	-	(1,280,712)	(3,512,330)
Accumulated expenditures since inception	**-**	**1,332,731**	**660,405**	**-**	**1,993,136**

The large increase in dispositions of deferred exploration and development costs from 2011 to 2012 is due to the Company terminating the Miranda Property and Miranda (Coal Canyon) Option Agreements of the Red Hill project in January 2013 and Wood Hills South Property Option Agreement in April 2013.

<u>Fourth quarter activities include:</u>

The Company commenced drilling on its Wood Hills South project, located in Elko County, Nevada, to test the several favourably complex structural areas with anomalous gold that were delineated on the Wood Hills South project during the year. These complex areas appear to be similar in nature to those that host the higher grade gold of the Long Canyon gold deposit.

Mineral properties:

Red Hill Project, Eureka County, Nevada

The Red Hill Project, located in Eureka County, Nevada, encompasses 1,300 unpatented lode mining claims covering approximately 104 square km and is comprised of two separate property agreements: the Barrick Property and the Idaho Property. The Barrick Property consists of 818 unpatented lode mining claims comprising approximately 66 square km. The Idaho Resources Property consists of 482 unpatented mining claims comprising approximately 39 square km directly east and adjacent to the Barrick Property.

On January 25, 2013, the Company terminated an option on the Miranda property, consisting of 144 unpatented mining claims (approximately 11.25 sq km). The Company was able to meet cumulative required expenditure commitments (to September 30, 2012) of US$2,250,000. However, required future investments of $3,250,000 by September 30, 2014 were considered by management to be non-accretive to shareholder value. Hence, the Company advised Miranda of termination of the option in January, 2013. Refer to Note 7 of the audited consolidated financial statements for an outline of required property-related expenditures.

The Red Hill Project is located directly between Barrick Gold Corporation's ("Barrick") Cortez Hills operation to the north and McEwen Mining Inc.'s Tonkin Springs/Gold Bar gold operations to the south. Barrick's Cortez mining operations have reported reserves in excess of 14.5 million ounces of gold, plus additional indicated and inferred resources. Additionally, Barrick's recently announced Goldrush deposit, containing 14.1 million ounces of gold in all categories, is located adjacent to NuLegacy's Barrick Property.

The Red Hill Project encompasses most of the 39 square km 'JD' carbonate window, the largest and least explored of the five major carbonate windows in the Cortez Segment of the Battle Mountain/Eureka Trend. The JD window has geology similar to that which hosts the existing four Carlin-type deposits in the Cortez Segment, which have their largest and best resources at depths between 500 and 1,200 feet. The geology of Barrick's recently announced Goldrush gold discovery represents a close analog to that found at NuLegacy's Red Hill Project.

NuLegacy's re-interpretation of both the geology of the property and previous drilling results indicates that the majority of the Red Hill Project contains geological formations that are favorable for hosting Carlin-style gold mineralization. A significant number of shallow drill holes (less than 150 meters in depth) have attractive gold intercepts at or near their bottom and there are several surface gold anomalies that have not yet been drilled. There were a few deeper holes drilled when the properties were acquired with several having significant gold intercepts, indicating the property is capable of hosting potentially economic mineralization.

On June 13, 2012, the Company announced the following significant result from the Central Mineralized Zone ("CMZ") area on the Barrick Property:

"NuLegacy Gold's hole RHB12-006 intersected several zones of oxidized gold mineralization in the Central Mineralized Zone (CMZ) of the Red Hill Project. Most notable is a near-surface 90 foot oxidized intercept (27.4 meters) of 1.4 grams gold/t, including 35 feet (10.7 meters) of 2.6 g/T.

The results of this vertical reverse circulation hole indicate the discovery of significant near-surface oxide gold mineralization that is likely the north westerly extension of the previously identified gold mineralization in the CMZ. Historic drilling at the CMZ outlined a modest mineralized zone with grades up to 1-2 grams gold/t. Drilling in November, 2012, further extended this zone of mineralisation. RHB12-008 returned 28.9 meters of 1.01 g/T gold .

Given the gold assay results of holes RHB12-006 and RHB 12-008, the Company will now focus on expeditiously delineating what could potentially be a large high grade near-surface oxidized zone of gold mineralization.

The close proximity to the major deposits of the Cortez trend and the analogous nature to their geology was the basis for the three separate option agreements with Barrick Gold Exploration Inc., Miranda U.S.A. Inc. (two properties – now terminated) and Idaho Resources Corp., to consolidate the 116 square km (now 104 square km) Red Hill Project in the well-established Cortez Segment of the Battle Mountain-Eureka gold trend of Nevada.

Barrick Property:

On September 16, 2010 (further amended August 23, 2012), the Company entered into an exploration agreement with a joint venture election and option to purchase with Barrick Gold Exploration Inc. to acquire a 70% undivided interest in 818 unpatented mining claims in the Barrick Property located adjacent to the Red Hill Property in Eureka County, Nevada, U.S.A. In order to exercise the option, the Company must incur a minimum of US$5,000,000 in exploration or development expenditures on the Barrick Property (inclusive of maintenance fees) as follows:

Due Date	Work Expenditure	Aggregate Amount
December 31, 2011	US$375,000	US$375,000 (completed)
December 31, 2012	US$875,000	US$1,250,000 (completed)
December 31, 2013	US$625,000	US$1,875,000
December 31, 2014	US$1,125,000	US$3,000,000
December 31, 2015	US$2,000,000	US$5,000,000

If the Company completes the required US$5,000,000 in expenditures and earns a 70% undivided interest in the property, Barrick will have a one-time option, exercisable within 90 days, to back into a 70% interest in the property. To complete the back in, Barrick must expend US$15,000,000 over 5 years on the exploration and development of the property at a rate of at least US$1,500,000 per year. If completed, the Company's remaining 30% interest in the property will be free-carried by Barrick until the commencement of commercial production on the property.

Upon completion of the Company's exploration expenditures of US$5,000,000, the Company and Barrick shall form a joint venture for further exploration of the property. If Barrick does not elect to exercise its back-in right or fails to complete the expenditures, the Company will hold a 70% interest and Barrick will hold a 30% interest in the joint venture. If Barrick exercises the back-in right and completes the expenditures, the Company will hold a 30% interest and Barrick will hold a 70% interest in the joint venture.

Idaho (Wilson) Property:

On October 18, 2010 (further amended February 23, 2012 and November 7, 2012), the Company entered into a mining lease with Idaho Resources Corporation ("Idaho") for an initial 10 years, in which Idaho granted to the Company exclusive possession and control to explore, develop, mine and operate on the Idaho Property, which consists of 482 unpatented mining claims.

In order to maintain the mining lease, the Company must make annual advance royalty payments of US$25,000 (paid) and issue 100,000 common shares to Idaho in each of the first five years of the mining lease (all commitments have been made). Annual cash payments will then increase to US$50,000 for year six and every year thereafter. In addition, the Company is required to complete exploration commitments on the property as follows:

Lease Year	Annual Requirement	Aggregate Amount
August 31, 2011	US$250,000	US$250,000 (completed)
December 31, 2012	US$500,000	US$750,000 (completed)

The commitments for years 2 through 5 which totalled US$4.25 million were eliminated in the agreement amendment dated November 7, 2012. After the initial term of 10 years, the mining lease will continue in full force and effect provided that the Company continues to maintain the property in good standing and make the requisite annual cash payments to Idaho. Upon commencement of commercial production, the annual cash payments will convert to an overriding royalty of 3% of the applicable royalty based on all gold, silver and other ores/metals from the property.

2013 Fiscal Year Exploration Program:

The 2013 fiscal year program is designed to (i) follow-up on significant drill results at the CMZ and the former Miranda Property Long Fault anomaly; (ii) follow-up on the indications of gold mineralization in the Central Pediment and Jasperoid Basin anomalies; and (iii) explore East Pediment & Miranda Property's Coal Canyon targets.

See map at http://nulegacygold.com/i/pdf/NUG_2012_Drill_Site_Map.pdf.

Long Fault Anomaly:

One core hole as part of the Miranda Property program (RHM12-013C) was drilled just west of the Long Fault anomaly to intersect/transverse the mineralized zone discovered in the historical reverse circulation hole BRH-13 (45 feet of 0.24 oz./t Au or 13.7m of 8.11 g/t Au).

RHM12-013C was angled to the south at -75 degrees and was completed to 2,645 feet (800m), deeper than the original 2,500 foot (760m) planned as the Company intersected another horizon of the black carbonaceous pyritic rock that commonly hosts the gold bearing sulfide mineralization in Carlin-style deposits. The core has several intersections of this favorable (black carbonaceous pyritic limestone) material both above and around the BRH-13 mineralized horizon (circa 1,800 feet/550m) and again at depth to 2,645 feet (800m). This core provides a more detailed understanding of the geology and assists in determining controls for this higher grade gold mineralization. Due to drill hole deflections, RHM12-013C intersected the favorable mineralized interval about 75 meters to the northwest of hole BRH-13 and contained three long intervals of anomalous gold with associated trace elements that confirm a Carlin-type gold deposit. Although the gold values in RHM-013C do not correspond directly with the intercept in the historic hole BRH-13, the favorable alteration and geochemistry affirms the presence of the gold-bearing Carlin-type system.

Six reverse circulation exploration holes have been completed in the Long Fault anomaly. Several of these holes show significant intersections of favorable material: i.e. hole RHM12-017 contains a 315 foot (96m) zone of silicified, brecciated, quartz veined, and iron-oxide rich rock (which is often associated with ore-grade oxidized gold mineralization in Nevada), along with two deeper 20-30 foot intervals of quartz-pyrite. The last two of the six holes were completed on the eastern margin of the Long Fault anomaly and they contained significant pyrite in favorable rocks units. Assays have been received for all six reverse circulation exploration holes drilled in the Long Fault anomaly.

Central Mineralized Zone ("CMZ"):

The two holes drilled in the CMZ (RHB12-005 and 006) were completed to 1,500 feet (457m) and contain significant zones of alteration. Both holes encountered abundant iron oxides in limestone (from near-surface to 900 feet (275m) in hole 005 and 600 feet (180m) in hole 006), below which the mineralization contains disseminated pyrite. Hole RHB12-006 intersected several zones of oxide gold mineralization in the CMZ of the Red Hill Project. Most notable is a near-surface 90 foot oxidized intercept (27.4 meters) of 1.4 g/t Au including 35 feet (10.7 meters) of 2.6 g/t Au. Complete assays are shown in Table 1 below. The results of this vertical reverse circulation hole indicate the discovery of significant near-surface high-grade oxide gold mineralization that is likely the westerly extension of the previously identified gold mineralization in the CMZ. Historic drilling at the CMZ outlined a modest mineralized zone with grades up to 1-2 g/t Au. RHB12-005 was drilled to the east and returned anomalous gold. This may be an extension of the gold mineralization encountered last year in RHM11-003 (85 feet of 0.14 g/t Au). The oxidized mineralization in drill hole RHB12-006 is mostly within silicified limestone with associated trace elements and alteration indicative of Carlin-type gold mineralization. Located within the Barrick Property, both holes contain substantial thickness of silicified and oxidized near-surface gold mineralization. This hole, in conjunction with RHB12-005 and RHB12-003 (PR-7/5/11), indicate a much larger mineralized zone than previously indicated by historic drilling is present at CMZ. Detailed logging of the chips and incorporation of the NuLegacy drill holes with the historic data is in progress which will lead to a drill plan that will follow-up on these promising results. Follow up drilling to expand this zone of near-surface oxide gold mineralization will commence as soon as targeting and permitting of the additional drill sites is completed.

On December 18, 2012, the Company announced that it had extended the Iceberg Deposit in the CMZ. Five of six holes completed in the Iceberg gold deposit were stepped out to the north of the initial discovery hole (RHB-006 with 27.4 meters of 1.40 g/T gold as reported June, 2012) with the sixth hole drilled vertically to the south. The five northern holes were angled to the east or west at the confluence of two structures to determine which of these two governs the gold deposition in the Iceberg deposit.

Three of the six holes (Table 1 below) have confirmed the continuity of the Iceberg deposit extending the zone of interest an additional 110 meters to the north-west, while the remaining three holes suggest more limited possibilities to the east and south. The principal horizon of higher grade oxide gold mineralization now extends over 360 meters [1,200 ft.] in silicified and decalcified Devonian carbonates.
http://nulegacygold.com/i/maps/The_Iceberg_Gold_Deposit_Dec_18_2012.jpg

Hole RHB-008 returned several intercepts of gold with the best being 28.9 meters [95 ft.] of 1.01 grams starting at 131.1m within 47.2 m of 0.73 g/T. It was drilled to the west at -60 degrees, 80 meters [265 ft.] directly north of the discovery hole RHB-006. Hole RHB-009 was drilled from the same site to the east at -60 degrees and has a lengthy near-surface mineralized intercept of 38.2 meters [125 ft.] of 0.42 g/T. Hole RHB-010, located 30 meters directly north of RHB-008 was drilled to the west at -60 degrees and appears to be slightly offset to the east of the more favorable northwest structure. It returned four intercepts of gold: 15.2 meters of 0.63 g/T, 10.6 meters of 0.25 g/T, 30.5 meters of 0.26 g/T and 32.0 meters of 0.2 g/T. The complete set of assays is posted at http://nulegacygold.com/i/pdf/Table-1.pdf.

Central Pediment Anomaly:

The first reverse circulation (RC) hole of the 2013 fiscal year Red Hill Project drilling program (RHB12-004) was completed in the Central Pediment anomaly (located on the 60 sq. km Barrick Property) to a depth of 2,500 feet in limestone with abundant calcite veining. It is the first of several holes planned to test the Deep Induced Polarization ("IP") anomaly in the Central Pediment (located to the west of the BRH-013 - view at http://nulegacygold.com/Deep_IP_view.pdf). The hole encountered anomalous gold and associated Carlin-style trace elements in favourable lithologies. More drilling is being considered to fully evaluate this target.

East Pediment:

The last two holes on the Red Hill Project were completed on the East Pediment and encountered weakly anomalous gold in favorable host limestones.

The compilation of all the geophysics (from NuLegacy and previous operators including Barrick) from the Central Pediment and northern part of the East Pediment has been completed. Analysis of the compilation suggests that hole BRH-13 is along the northern margin of an east-west up lifted block and that the gold values from the hole may be leakage from the large system represented by the deep IP anomaly in the Central Pediment. When integrated with the historic and current drill data, it should assist in the development of further specific drill targets.

Wood Hills South Project, Elko County, Nevada

The Wood Hills South Property consists of 451 unpatented lode mining claims and 90.6 square km of fee lands located in Elko County, Nevada. The Company entered into an option agreement (amended on October 22, 2012) with Renaissance Gold Inc. (formerly Au-Ex Ventures) to earn a 70% interest in this project by paying US$20,000 cash (paid), incurring a minimum US$5,000,000 in exploration expenditures over seven years, and completing a feasibility study, in accordance with the following schedule:

Expenditure deadline	Expenditure commitment ($US)	Total cumulative expenditure (US$)
December 31, 2010	150,000	150,000 (Completed)
December 31, 2011	250,000	400,000 (Completed)
December 31, 2012	500,000	900,000 (Completed)
December 31, 2013	500,000	1,400,000
December 31, 2014	1,000,000	2,400,000
December 31, 2015	1,000,000	3,400,000
December 31, 2016	1,600,000	5,000,000

NuLegacy's initial review of the geology of the Wood Hills South Project (70% optioned from Renaissance Gold Inc.in December, 2009) indicated it could be similar to that of the emerging West Pequop and the established Long Canyon gold discoveries. The current geophysical and soil sample results support that initial conclusion. Additional information on the Wood Hills South Property can be obtained from the technical report of Nancy J. Wolverson, C.P.G. dated March 31, 2010, as amended October 27, 2010 and entitled "Technical Report on the Wood Hills South Property, Elko County, Nevada (the "Wood Hills South Hill Report") prepared in compliance with NI 43-101. The full text of the Wood Hills South Report may be accessed on the SEDAR website at www.sedar.com.

In 2010, the Company completed initial geophysical and geochemical surveys and concluded that the Wood Hills South Project has discontinuous breaks in what is likely a bedrock of limestone and dolomite formations, anomalous gold in soil samples corresponding to the apparent breaks, and favourable stratigraphy for hosting gold mineralization below thin alluvial cove. The interpretation is that the best areas for potential gold mineralization at Wood Hills South are likely under the thin gravel cover on the pediment. Subsequent analytical results from an additional 899 soil samples support the conclusion from 2010 that anomalous gold, and other trace elements, define anomalies that are aligned with the apparent breaks in the carbonates as defined by the resistivity survey. Drilling reveals that the alluvial cover is generally less than 60 metres thick up to a couple of miles south of the range front. Based upon our initial surface and drilling results from 2011, we conclude that mineralization occurs in iron oxide bearing silicified interlayered silty limestone and dolomite. The most significant drill hole intercept was in WHS11-007 which contains 10.7 meters of 0.40 g/t Au starting at 84 meters below the surface. This intercept is in silicified limestone, and immediately below the higher grade interval is an altered and mineralized intrusive, which has proven to be a key geologic relationship in the Pequop gold district.

To assist in planning an effective follow-up drilling program of the gold mineralization in hole WHS11-007, and other holes, a microgravity and infill soil sampling survey was conducted. An additional 488 soil sites were sampled in the northeastern portion of the property to add detail to the 21 km of east-west orientated soil geochemical surveys completed in 2010 and 2011 (See NuLEgacy's news releases of Dec 20, 2010 and June 16, 2011). This new soil sampling consisted of 25 km in eight north-south orientated lines at 600 meters spacing with samples collected at 50 meters along the lines.

The 15 square km high-resolution detailed microgravity survey centered on hole WHS11-007 was completed, with the initial results indicating gravity lows that indicate areas where the carbonates may contain the right combination of fault zones, decalcified areas, and/or karst features to serve as potential hosts for large volumes of higher grade gold mineralization (as at the Long Canyon deposit just across the valley). Hole WHS11-007 appears to have encountered one of the limestone 'country rock' blocks approximately 150 meters east of such a favorable area. Several other holes with anomalous gold also appear to be at the margins of some of these favorably disrupted zones suggesting that there are indications of several more areas of gold mineralization.

<u>2013 Fiscal Year Exploration Program:</u>

In February 2013, the Company commenced drilling on the Wood Hills South property. However, the drilling program was unable to identify noteworthy gold mineralization although preliminary reconnaissance exploration during 2010-2012 suggested the Wood Hills might host an extension to the West Pequop and Long Canyon gold mineralization. While this does not preclude the possibility that the Wood Hills South property may eventually host economic resources, the Company terminated the option agreement in April 2013.

<u>Subsequent to March 31, 2013</u>

Red Hill Project:

In May 2013**,** the Company commenced a reverse circulation drilling program. The $250,000 program is designed to expand the company's Iceberg gold deposit. It is planned in two phases of 5 to 6 holes each, to allow for receipt and interpretation of the assays from the first set of holes to guide the selection of sites for the second set. The drilling is intended to provide a preliminary assessment of how far north and south the Iceberg gold deposit extends, as well as testing a possible parallel system to the east. An initial test of the deeper Avocado IP (Induced Polarization) geophysical anomaly (a very large and likely carbonaceous/pyritic anomaly that may contain gold mineralization) at the northern extension of the Iceberg is planned for the fall. Field work will continue to develop additional drill targets in the adjacent Jasperiod Basin (1800 meters north-east of Iceberg) and at the western end of the project in the VIO zone (4000 meters west of Iceberg) where rock chip sampling and mapping has defined another area of intensely altered carbonates that contain anomalous gold.

In June 2013, the Company reported the results of the recently completed five-hole reverse circulation drilling program. "We are very pleased with these drill results', says Dr. Steininger, NuLegacy's COO, "as we continue to intersect good grades of oxide gold in near surface Devonian carbonates, which is the material that hosts so much of the gold in the large Carlin-type gold deposits of the Cortez Trend. We have discovered a new Northern zone of at least 350 meters of strike length with higher grade oxide gold mineralization (6.1 meters of 5.62 grams of gold), and extended the Central zone of the Iceberg deposit to 750 meters (from 400 meters) of strike length".

These carbonate zones lie beneath a thin veneer of gold-bearing volcanics that was the focus of much of the historical drilling on the Red Hill project, and stretches for four kilometers above the Iceberg gold deposit. The two zones are 200 to 250 meters wide, 25 to 70 meters thick with gold grades of 0.5 grams/T to greater than 5.0 grams/T. They have a combined overall strike length in excess of 1,100 meters, separated by an as-yet untested intervening gap of approximately 900 meters where no historical holes were drilled deep enough to penetrate to the carbonates. (See diagram at **<u>http://goo.gl/neaWz</u>**). Plans are being made to drill to the north and south and in the intervening gap of these two zones.

Four of the five holes were targeted to extend the strike length of the Iceberg deposit. As summarized in the table below three of those four holes returned favorable gold grades and intervals. The fifth hole, RHB-15, which was drilled 800 meters to the east of the Central zone to test for a possible parallel system had no significant gold values.

The best result came from hole RBH-17 with a significant near-surface intercept of 41.2 meters (135 ft) of 1.02 grams/T. It included 6.1 meters of 5.62 grams /T of gold (20 ft of 0.18 oz. gold/ton) indicating that the system is capable of generating very favorable oxide gold grades.

Hole Number	From (ft)	To (ft)	Length (ft)	From (m)	To (m)	Length (m)	Grade g/T Au
RHB-17	235	370	135	71.6	112.8	41.2	1.02
including	300	320	20	91.4	97.5	6.1	5.62
RHB-14	345	400	55	105.2	121.9	16.7	0.51
including	375	390	15	114.3	118.9	4.6	1.12
RHB-13	355	430	75	108.2	131.1	22.9	0.71
including	365	395	30	111.3	120.4	9.1	1.13
These intercepts are not necessarily true widths as there is insufficient data at this time with respect to the shape of mineralization to calculate its true orientation.							

The geometry of the new Northern zone (350 meter length) is supported by several historical holes that were drilled deep enough to intercept the underlying Devonian carbonates, particularly hole RH92-2 with 24.4 meters of 3.4 grams of gold/T (80 ft of 0.11 oz. gold/ton). Hole RBH-16, drilled to test for a possible westerly extension of the gold mineralization in the Northern zone, contained several intervals of anomalous gold.

Holes RHB-13 with 22.9 meters (75ft) of 0.71 grams gold/T and RBH-14 with 16.7 meters (55ft) of 0.51 grams/T (together with several deeper historical holes that they validated) have extended the strike length of the Central zone of the Iceberg to 750 meters.

These results have established the Iceberg as a significant near-surface oxide gold deposit in the Devonian carbonate horizon that hosts so much of the gold in the large Carlin-type gold deposits of the Cortez Trend and elsewhere in Nevada, one of the worlds' most prolific gold producing regions.

Wood Hill South Project:

In April 2013, the Company terminated the option agreement.

Quality Control and Quality Assurance

The scientific and technical content and interpretation contained in this MD&A gave been reviewed, verified and approved by Roger Steininger, NuLegacy's COO and CPG-7417, a Qualified Person as defined by NI 43-101, *Standards of Disclosure for Mineral Projects.*

DIVIDEND REPORT AND POLICY

The Company has not paid any dividends to date. The Company intends to retain its future earnings, if any, for use in its business and does not expect to pay dividends on its shares in the foreseeable future.

LIQUIDITY

The Company has no known mineral resources or reserves and is not in commercial production on any of its properties and accordingly, the Company does not generate cash from operations. The Company finances its exploration activities by raising capital from equity markets from time to time.

As at March 31, 2013, the Company's liquidity and capital resources are as follows:

	March 31, 2013	March 31, 2012
	$	$
Cash and cash equivalents	443,306	2,090,862
Receivables	23,660	25,902
Prepaid expenses	148,974	230,718
Other financial assets	-	15,000
Total current assets	615,940	2,362,482
Payables and accrued liabilities	83,030	243,060
Working capital	532,910	2,119,422

The Company's operations consist primarily of the acquisition, maintenance and exploration of exploration and evaluation assets, including actively seeking joint venture partners to assist with exploration funding. The Company's financial success will be dependent on the extent to which it can discover new mineral deposits.

As at March 31, 2013, the Company had a cash and cash equivalents position of $443,306 (March 31, 2012 - $2,090,862), consisting of the net proceeds from the 2012 Financing and the exercise of warrants and stock options. See "Overall Performance" above. As at March 31, 2013, the Company had a surplus working capital position of $532,910 (March 31, 2012 - $2,119,422).

Given its current cash and working capital positions, the Company's fiscal 2013 budget provides for estimated mineral property lease obligations and tax levies of approximately $196,000, estimated annual overhead expenditures of $800,000 and a minimum exploration budget of approximately $130,000.

The Company's continuation as a going concern is dependent upon successful results from its exploration and evaluation activities and its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management believes that the Company's current working capital surplus combined with the additional financing completed subsequent to year end will be sufficient to maintain current operations as budgeted for the next 12 months. See "Risks and Uncertainties".

CAPITAL RESOURCES

All share issuances are outlined in Note 10 of the audited consolidated financial statements.

<u>Commitments:</u>

Commitments are outlined in Note 7 of the audited consolidated financial statements.

The Company is also required to pay the annual United States Bureau of Land Management assessment fees, state and county filing and recording expenses, property taxes, advance minimum royalty and underlying lease payments, as applicable, associated with the Red Hill properties in order to maintain the Barrick and Wilson Properties in good standing. Such costs will form part of the Company's exploration expenditures.

Notwithstanding the foregoing, if, at any time, the Company's board of directors deems continued use of exploration expenditures on the Red Hill properties to be unwarranted based on the results of exploration up to that time, the Company may suspend or discontinue exploration on such property and apply any remaining funds towards the exploration of one of the Company's other properties, to the acquisition and exploration of new properties or, if required, the general working capital of the Company.

Except as aforesaid, the Company does not have any material commitments for capital expenditures, there are no known trends or expected fluctuations in the Company's capital resources and the Company has no sources of financing that have been arranged but not yet used.

Contractual Obligations:

Other than the Barrick and Wilson Properties, and miscellaneous stock option and consulting agreements, the Company does not presently have any other material contractual obligations.

As at March 31, 2013 the Company had no long term debt and no agreements with respect to borrowings had been entered into by the Company.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements. Commitments are outlined in Note 7 of the audited consolidated financial statements.

RELATED PARTY TRANSACTIONS

The Company's sole subsidiary is listed in the following table:

		% equity Interest	
Name	Country of Incorporation	**As at March 31, 2013**	As at March 31, 2012
NuLegacy Gold N.V.	United States	100%	100%

During the year ended March 31, 2013, the Company engaged in the following transactions with related parties, not disclosed elsewhere in this MD&A:

Incurred management fees of $84,250 (March 31, 2012 - $77,750) and investor relations consulting fees of $84,250 (March 31, 2012 - $77,750) to a company controlled by Albert Matter, a director and Chairman of the Company. As at March 31, 2013, an advance of $11,000 (March 31, 2012 - $15,000), on account of future expenses was included in prepaid expenses and $20,160 (March 31, 2012 - $Nil) was included in accounts payable and accrued liabilities.

Incurred management fees of $32,835 (March 31, 2012 - $Nil) and investor relations consulting fees of $30,967 (March 31, 2012 - $78,743) and capitalized exploration and evaluation assets expenditures of $105,322 (March 31, 2012 - $75,569) to Roger Steininger, a director and COO of the Company. As at March 31, 2013, an advance of $11,187 (March 31, 2012 - $14,976), on account of future expenses was included in prepaid expenses and $9,952 (March 31, 2012 - $Nil) was included in accounts payable and accrued liabilities.

Incurred legal fees of $45,100 (March 31, 2012 - $73,189) and share issuance costs of $30,687 (March 31, 2012 - $25,936) to a company controlled by Gregory Chu, Corporate Secretary of the Company. As at March 31, 2013, $17,115 (March 31, 2012 - $Nil) was included in accounts payable and accrued liabilities.

Incurred accounting fees of $38,500 (March 31, 2012 - $38,500) to a company controlled by Adrian Rothwell, former CFO of the Company. As at March 31, 2013, an advance of $3,500 (March 31, 2012 - $3,500), on account of future expenses was included in prepaid expenses.

Incurred management fees of $48,500 (March 31, 2012 - $Nil) and investor relations consulting fees of $43,250 (March 31, 2012 - $Nil) to James Anderson, a director and CEO of the Company. As at March 31, 2013, an advance of $11,000 (March 31, 2012 - $Nil), on account of future expenses was included in prepaid expenses and $2,771 (March 31, 2012 - $Nil) was included in accounts payable and accrued liabilities to a director and officer of the Company.

Summary of key management personnel compensation:

	Years ended March 31,	
	2013	2012
Management fees	**$ 165,585**	$ 77,750
Consulting fees	**158,467**	182,992
Professional fees	**83,600**	115,189
Exploration and evaluation assets expenditures	**105,322**	75,569
Share issuance costs	**30,687**	25,936
Share based payments	**$ 145,744**	$ 284,455

PROPOSED TRANSACTIONS

Save as disclosed herein, there are no asset or business acquisitions or dispositions currently being proposed by the directors or senior management of the Company that will have a material effect on the financial condition, results of operations or cash flows of the Company.

ADDITIONAL DISCLOSURE FOR JUNIOR ISSUERS

There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company. See "Risks and Uncertainties" below.

RISKS AND UNCERTAINTIES

The Company is in the mineral exploration and development business and as such is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. Some of the possible risks include the following:

a) The industry is capital intensive and subject to fluctuations in metal prices, market sentiment, foreign exchange and interest rates.

b) The only source of future funds for further exploration programs, or if such exploration programs are successful for the development of economic ore bodies and commencement of commercial production thereon, which are presently available to the Company are the sale of equity capital or the offering by the Company of an interest in its properties to be earned by another party carrying out further exploration or development. Management was successful in accessing the equity markets during the year, but there is no assurance that such sources will be available on acceptable terms in the future.

c) Any future equity financings by the Company for the purpose of raising additional capital may result in substantial dilution to the holdings of existing shareholders.

d) The Company must comply with environmental regulations governing air and water quality and land disturbance and provide for mine reclamation and closure costs.

e) The continued operations of the Company require various licenses and permits from various governmental authorities. There is no assurance that the Company will be successful in obtaining the necessary licenses and permits to continue its exploration and development activities in the future or, if granted, that the licenses and permits will remain in force as granted.

f) There is no certainty that the properties which the Company has deferred as assets on its balance sheet will be realized at the amounts recorded. These amounts should not be taken to reflect realizable value.

g) While management believes that control over bank accounts and Company assets is adequate, it is also aware that internal control weaknesses were identified in respect of a lack of segregation of duties, and a high risk of management override of controls and procedures. It is management's opinion that these weaknesses in internal controls over financial reporting are inherently related to the small size of the issuer.

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described on any forward-looking statements. The Company has not completed a feasibility study on any of its deposits to determine if it hosts a mineral resource that can be economically developed and profitably mined.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Consolidated Financial Statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and contingent liabilities, income and expenses. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Information about significant areas of estimation uncertainty considered by management in preparing the Consolidated Financial Statements is described below:

(a) Reserve and resource estimates:

Reserves are estimates of the amount of ore that can be economically and legally extracted from the Company's mining properties. The Company does not have any currently defined reserves. The Company estimates its mineral resources based on information compiled by appropriately qualified persons relating to the geological data on the size, depth and shape of the mineralized body, and requires complex geological judgments to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements, and production costs along with geological assumptions and judgments made in estimating the size and grade of the mineralized body.
Changes in resource estimates may impact upon the carrying value of exploration and evaluation assets, mine properties, property, plant and equipment, recognition of deferred tax assets, and depreciation and amortisation charges.

(b) Exploration and evaluation expenditure:

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of a resource is itself an estimation process that requires varying degrees of uncertainty depending on sub-classification and these estimates directly impact the point of deferral of exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalised is written off in profit or loss in the period when the new information becomes available.

(c) Impairment of assets:

The Company assesses each cash generating unit annually to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential and operating performance. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. Fair value for mineral assets is generally determined as the present value of estimated future cash flows arising from the continued use of the asset, which includes estimates such as the cost of future expansion plans and eventual disposal, using assumptions that an independent market participant may take into account. Cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Management has assessed its cash generating units as being an individual mine site, which is the lowest level for which cash inflows are largely independent of those of other assets.

(d) Contingencies:

By their nature, contingencies will only be resolved when one or more uncertain future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

(e) Recovery of deferred tax assets:

Judgment is required in determining whether deferred tax assets are recognised on the statement of financial position. Deferred tax assets, including those arising from unutilised tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilise recognised deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realise the net deferred tax assets recorded at the reporting date could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods.

(f) Fair value hierarchy:

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

CHANGES IN ACCOUNTING POLICIES AFTER INITIAL ADOPTION

There were no significant changes in the Company's accounting policies during the years ended March 31, 2013 or 2012.

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. This listing is of standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective. The Company does not expect the impact of such changes on the financial statements to be material.

IFRS 7 Financial Instruments: Disclosures

IFRS 7 applies to offsetting financial assets and financial liabilities in accordance with IAS 32. The amendments are effective for annual periods beginning on or after January 1, 2013 with early adoption permitted.

IFRS 9 Financial Instruments

IFRS 9 as issued reflects the first phase of the IASBs work on the replacement of IAS 39 and applies to classification and measurement of financial assets and fair value measurement of financial liabilities to address own credit risk. The standard is effective for years beginning on or after January 1, 2015. The adoption of the first phase of IFRS 9 will have an effect on the classification and measurement of the Company's financial assets. The Company will quantify the effect in conjunction with the other phases, when issued, to present a comprehensive picture.

IFRS 10 Consolidated Financial Statements

IFRS 10 is effective for annual periods beginning on or after January 1, 2013. The standard replaces IAS 27 Consolidated and Separate Financial Statements and SIC-12 Consolidation—Special Purpose Entities. The Standard establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities and redefines "control" more concisely. The adoption of this standard is not expected to have any impact on the financial statements of the Company, nor to redefine current relationships as "controlled".

IFRS 11 Joint Arrangements

IFRS 11 is effective for annual periods beginning on or after January 1, 2013. The standard supersedes IAS 31 Interests in Joint Ventures and SIC-13 Jointly Controlled Entities—Non-Monetary Contributions by Venturers. The standard addresses the definition of a joint arrangement and establishes principles that are applicable to the accounting for all joint arrangements. The adoption of this standard is not expected to have any impact on the financial statements of the Company.

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 is effective for annual periods beginning on or after January 1, 2013. The IFRS requires an entity to disclose information that enables users of financial statements to evaluate the nature of, and risks associated with, its interests in other entities; and the effects of those interests on its financial position, financial performance and cash flows. The standard integrates and makes consistent the disclosure requirements for subsidiaries, joint arrangements, associates and unconsolidated structured entities, previously required under IAS 27 Consolidated and Separate Financial Statements, IAS 28 Investments in Associates and IAS 31 Interests in Joint Ventures. The adoption of this standard is expected to require additional disclosures regarding the nature of ownership of the Company's interest in its subsidiaries, but has yet to be determined by management.

IFRS 13 Fair Value Measurement

IFRS 13 is effective for annual periods beginning on or after January 1, 2013. The standard combines in a single standard the definition of fair value, thus improving consistency, sets out a framework for measurement of fair value, and outlines the disclosure requirements for items measured at fair value. Management is assessing the impact of adoption of this standard on the Company.

IAS 1 Presentation of Financial Statements

Amendment to IAS 1 is effective for years beginning on or after July 1, 2012. The amendment to IAS 1 improves how components of other comprehensive income are presented. Management is assessing the impact of adoption of this standard on the Company.

IAS 32 Financial Instruments: Presentation

Amendment to IAS 32 amendment provides clarification on the application of offsetting rules. The amendments are effective for annual periods beginning on or after January 1, 2014. Management is assessing the impact of adoption of this standard on the Company.

Reissued IAS 27 Separate Financial Statements

Reissued IAS 27 requires that when an entity prepares separate financial statements, investments in subsidiaries, associates, and jointly controlled entities are accounted for either at cost, or in accordance with IFRS 9 Financial Instruments. This standard is effective for years beginning on or after January 1, 2013.

Reissued IAS 28 Investment in Associates and Joint Ventures

Reissued IAS 28 supersedes IAS 28 Investments in Associates and defines 'significant influence' and provides guidance on how the equity method of accounting is to be applied (including exemptions from applying the equity method in some cases). It also prescribes how investments in associates and joint ventures should be tested for impairment. This standard is effective for years beginning on or after January 1, 2013.

FINANCIAL AND OTHER INSTRUMENTS

The Company has classified its financial instruments as follows:

Cash and cash equivalents	Fair-value through profit or loss
Receivables	Loans and receivables
Other financial assets	Available for sale
Accounts payable and accrued liabilities	Other financial liabilities

For certain of the Company's financial assets and liabilities, including cash and cash equivalents, accounts payable and accrued liabilities, the carrying amounts approximate their fair values due to the relatively short periods to maturity of the instruments.

The classification and fair values of the Company's financial instruments at March 31, 2013 and 2012 are summarized in Notes 4 and 12 of the audited consolidated financial statements.

Currency Risk

The Company conducts exploration and evaluation activities in the United States. As such, it is subject to risk due to fluctuations in the exchange rates for the Canadian and US dollars. As at March 31, 2013, the Company had a net monetary asset position of US$240,639. Each 1% change in the US dollar relative to the Canadian dollar will result in a foreign exchange gain/loss of $2,400.

Interest Rate Risk

The Company is not exposed to interest rate risk on its receivables since they are not interest bearing.

Credit Risk

Financial instruments which potentially subject the Company to concentrations of credit risk consist of cash equivalents and receivables. The cash equivalents consist mainly of short-term money market deposits. The Company has deposited the cash equivalents with reputable financial institutions, from which management believes the risk of loss to be remote. The Company has no trade receivables and balances relate to recoveries of consumption taxes paid by the Company. As with any tax receivable, collection is subject to changes in tax law, tax audit and changes in applicable tax rates. The Company mitigates this risk by recording only those amounts that management considers to be reasonably certain of collection.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to liquidity risk is to ensure that it always has sufficient cash and credit facilities to meet its obligations when due, under both normal and stressed conditions, without incurring unacceptable losses or damage to the Company's reputation. Management typically forecasts cash flows for a period of three to six months to identify financing requirements. These requirements are then addressed primarily through access to capital markets.

Other Price Risk

Other price risk is the risk that changes in market prices including commodity or equity prices will have an effect on future cash flows associated with financial instruments. The Company has no forward purchase or sale contracts negotiated at March 31, 2013.

CAPITAL MANAGEMENT DISCLOSURES

The Company's objectives when managing capital are to:

(a) Provide an adequate return to shareholders;
(b) Provide adequate and efficient funding for operations;
(c) Continue the development and exploration of its mineral properties;
(d) Support any expansion plans;
(e) Allow flexibility to investment in other mineral revenues; and
(f) Maintain a capital structure which optimizes the cost of capital at acceptable risk.

In the management of capital, the Company includes all accounts included in shareholders' equity. As at March 31, 2013, the Company had no bank indebtedness.

The Company is not subject to any externally imposed capital requirements and there has been no change with respect to the overall capital risk management strategy during the fiscal period.

OUTSTANDING SHARE DATA

a) Authorized Share capital: unlimited common shares without par value
b) Number of shares held in escrow at the date of this MD&A: 1,048,500 common shares subject to a 36 month release
c) Number of common shares issued at the date of this MD&A: 79,644,499.

OPTIONS

A summary of stock options outstanding at the date of this report is as follows:

Options outstanding	Options exercisable	Exercise price	Expiry date
150,000	150,000	$ 0.20	December 1, 2014
4,200,000	4,200,000	$ 0.25	December 9, 2015
250,000	250,000	$ 0.32	January 6, 2016
50,000	50,000	$ 0.30	March 1, 2016
500,000	500,000	$ 0.25	June 23, 2016
75,000	75,000	$ 0.16	September 1, 2016
250,000	250,000	$ 0.20	October 1, 2016
25,000	20,000	$ 0.20	November 14, 2016
300,000	300,000	$ 0.20	December 9, 2016
100,000	60,000	$ 0.20	January 1, 2017
150,000	90,000	$ 0.25	February 6, 2017
300,000	225,000	$ 0.15	July 18, 2017
250,000	250,000	$ 0.15	October 15, 2017
75,000	15,000	$ 0.15	November 5, 2017
2,850,000	837,500	$ 0.20	March 5, 2018
500,000	125,000	$ 0.15	July 3, 2018
10,025,000	**7,397,500**	**$ 0.22**	

WARRANTS

A summary of warrants outstanding at the date of this report is as follows:

Expiry date	Number of warrants		Weighted average exercise price
August 3, 2013	1,128,598	$	0.35
June 25, 2014	2,200,000	$	0.45
November 20, 2014 *	4,408,033	$	0.25
November 20, 2014	56,000	$	0.25
November 20, 2014	95,733	$	0.15
December 5, 2014	21,000	$	0.25
December 5, 2014 *	473,333	$	0.25
December 20, 2014	7,000	$	0.25
December 20, 2014 *	183,333	$	0.25
April 11, 2015 **	8,112,500	$	0.15
April 22, 2015 **	1,250,000	$	0.15
May 9, 2015 **	921,750	$	0.15
December 9, 2015	250,000	$	0.25
	19,107,280	$	0.22

* Last 12-months of term, strike price increases to $0.35
** Last 12-months of term, strike price increases to $0.20

INTERNAL CONTROLS OVER FINANCIAL REPORTING PROCEDURES

The management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's financial statements for the year ended March 31, 2013 (together the "Annual Filings").

Management of the Company has filed the Venture Issuer Basic Certificate with the Annual Filings on SEDAR at www.sedar.com.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The 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 values 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 assurance that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

OTHER MD&A REQUIRMENTS

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

- Company's website at www.nulegacygold.com
- SEDAR at www.sedar.com
- The Company's audited consolidated financial statements for the year ended March 31, 2013.

This MD&A has been approved by the Board effective July 26, 2013.