DALRADIAN
RESOURCES

Management's Discussion and Analysis

For the three months ended March 31, 2015

May 4, 2015

TABLE OF CONTENTS

HIGHLIGHTS

Highlights of the First Quarter and Subsequent Period	
April 10, 2015	Change to Board of Directors
March 26, 2015	Commencement of Drilling at Curraghinalt
February 23, 2015	Exercise of Warrants for Proceeds of C$8.6 Million
February 9, 2015	Closing of C$11.3 Million Private Placement by Ross Beaty
February 3, 2015	Appointment Eric Tremblay as COO
January 6, 2015	Initial Blast at Curraghinalt

NOTES

Unless the context suggests otherwise, references to the "Company" refer to Dalradian Resources Inc., and references to "Dalradian" refer, collectively, to the Company and its wholly-owned subsidiary, Dalradian Gold Limited ("DGL").

This management's discussion and analysis ("MD&A") should be read in conjunction with the Company's interim condensed consolidated financial statements and related notes for the three months ended March 31, 2015 and March 31, 2014 (the "Consolidated Financial Statements"), and the consolidated financial statements and related notes for the years ended December 31, 2014 and December 31, 2013 which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. This MD&A should also be read in conjunction with the Company's 2014 Annual Information Form ("AIF") which is available on SEDAR at www.sedar.com.

Ian R. Hardesty, MS, CPG, Senior Production Geologist, is a "qualified person", as defined under the guidelines of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") of the Canadian Securities Administrators, and has reviewed and approved the technical information contained in this MD&A.

For additional details on the Curraghinalt high-grade lode gold deposit ("Curraghinalt"), please refer to the Company's technical report dated October 30, 2014 and titled "An Updated Preliminary Economic Assessment of the Curraghinalt Gold Deposit, Tyrone Project, Northern Ireland" (the "PEA"), prepared by Mr. Maunula, P.Geo., of T. Maunula & Associates Consulting Inc., Mr. Barnard Foo, P.Eng., Mr. Bogdan Damjanovic, P.Eng., Mr. Andre Villeneuve, P.Eng., and Mr. Christopher Jacobs, CEng MIMMM, of Micon International Limited ("Micon"), which is available on the Company's website and on SEDAR at www.sedar.com.

All amounts are in Canadian dollars unless otherwise noted.

This MD&A is dated May 4, 2015.

The Company is a gold development and exploration company and is subject to various risks which are not discussed in this MD&A. For a discussion of such risks, readers should refer to the Company's annual consolidated financial statements and annual information form for the year ended December 31, 2014 (which are incorporated by reference into this document) under the headings "Financial Instruments and Risk Management" and "Risk Factors".

Caution Regarding Forward-Looking Information

This MD&A contains "forward looking information" which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company and its subsidiaries and its mineral project, the future price of metals, test work and confirming results from work performed to date, the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of estimated future production, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage, the timing and possible outcome of pending regulatory matters and the realization of the expected economics of the Curraghinalt gold deposit. Often, but not always, forward looking statements can be identified by the use of words and phrases such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward looking statements are based on the opinions and estimates of management as of the date such statements are made and are based on various assumptions such as the continued political stability in Northern Ireland, that permits required for Dalradian's operations will be obtained on a timely basis in order to permit Dalradian to proceed on schedule with its planned exploration and development programs, that skilled personnel and contractors will be available as Dalradian's operations continue to grow, that the price of gold will be at levels that render Dalradian's mineral project economic, that the Company will be able to continue raising the necessary capital to finance its operations and realize on mineral resource estimates and current mine plans and that the assumptions contained in the Company's PEA (as defined herein) are accurate and complete.

Forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Dalradian to be materially different from any future results, performance or achievements expressed or implied by the forward looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current and future exploration activities; the actual results of reclamation activities; conclusions of economic evaluations; meeting various expected cost estimates; changes in project parameters and/or economic assessments as plans continue to be refined; future prices of metals; possible variations of mineral grade or recovery rates; the risk that actual costs may exceed estimated costs; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the section entitled "Risk Factors" in this MD&A. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward looking statements, whether as a result of new information, future events or results, except as may be required by applicable securities laws. 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. Accordingly, readers should not place undue reliance on forward looking statements.

GOING FORWARD

The Company has partially completed a work program with a fully-funded budget of approximately C$30 million and the goal of delivering a pre-feasibility study ("PFS") and having an environmental impact assessment ("EIA") well-advanced by the end of 2015, both of which will support a planning (permitting) application for construction of an operating mine at Curraghinalt. Components of the program include the underground exploration program ("Underground Program"), which incorporates approximately 1,100 metres of underground development and 20,000 metres of infill drilling, a PFS and an EIA.

Anticipated activities for the remainder of 2015 include:

- Completion of the infill drill program in Q3
- Updated mineral resource estimate in Q3
- Completion of the planned portion of the Underground Program in Q3
- Results of the PFS in Q4
- Advancement of the EIA

For the Underground Program, Dalradian has mostly completed the surface civil works and has carried out nine blasts to prepare the existing adit for additional development. Dalradian received a draft of its temporary explosives storage licence and the explosives magazine is nearing completion. A full licence is expected to be issued once the explosives magazine has been inspected.

Increased spending compared to Q1-Q3 of 2014 is expected to continue through the balance of 2015, as Dalradian completes the Underground Program and the PFS. Exploration expenditures are expected to increase over the 2014 levels as the Company aims to grow the Curraghinalt deposit along strike. Exploration and evaluation expenditures in Northern Ireland for the next three months ending June 30, 2015 are expected to average approximately $3.7 million per month.

DESCRIPTION OF BUSINESS

Incorporated on March 27, 2009, pursuant to the provisions of the *Business Corporations Act* (Ontario), with an initial public offering completed on August 10, 2010, the Company is involved in the acquisition, exploration and evaluation of mineral properties in Northern Ireland. The Company is listed on the Toronto Stock Exchange ("TSX") under the stock symbol "DNA" and the AIM Market of the London Stock Exchange ("AIM") under the symbol "DALR". The Company's corporate office is in Toronto, while operations are focused on Dalradian's flagship Curraghinalt gold project in Northern Ireland.

The Company, through its wholly-owned subsidiary, DGL, holds a 100% interest in prospecting licences and options, subject to royalties as described below, in approximately 84,000 hectares, consisting of four contiguous areas (DG1, DG2, DG3 and DG4), located in counties Tyrone and Londonderry, Northern Ireland, United Kingdom. This approximately 84,000-hectare area is collectively known as the "Northern Ireland Properties". There are two elements comprising this interest:

- The Crown Estate Commissioners ("CEC"), has entered into mining lease Option Agreements with DGL (the "CEC Mining Lease Option Agreements") for gold and silver, covering the four contiguous areas; and
- The Department of Enterprise, Trade and Investment ("DETI"), a separate government body has granted to DGL Prospecting Licenses for base metals (the "DETI Prospecting Licences") covering the same four areas.

Dalradian does not hold any other titles.

The current terms of the CEC Mining Lease Option Agreements for DG1 and DG2 expire December 31, 2015. Upon expiry of the term or renewal period of a CEC Mining Lease Option Agreement, an indefinite number of renewals is available at the CEC's discretion. Each renewal is for a term of two years. The current terms of the CEC Mining Lease Option Agreements for DG3 and DG4 were set to expire April 23, 2015. CEC have indicated that new option agreements for DG3 and DG4 are being prepared.

The DETI Prospecting Licences for DG1 and DG2 were reissued in 2013 and run from January 1, 2014 to December 31, 2015. Upon expiry of this initial term, they are eligible for up to two, two year extensions. The DETI Prospecting Licences for DG3 and DG4 were granted their second two-year extension in 2015 and run from April 24, 2015 to April 23, 2017. A DETI Prospecting Licence cannot be extended beyond six years from the date of grant. However, at the end of the second two year extension of a DETI Prospecting Licence, DGL may apply for a new DETI Prospecting License over the same area. Applications for new DETI Prospecting Licences for DG1 and DG2 will be required in 2019 and for DG 3 and DG4 in 2016.

Pursuant to a royalty agreement dated December 13, 2004 (the "Royalty Agreement"), between DGL (formerly known as Ulster Minerals) and Minco Plc., a company duly incorporated under the laws of the Republic of Ireland, a 2% net smelter return royalty on a portion of the Northern Ireland Properties (as defined in the Royalty Agreement) is payable by DGL to Minco Plc., or its nominee. As provided in the CEC Mining Lease Option Agreements, a 4% royalty will be payable to the CEC upon production of gold and/or silver from the Northern Ireland Properties.

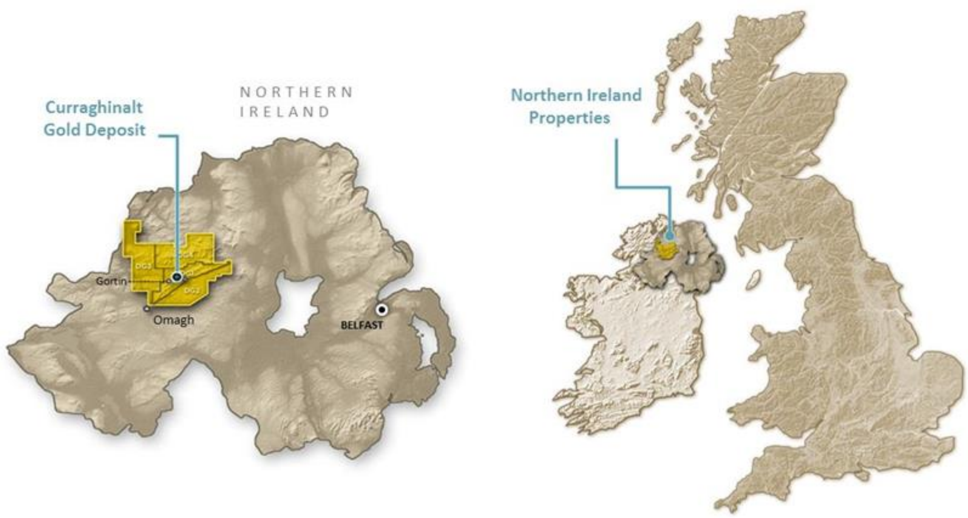
Within the Northern Ireland Properties, the Company's main focus is on Curraghinalt. During the second quarter of 2014, the Company reported an updated mineral resource estimate that was incorporated into the PEA during the fourth quarter of 2014. In addition to Curraghinalt, there are several known historical occurrences of precious and base metals mineralization throughout the property with new discoveries in 2012, the last year the Company drilled step-out drill holes.

The Company's current focus at Curraghinalt is the Underground Program, which includes approximately 20,000 metres of in-fill drilling aimed at upgrading resource ounces from the Inferred category to Indicated in support of the PFS. On January 23, 2014, the Company announced receipt of planning permission for its Underground Program, subject to complying with terms and conditions. Three permits are necessary to complete the entire program: planning permission, site discharge consent and an explosives storage licence. Dalradian has secured two of the three permits and is still awaiting the final temporary explosives storage licence. In the meantime, Dalradian has been able to rely on the storage facilities of its explosives supplier to carry out nine blasts as part of the works to prepare the existing adit for the new development. Dalradian has received the draft temporary explosives storage licence and expects to receive the final licence once the explosives magazine has been inspected, which is anticipated to occur in Q2 2015. See also "Northern Ireland Properties – Permitting" and also "Northern Ireland Properties – Underground Program", below.

NORTHERN IRELAND PROPERTIES

Overview

Central to DGL's Northern Ireland Properties is the Curraghinalt gold deposit, a lode gold system consisting of a series of structurally controlled, high-grade gold bearing quartz-carbonate veins. Dalradian's work to date during 2015 has focused on the deposit, including completing the surface works for the Underground Program, commencement of drilling, progression of underground work and progressing the desktop studies for the PFS and EIA.



The most recent mineral resource estimate for Curraghinalt, prepared in accordance with NI 43-101 is summarized below:

	Curraghinalt Mineral Resources* (as at January 20, 2014)		
Resource Category (Cut-off Grade of 5.0 g/t)	**Million Tonnes**	**Grade (g/t Au)**	**Contained Gold (ounces)**
Measured	0.02	20.15	15,100
Indicated	2.98	10.34	989,000
Measured + Indicated	**3.00**	**10.41**	**1,004,100**
Inferred	8.01	9.67	2,487,700

* Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. For further information on the above mineral resource estimate please see the Company's PEA.

Curraghinalt Preliminary Economic Assessment

On October 31, 2014, the Company filed the updated PEA for the Curraghinalt deposit, which demonstrated positive economics for an underground mine producing 194,000 ounces of gold per year on average for the first five years and an average of 149,000 ounces of gold over the remainder of the 18-year mine life. The PEA was based on the January 20, 2014 resource estimate and is available on SEDAR at www.sedar.com.

Key highlights from the results of the PEA are highlighted in the table below (all figures in US$):

KEY PEA DATA*	GOLD PRICE: US$1,200/ounce	GOLD PRICE: US$1,054/ounce
NPV with 8% discount rate (After-tax)	US$504 million	US$366 million
IRR (After-tax)	36.2%	29.9%
Average Annual Production	162,000 ounces/year	
Processing Rate	1,700 tonnes/day	
Life of Mine	18 years	
Initial Capex ($48M contingency)	US$249 million	
Cash Costs	US$485/ounce; US$132/tonne	
Diluted Grade	9.3 g/t Au	
Gold Recovery	92%	
Payback	2.6 years	

* *Prepared by Micon. All dollars in the above table are quoted in US$. The PEA is preliminary in nature, and is based on the January 20, 2014 mineral resource estimate. It includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the results of the PEA will be realized. US$1,054 is the average gold price over the 10-year period preceding completion of the PEA.*

Pre-feasibility Study

During September 2014, Dalradian announced the commencement of a PFS, including the appointment of SRK Consulting (Canada) Inc. as principal consultant. The PFS will include an options analysis looking at alternatives to several aspects of the PEA, including but not limited to dry stack tailings and the addition of a flotation circuit. In February 2015, Dalradian announced the appointment of Eric Tremblay as Chief Operating Officer. Mr. Tremblay is leading the PFS process and brings more than 25 years of mine building and mine operating experience to the task, much of it at underground mining operations. He was most recently General Manager at Canada's largest gold mine, Canadian Malartic, which is jointly owned by Agnico-Eagle Mines Limited and Yamana Gold Inc.

The PFS options analysis is investigating alternatives to the base case scenario outlined in the PEA, including mineral processing, tailings and waste rock management, and will identify potential locations for the mine surface infrastructure. These alternatives are being considered from the perspective of engineering and construction feasibility, capital and operating costs, operational risks, reclamation costs, as well as ease of permitting and acceptance by the local community and regulators. The PFS will incorporate the results of the options analysis, setting out the preferred options for mining, mineral processing, tailings and waste rock management along with an economic assessment of the project, in a technical report prepared in accordance with NI-43-101.

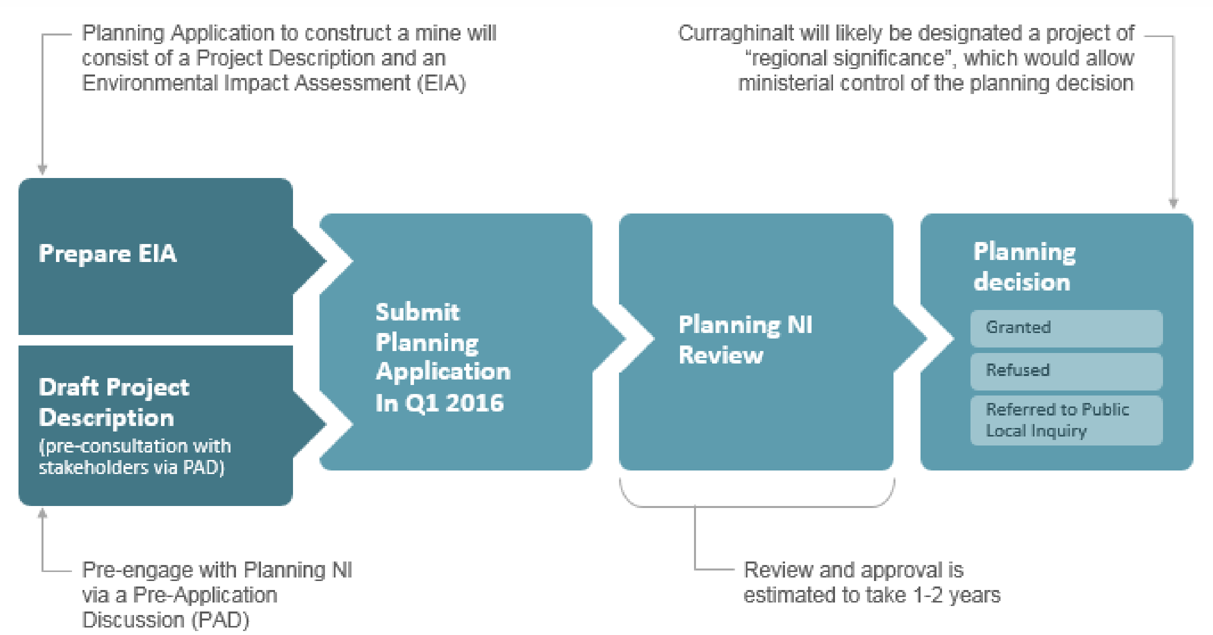
Dalradian is currently completing further metallurgical testing to build on the positive metallurgical results already obtained.

Permitting

Planning permission for the Underground Program with final terms and conditions was received from Planning Northern Ireland on January 23, 2014. Prior to beginning work on-site, the Company was required to submit and receive approval from Northern Ireland regulators for a number of management plans governing items such as water, noise, traffic and dust. The Company met all pre-commencement conditions and received all necessary approvals at the end of May 2014.

Three permits are necessary to complete the entire program: planning permission, site discharge consent and an explosives storage licence. Dalradian has secured two of the three permits as well as a draft of the explosives storage licence and expects to receive the final explosives storage licence once the explosives magazine construction is inspected, which is anticipated to occur in Q2 2015. To date, Dalradian has completed nine blasts in preparation to begin underground development by relying on the storage facilities of its explosives supplier.

In parallel with the PFS, Dalradian has commenced an EIA, which will examine the potential impacts of a full mine build, as well as options for the elimination or mitigation of such impacts. On October 29, 2014, the Company announced the appointment of SRK Consulting UK Limited as the environmental consultant for preparation of the EIA. The EIA report, together with the Project Description, will form the basis of a Planning Application for the full mine build to be submitted to the Northern Ireland Planning Service (Planning NI).



Dalradian continues to gather environmental baseline data to be used in the preparation of an EIA. In addition, Dalradian and SRK Consulting UK Limited have formulated a plan and schedule for stakeholder engagement over the remainder of 2015 in order to receive government agency, community and other stakeholder input into the project description and EIA. Dalradian does not currently have a permit for mining at Curraghinalt.

Dalradian holds regular community and government stakeholder meetings and has strong local support for Curraghinalt. The most recent community meeting was held in February 2015. During March and April 2015 a community survey was carried out to measure perceptions of the project and assess the best methods for stakeholder engagement going forward. Results gathered to date show that over 70% of community members feel positively about a mine in their area.

As part of the planning application, Dalradian committed to establishing and supporting an independent Community-Based Monitoring Committee (the "CMC") to review the environmental, health and safety performance during the Underground Program at Curraghinalt. This CMC was established during Q3 2014. The insights provided by community stakeholders at this stage of development will be helpful in ensuring that Dalradian's long-term plans reflect the perspectives of local communities.

Government support is also solid, as evidenced by the announcement on August 19, 2014 of two grants from Invest Northern Ireland totaling £326,000 to support employment and training at Curraghinalt.

Exploration

Exploration expenditures during the three months ended March 31, 2015 totaled $0.9 million compared to $0.3 million in the comparable period of 2014.

The main focus for the exploration group during Q1 2015 was continuing with a regional exploration program of soil sampling and prospecting on DG3 and DG4.

Later in 2015, exploration expenditures may increase over the 2014 levels as the Company aims to grow the Curraghinalt deposit along strike.

Underground Program

The Company began work on-site for the Underground Program in September 2014, following award of the contract for surface works to Northern Ireland firm, FP McCann. On October 2, the Company announced the appointment of Irish mining services firm, QME Limited, as underground contractor. The value of the two contracts is approximately $2.3 million and $7.5 million, respectively.

Spending on asset evaluation, which includes development planning, permitting and other activities associated with the Underground Program, in the three months ended March 31, 2015 was $4.6 million compared with $0.9 million during the comparable period in 2014 due to an increase in activities on-site associated with the Underground Program, including surface civils work, underground blasting and other preparation of the adit and preparation for an initiation of the 20,000 metre in-fill drill program. Increased spending compared to Q1-Q3 of 2014 is expected to continue through the balance of 2015, as Dalradian completes the Underground Program.

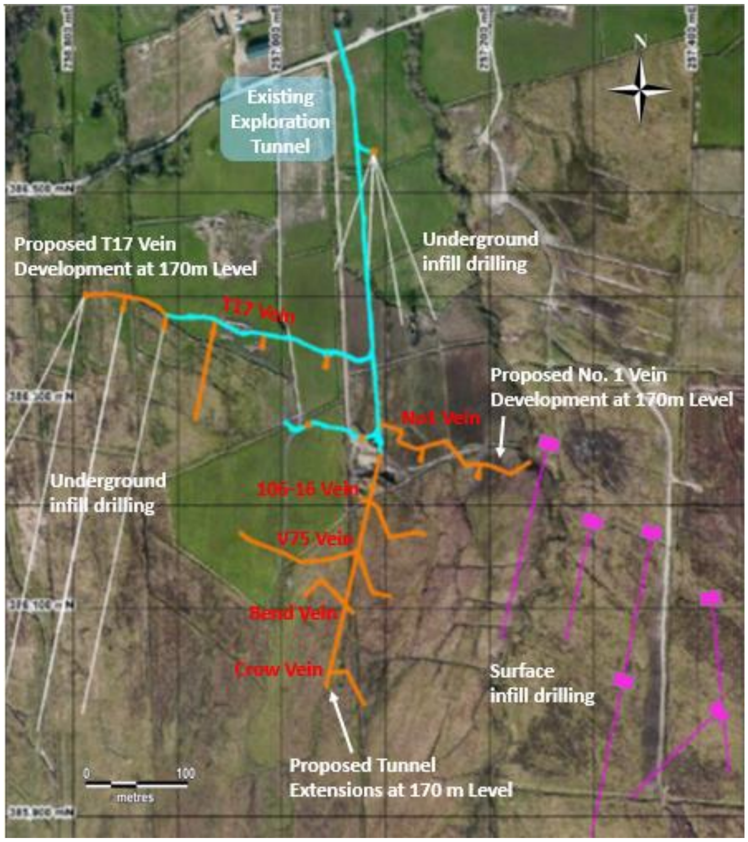
The Underground Program will extend the underground workings by approximately 1,100 metres in total in order to access, define, sample and test the mineralized material from the Curraghinalt deposit. This development includes approximately 440 metres of access drifting designed to crosscut four southern resource veins and provide drilling platforms for further southward exploration and expansion. As well, six resource veins will be drifted on for a planned total of 430 metres of on-vein development. These works constitute a 140% increase in lineal development underground at Curraghinalt.

Additionally, 11 underground drill bays will be added to the development to support an infill drilling program of approximately 20,000 metres, most of it from underground, with the objective of upgrading resource ounces from the Inferred to the Indicated category. Drilling began from surface on March 26, 2015 and as of the date of this report more than half of the 5,000 metres to be drilled from surface had been completed. Three underground drill bays have been prepared to date and underground drilling began in early May 2015, with 15,000 metres being targeted in total from underground. The updated resource estimate will follow on completion of drilling and should be finalized during Q3 2015.

The Underground Program is designed to: (i) demonstrate continuity of thickness and grade of the mineralized veins; (ii) increase confidence in the existing mineral resources; (iii) assess underground geotechnical and hydro-geological conditions; and (v) produce samples for offsite metallurgical testing.

The planned portion of the Underground Program is expected to cost approximately $23 million and is expected to be completed by the end of Q3 2015. Surface work is expected to be completed shortly, with underground work to prepare the existing adit for exploration tunneling mostly complete and three underground drill bays completed to date. Underground tunneling is expected to begin in Q2 2015 and continue into Q3 2015. Underground drilling, hydrogeology and geotechnical studies will begin in Q2 2015 and continue into Q3 2015. Metallurgical testing has been ongoing for some time now.

Plan view of Underground Program



OVERVIEW OF SELECTED INFORMATION FROM THE FINANCIAL STATEMENTS

The following table sets forth selected data for the quarters ended March 31, 2015 and 2014:

	Quarter ended	
	Mar. 31, 2015	**Mar. 31, 2014**
Operating expenses:		
Salaries and related benefits	$ 949,492	$ 646,955
Professional fees and consulting	110,925	57,749
Share-based payments	332,935	148,209
Investor relations and general travel	220,329	144,290
Office, regulatory and general	199,698	173,651
Amortization	38,941	48,968
Foreign exchange gain	(384,661)	(1,556)
Interest and bank charges	1,138	3,037
	1,468,797	1,221,303
Interest income and other	64,087	26,445
Loss and comprehensive loss for the period	$ (1,404,710)	$ (1,194,858)
Loss per share - basic and diluted	$ (0.01)	$ (0.01)
Total assets	$ 103,697,557	$ 60,143,795
Working capital	$ 43,740,602	$ 17,248,418

The consolidated loss and comprehensive loss for the quarter ended March 31, 2015 of $1,404,710, was higher than the same period in 2014 of $1,194,858, primarily due to an employment compensation payment.

Results of Operations for the Three Months Ended March 31, 2015, compared to the Three Months Ended March 31, 2014

Salaries and related benefits expense for the three months ended March 31, 2015 of $949,492, increased compared to the same period in 2014 of $649,955, primarily due to an employment compensation payment.

Professional fees and consulting expense for the three months ended March 31, 2015 of $110,925, increased compared to the same period in 2014 of $57,749, primarily due to increased legal services.

Share-based payments expense for the three months ended March 31, 2015 of $332,935 increased compared to the same period in 2014 of $148,209, primarily due to increased amortization cost as a result of share options granted in the first quarter of 2015.

Investor relations and general travel expense for the three months ended March 31, 2015 of $220,329 have increased when compared to the same period in 2014 of $144,290 mainly due to increased professional services related to the listing on the AIM market of the London Stock Exchange.

Office, regulatory and general expense for the three months ended March 31, 2015 of $199,698, increased compared to the same period in 2014 of $173,651, primarily due to additional listing fees for the AIM market of the London Stock Exchange.

Foreign exchange gain for the three months ended March 31, 2015 was $384,661 compared to foreign exchange gain of $1,556 for the same period in 2014, primarily as a result of the Company holding approximately $10 million (Canadian equivalent) in pound sterling and $1 million (Canadian equivalent) in U.S. dollars, and the strengthening of the pound sterling and US dollar against Canadian dollar in the first quarter of 2015.

Interest income and other for the three months ended March 31, 2015 of $64,087, increased compared to the same period in 2014 of $26,445, due to higher average cash balances in the first quarter of 2015.

Summary of Quarterly Results

The following table sets forth selected consolidated financial information for each of the Company's eight most recently completed quarters:

	Three months ended			
	Mar. 31, 2015	**Dec. 31, 2014**	**Sep. 30, 2014**	**Jun. 30, 2014**
Interest income and other	$ 64,087	$ 63,836	$ 76,076	$ 36,884
Net loss	(1,404,710)	(2,769,768)	(1,181,135)	(1,699,124)
Net loss per common share (basic and diluted)	(0.01)	(0.02)	(0.01)	(0.02)
Cash and cash equivalents	44,661,606	29,776,872	37,015,533	14,711,884
Other current assets	2,756,158	3,210,337	1,510,998	746,171
Restoration deposit	1,168,900	1,120,870	-	-
Equipment	429,299	408,069	488,750	560,595
Exploration and evaluation assets	54,681,594	49,085,740	44,466,996	42,931,726
Total Assets	$ 103,697,557	$ 83,601,888	$ 83,482,277	$ 58,950,376
Total shareholders' equity	$ 99,343,124	$ 80,270,103	$ 82,785,046	$ 58,194,485

	Three months ended			
	Mar. 31, 2014	Dec. 31, 2013	Sep. 30, 2013	Jun. 30 2013
Interest income and other	$ 26,445	$ 18,535	$ 24,330	$ 31,706
Net loss	(1,194,858)	(1,297,667)	(17,648,926)	(1,371,055)
Net loss per common share (basic and diluted)	(0.01)	(0.01)	(0.20)	(0.02)
Cash and cash equivalents	17,242,922	6,855,035	9,443,514	12,636,961
Other current assets	731,945	680,627	748,669	1,266,560
Restoration deposit	-	-	-	-
Equipment	572,622	671,978	789,972	835,287
Exploration and evaluation assets	41,596,306	40,349,082	38,812,398	53,669,477
Total Assets	$ 60,143,795	$ 48,556,722	$ 49,794,553	$ 68,408,285
Total shareholders' equity	$ 59,417,346	$ 47,843,645	$ 48,990,834	$ 66,441,878

As a company with no revenues and focused on advancing mineral properties, fluctuations in quarterly results are mainly due to cycles of spending on properties and financing future activities. Cash balances were bolstered in Q1 and Q3 of 2014 and further increased in Q1 2015 through financings and were reduced quarterly depending on exploration and evaluation activities. The larger net loss in Q3 2013 relates to a write-down taken on properties in Norway that the Company decided not to advance further; that decision is also reflected in a corresponding decrease in exploration and evaluation assets in that quarter. Other than in Q3 2013, quarters with higher net losses typically involved a higher level of corporate activity, usually related to marketing or financing the Company, or higher share-based payments.

FINANCIAL CONDITION, CASH FLOWS, LIQUIDITY AND CAPITAL RESOURCES

Capital Resources

The adequacy of the Company's capital structure is monitored on an ongoing basis and adjusted as necessary according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, adjusting spending, or disposing of assets.

The Company is dependent on issuing equity or other forms of financing to complete programs associated with its exploration and evaluation properties. Dalradian is not in commercial production on any of its resource properties and accordingly, it does not generate cash from operations. Dalradian's only source of income has been interest earned from funds on deposit.

During 2014, the Company closed three financings for total proceeds of $41,250,750: a bought deal prospectus offering in February for gross proceeds of $13,886,250 (the "February 2014 Financing") and a bought deal prospectus offering and a non-brokered private placement, (collectively, the "July 2014 Financings"), for total gross proceeds of $27,364,500.

The February 2014 Financing consisted of 19,837,500 units of the Company at a price of $0.70 per unit for gross proceeds of $13,886,250. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant was exercisable into one common share of the Company at an exercise price of $0.90 until February 19, 2015.

The July 2014 bought deal prospectus financing consisted of 19,205,000 units of the Company at a price of $0.90 per unit, for gross proceeds of $17,284,500. Concurrent with the closing of the bought deal prospectus financing, the Company also completed a non-brokered private placement of 11,200,000 units (on the same terms as the units issued in the bought deal prospectus financing), for aggregate gross proceeds of $10,080,000. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one common share of the Company at an exercise price of $1.50 until July 31, 2017.

During Q1 2015, the Company received gross proceeds of approximately $20.6 million through: (a) a private placement financing with Ross Beaty for gross proceeds of $11,300,400 (the “February 2015 Financing”); and (b) the exercise of 9,581,650 warrants for gross proceeds of $8.6 million (97% of the total warrants issued in the February 2014 Financing) and exercise of 959,037 broker warrants issued in the February and July 2014 Financings for gross proceeds of approximately $0.7 million.

The February 2015 Financing consisted of 12,556,000 units at a price of $0.90 per unit. Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant is exercisable to acquire one common share of the Company at any time up to February 9, 2017 at an exercise price of $1.15.

Dalradian’s cash and cash equivalents as at March 31, 2015 were $44.7 million, compared to $17.2 million as at March 31, 2014.

Liquidity

The Company primarily finances its activities by raising capital through the issuance of equity. The Company’s ability to fund currently planned exploration, evaluation and development planning activities, acquire additional mineral properties, meet its existing obligations and maintain operations is conditional on its ability to secure financing when required. Global commodity markets and, in particular, the price of gold, remain volatile and uncertain, which could lead to difficulties in raising funds.

While the Company has no source of revenue, management believes it has sufficient cash resources to meet its obligations and fund the planned expenditures and administrative costs for at least the next twelve months. In order to meet planned expenditures and cover administrative costs beyond that point, the Company will need to raise additional financing. The Company will also have to raise financing in the future to develop a mine. Although the Company has been successful in raising funds to date, as evidenced by the three financings in 2014 and the February 2015 Financing, there can be no assurance that adequate financing will be available in the future, or available under terms favourable to the Company.

Dalradian’s net working capital position at March 31, 2015 was approximately $43.7 million. The majority of accounts payable and accrued liabilities relate to trade payables incurred in the normal course of operations. Exploration and evaluation expenditures in Northern Ireland for the next three months ending June 30, 2015 are expected to average approximately $3.7 million per month.

During Q1 2015, the Company raised $20.6 million through the February 2015 Financing and exercise of warrants (see details in – “Capital Resources” above).

The net proceeds of the Company’s 2014 financings (see details in – “Capital Resources” above) have been and, other than described below, will be used substantially as set out in the Company’s short form prospectuses dated February 12, 2014 and July 24, 2014, which are available on SEDAR at www.sedar.com.

Approximately $23 million of the net proceeds from the Company’s 2014 financings will be applied to the Underground Program at the Curraghinalt gold project, $13 million of which will extend the exploration tunnel by approximately 1,100 metres in order to access, define, sample and test the mineralized material from the Curraghinalt deposit. According to ongoing results of exploration and development planning, additional underground drill bays as required, currently estimated at 11, will be added to the development to support the underground drilling program.

The Underground Program is designed to: (i) demonstrate continuity of thickness and grade of the mineralized veins; (ii) increase confidence in the existing mineral resources; (iii) assess underground geotechnical and hydro-geological conditions; and (iv) produce samples for offsite metallurgical testing. The planned portion of the Underground Program is expected to cost approximately $23 million and is expected to be completed by the end of Q3 2015. Following the completion of the February 2015 Financing, along with cash on hand, the Company believes that it has sufficient funds to complete the Underground Program.

Approximately $3 million of the net proceeds of the July 2014 Financings was expected to be applied to a surface exploration program (the "Surface Program"), including up to 5,000 metres of infill diamond drilling. Based on the requirements of the PFS for additional drill data, these funds have been reallocated to a drill program of approximately 20,000 metres, with approximately 15,000 metres to be drilled from underground and 5,000 metres from surface. The total cost of this drill program, which is in addition to the planned exploration and estimated costs of the Underground Program described above, is estimated at $6 million. Any costs related to such underground drilling in excess of the approximate $3 million allocated from the net proceeds of the July 2014 Financings are expected to be paid from the Company's cash on hand.

Approximately $2 million of the net proceeds of the July 2014 Financings will be applied to mine planning and permitting, with $6.4 million of the net proceeds of the Company's 2014 financings being allocated to general working capital.

Contractual Obligations

The Company may be subject to various contingent liabilities that occur in the normal course of operations.

At March 31, 2015, the Company had the following commitments for operating leases and service agreements for the next five fiscal years:

	Total	2015	2016	2017	2018	2019
Operating leases..........................	$ 480,507	$ 245,966	$ 176,230	$ 19,437	$ 19,437	$ 19,437
Purchase obligations....................	12,045,000	12,045,000	-	-	-	-
Total	$ 12,525,507	$ 12,290,966	$ 176,230	$ 19,437	$ 19,437	$ 19,437

Operating leases represent lease agreements for office space and storage facility in Toronto and Northern Ireland.

Purchase obligations included in the commitment table above relate to the following agreements.

DGL entered into an agreement dated January 5, 2015 with Major Drilling (NI) Limited for surface and underground diamond drilling at the Curraghinalt Gold Project in Northern Ireland in support of the Company's preliminary feasibility study. The estimated total value of the contract is approximately US$3.3 million (C$4.2 million). Drilling commenced on March 26, 2015.

Other purchase obligations include remaining contractual commitments at March 31, 2015 under various service agreements related to the Underground Program at the Curraghinalt Gold Project in Northern Ireland, details of which are disclosed in note 14 of the Company's audited consolidated financial statement for the year ended December 31, 2014.

Off-balance Sheet Arrangements

Dalradian does not have any off-balance sheet arrangements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(a) Fair value

Cash and cash equivalents and restoration deposits are measured at fair value using level 1 inputs per the fair value hierarchy.

The carrying values of amounts receivable and accounts payable and accrued liabilities reflected in the consolidated balance sheet approximate fair value because of the short-term maturity of these financial instruments.

(b) Commodity price risk

Dalradian's ability to develop its properties and its future profitability are directly related to the market price of gold. The price of gold is affected by numerous factors, such as global consumption and demand for gold, international economic and political trends, fluctuations in value of the U.S. dollar and other currencies, interest rates and inflation.

(c) Liquidity risk

Liquidity risk includes the risk that, as a result of Dalradian's operational liquidity requirements:

(i) Dalradian will not have sufficient funds to settle a transaction on the due date;

(ii) Dalradian will be forced to sell financial assets at a value that is less than what they are worth; or

(iii) Dalradian may be unable to settle liabilities or recover a financial asset at all.

The ultimate responsibility for liquidity risk rests with the Board of Directors of the Company, which has built an appropriate liquidity risk management framework for management of the Company's short, medium and long-term funding and liquidity requirements. The Company's cash requirements and balances are projected based on estimated future requirements. The Company plans to meet these requirements through a mix of available funds and future financings, including, but not necessarily limited to, equity financing, sale of or mining of assets, and project debt financing. Continuing operations are dependent on the Company's ability in the near term to access sufficient capital to complete the Company's exploration and development activities, identify commercial gold reserves and to ultimately have profitable operations. Accounts payable and accrued liabilities at March 31, 2015 all have contractual maturities of less than 90 days and are subject to normal trade terms. The Company had sufficient funds on hand at March 31, 2015 to settle these liabilities.

(d) Credit risk

When a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the consolidated balance sheet date, credit risk arises. The majority of the Company's financial assets are cash and cash equivalents, restoration deposit and amounts receivable. Management considers the credit risk on cash and cash equivalents to be limited because the counterparties are established well-known financial institutions. During the period ended March 31, 2015, no amounts receivable were past due. Consequently no allowances or bad debts were required on the amounts receivable. The maximum exposure to credit risk is represented by the carrying amount of the cash and cash equivalents, restoration deposit and amounts receivable on the consolidated balance sheet.

(e) Foreign currency risk

A variation in the exchange rates between the Canadian dollar and foreign currencies could affect the Company's operating and financial results. The Company is exposed to foreign currency risk as the Company holds cash in foreign currencies and has other financial assets and liabilities that are denominated in foreign currencies. The Company's management monitors the exchange rate fluctuations on a regular basis and does not use currency derivative instruments to manage its exposure to foreign currency fluctuations.

At March 31, 2015, the carrying amounts of Dalradian's foreign currency-denominated net financial assets are approximately as follows:

	Net financial assets (liabilities)	Effect of 10% change in exchange rate on loss
U.S. dollar	$ 1,103,729	$ 110,373
Euro	(31,536)	(3,154)
Pound sterling	6,119,419	611,942
Australian dollar	(951)	(95)
	$ 7,190,661	$ 719,066

OUTSTANDING SHARE DATA

The following table summarizes the capitalization of the Company as at March 31, 2015:

	Exercise Price	Number of Common Shares
Common shares		163,147,170
Warrants		
Expiring August 19, 2015	$ 0.70	313,035
Expiring January 1, 2016	2.17	30,000
Expiring July 31, 2016	0.90	1,742,478
Expiring January 1, 2017	1.81	40,000
Expiring February 9, 2017	1.15	6,278,000
Expiring July 31, 2017	1.50	15,202,499
Expiring January 1, 2018	1.50	50,000
Total warrants		23,656,012
Options		
Expiring April 16, 2015	1.23	120,000
Expiring August 10, 2015	0.25	610,000
Expiring August 10, 2015	0.75	2,095,000
Expiring May 27, 2016	1.60	250,000
Expiring November 2, 2016	2.20	70,000
Expiring April 23, 2017	1.10	50,000
Expiring May 14, 2017	0.97	50,000
Expiring August 7, 2017	1.11	700,000
Expiring September 11, 2017	1.02	500,000
Expiring February 11, 2018	1.30	35,000
Expiring May 8, 2018	0.71	225,000
Expiring July 9, 2018	0.71	500,000
Expiring February 14, 2019	0.85	300,000
Expiring June 25, 2019	0.98	1,900,000
Expiring September 25, 2019	0.71	140,000
Expiring December 10, 2019	0.67	90,000
Expiring March 2, 2020	0.78	750,000
Total options		8,385,000
Restricted Share Units ("RSUs")	$ -	995,000
Total fully diluted		196,183,182

As at May 4, 2015, the Company has 163,147,170 common shares, 23,656,012 warrants, 8,640,000 options, and 1,095,000 RSUs issued and outstanding. This amounts to 196,538,182 common shares outstanding on a fully-diluted basis.

FINANCIAL STATEMENTS – CRITICAL ACCOUNTING ESTIMATES

The Consolidated Financial Statements of the Company are prepared in accordance with International Accounting Standards ("IAS") 34, *Interim Financial Reporting*. The significant accounting policies of the Company are described in note 2 of the Company's audited consolidated financial statements for the year ended December 31, 2014.

Preparation of the Consolidated Financial Statements requires management to make estimates and assumptions. Measurement uncertainties are described in the Company's audited consolidated financial statements for the year ended December 31, 2014. There has been no change in the nature of critical accounting estimates from the year ended December 31, 2014.

RECENT ACCOUNTING PRONOUNCEMENTS AND ADOPTION OF NEW AND AMENDED IFRS STANDARDS

The following new IFRS standard is issued but not yet effective for the Company.

IFRS 9 *Financial Instruments*

On July 24, 2014, the IASB issued the completed IFRS 9, *Financial Instruments,* (IFRS 9 (2014)).

IFRS 9 (2014) includes finalized guidance on the classification and measurement of financial assets. The final standard also amends the impairment model by introducing a new 'expected credit loss' model for calculating impairment, and new general hedge accounting requirements. IFRS 9 is to come into effect on January 1, 2018 with early adoption permitted.

The Company intends to adopt IFRS 9 (2014) in its financial statements for the annual period beginning on January 1, 2018. The extent of the impact of adoption of the standard has not yet been determined.

INTERNAL CONTROL OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS AND PROCEDURES

The Company's management, with the participation of its Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures as at December 31, 2014. Based on that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that, as at the end of the period covered by this report, the Company's disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by the Company in reports it files is recorded, processed, summarized and reported, within the appropriate time periods. There have been no material changes to the Company's disclosure controls and procedures and their design remains effective.

The Company's management, including the Chief Executive Officer and the Chief Financial Officer, does not expect that its disclosure controls and internal controls over financial reporting will prevent or detect all errors and fraud. A cost effective system of internal controls, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the internal controls over financial reporting are achieved.

INDUSTRY AND ECONOMIC FACTORS AFFECTING PERFORMANCE

Dalradian is a mineral development and exploration entity, whose activities include the selection, acquisition, exploration, evaluation and development of mineral properties. Its current focus is to develop the Curraghinalt gold deposit. The future performance of Dalradian is largely tied to the development of its property interests and other prospective business opportunities and the overall financial markets. Financial markets for mineral companies are currently volatile, reflecting ongoing concerns about the stability of commodity prices. The Company's financial success will be dependent upon the extent to which it can achieve milestones in determining the economic viability of the deposits in its portfolio or of any new discoveries that it may make. The development of such assets may take years to complete and the resulting revenue, if any, is difficult to determine with any certainty. To date, Dalradian has not produced any revenue. The sales value of any minerals discovered by Dalradian is largely dependent upon factors beyond its control, such as the market value of the commodities produced. There are significant uncertainties regarding the prices of precious metals and the availability of equity financing for the purposes of exploration and development. Global commodity markets remain volatile and uncertain which has contributed to difficulties in raising equity and borrowing funds. As a result, the Company may have difficulties raising equity financing for the purposes of exploration and development, particularly without excessively diluting the interests of existing shareholders. These trends may limit the ability of Dalradian to develop and/or further explore its current mineral exploration properties and any other property interests that may be acquired in the future.

RISK FACTORS

The Company is subject to a number of risks and uncertainties. For more details, refer to the Company's 2014 AIF and annual MD&A for the year ended December 31, 2014, both of which are available on SEDAR (www.sedar.com).

ADDITIONAL INFORMATION

Additional information regarding the Company, including the AIF, can be found at www.dalradian.com and www.sedar.com.