INDIGO EXPLORATION INC.

Management's Discussion and Analysis of Financial Position and Results of Operations

The following information, prepared as of May 29, 2015, should be read in conjunction with the unaudited condensed interim consolidated financial statements of Indigo Exploration Inc. (the "Company" or "Indigo") for the six months ended March 31, 2015, together with the audited consolidated financial statements of the Company for the year ended September 30, 2014 and the accompanying Management's Discussion and Analysis for that fiscal year. The referenced consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in Canadian dollars unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as "plans", "intends", "anticipates", "should", "estimates", "expects", "believes", "indicates", "suggests" and similar expressions.

This Management's Discussion and Analysis ("MD&A") and in particular the "Outlook" section, contains forward-looking statements, including, without limitation, statements about the mineral properties and financing activities. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. Information concerning the interpretation of property exploration results may also be considered a forward-looking statement, as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed.

- Unless otherwise indicated, forward-looking statements in this MD&A describe the Company's expectations as of May 29, 2015.

- Readers are cautioned not to place undue reliance on these statements as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Such risks and other factors include, among others, risks related to integration of acquisitions; risks related to operations; actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; accidents, labour disputes and other risks of the mining industry; 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 "Risks and Uncertainties" Therefore, the Company cannot provide any assurance that forward-looking statements will materialize.

- The Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason, except as required by law.

For a description of material factors that could cause the Company's actual results to differ materially from the forward-looking statements in this MD&A, please see "Risks and Uncertainties".

GENERAL OVERVIEW

The Company was incorporated on February 29, 2008 under the Business Corporations Act of British Columbia. The Company became a reporting issuer on November 20, 2009, closed its Initial Public Offering on December 29, 2009 and commenced trading on the TSX Venture Exchange ("TSXV") on December 31, 2009, under the trading symbol "IXI."

The Company is a junior natural resource company engaged in the acquisition, exploration and development of natural resource properties. The Company is yet to receive any revenue from its mineral exploration operations. Accordingly, the Company has no operating income or cash flows. As a result, the Company has relied almost exclusively upon equity financing activities, which is not expected to significantly change in the immediate future.

The Company's focus is in gold exploration in the Republic of Burkina Faso, West Africa. In May 2010, the Company entered into an option agreement to acquire a 100% interest, subject to a 1.5% net smelter return ("NSR") royalty, in the Moule Gold permit, in western Burkina Faso. During the year ended September 30, 2013, the Company made the final option payment and now owns 100% of the Moule Gold Permit.

In June 2010, the Company completed the acquisition of Sanu Resources Burkina Faso S.A.R.L. ("Sanu Burkina"), as a means of acquiring Sanu Burkina's four gold mineral exploration permits in Burkina Faso.

RECENT HIGHLIGHTS

In December 2014, and January 2015, the Company closed a non-brokered private placement in three tranches for an aggregate of 7,625,000 units at $0.02 per unit for aggregate gross proceeds of $152,500. Each unit is comprised of one common share and one share purchase warrant. Each whole warrant entitles the holder thereof the right to purchase one common share of the Company at $0.05 per share, exercisable for three years from the grant date. In connection with the private placement, the Company paid finders' fees of $8,400.

MINERAL PROPERTIES

Paul Cowley, P.Geo, President, CEO and Director of Indigo, is the Qualified Person as defined in National Instrument 43-101, responsible for the review of technical information disseminated to the public by the Company, including any technical information in this MD&A.

Burkina Faso

The Company currently holds six gold properties comprising four gold projects located in the Republic of Burkina Faso, West Africa. West Africa is underlain by the Birimian Greenstone Belt, one of the most prolific gold producing areas in the world. Several major gold companies are active in Burkina Faso, including IAMGOLD Corporation and Newmont Mining Corporation. Burkina Faso has six producing mines and a number of projects in the advance and development stages. Burkina Faso is considered to be relatively stable, both politically and economically, and relies primarily on farming and mining as its main sources of revenue.

Pursuant to the Mining Code of Burkina Faso, an exploration permit holder is required to incur 270,000 West African CFA Francs ($583) of exploration expenditures per square kilometre per year in order to maintain its permits in good standing. If such expenditures are not incurred, the Government of Burkina Faso may, at its discretion, cancel the permits after giving the permit holder sixty days notice to remedy any deficiency. At September 30, 2014, the Company had not incurred sufficient expenditures on its permits to comply with the Mining Code of Burkina Faso.

During the six months ended March 31, 2015, the Kodyel permit expired however the Company has submitted the documentation required to extend the permit. On October 30, 2014, civil unrest broke out in Burkina Faso. A transitional government has been established and will remain in place until the next election in 2015. As a result, the Company has not received the renewed permit from the new government. The operations of the Company require licenses and permits from various governmental authorities. The Company believes it presently holds all necessary licenses and permits to carry on the activities which it is currently conducting, and that it is presently complying in all material respects with the terms of such licenses and permits. There can be no guarantee, however, that the Company will be able to obtain and maintain, at all times, all necessary licenses and permits required to continue the proposed exploration or to develop its properties into commercial production and to operate mining facilities thereon. The Company believes its Burkina Faso permits are in good standing.

Kodyel Exploration Permit

The 100% owned, 191 square kilometres Kodyel permit lies close to the Niger border approximately 300km east of Ouagadougou. Access is by paved road as far as Fada N'gourma about 200 km east of Ouagadougou and thence by laterite roads. The Kodyel permit covers an extension of the Fada N'Gourma greenstone belt that extends into Niger. The Kodyel permit is traversed by a regional northeast-trending fault that stretches from Ghana to Niger and separates the mafic and felsic volcanics and metasedimentary rocks of the Fada belt from the migmatites and granites to the northwest. There are several active artisanal workings within the permit, including: Hantekoura (CFA) and Kodyel 1. The extensive Tangounga and Songonduari artisanal workings currently lie off the permit but are part of the same structure, continuing towards and into Niger.

Until early 2012 the Company had been unable to access the Kodyel permit due to a border dispute between Burkina Faso and Niger. The temporary suspension on the Kodyel permit was lifted and the Company commenced exploration on the renewed Kodyel permit. The renewed permit had reduced from 238 square kilometres to 191 square kilometres to exclude a 2 kilometre wide strip adjacent to the Niger border. The permit retained a right of first refusal to include this excluded area (which hosts the Tangounga artisanal mining site) after the World Court finalizes the border location.

On April 16, 2013, the World Court handed down their decision on the position of the Burkina Faso – Niger border in the vicinity of the Kodyel permit. According to maps provided by the World Court, the new border is approximately 6 kilometres northeast of the previous border position in the vicinity of the Kodyel permit. The Company is making efforts to extend the term of the original Kodyel permit which would incorporate the Tangounga artisanal workings. The Company is uncertain as to when the permit will be extended and when the excluded area will be returned to the Company.

Moule Option

On May 5, 2010, the Company entered into an option agreement to acquire a 100% interest, subject to a 1.5% net smelter return ("NSR") royalty, in the Moule Gold Permit, in western Burkina Faso. The final payment was wired to Burkina Faso on April 24, 2013. The Company now holds a 100% interest in the Moule Gold Permit which is valid until April 20, 2017. The Company paid an aggregate of US$400,000 and issued 300,000 common shares at the fair value of $15,000 to acquire the Moule Gold Permit. The Company has the right to purchase the entire 1.5% NSR royalty for US$1,800,000.

The Moule Gold Permit covers 249 square kilometres of prospective Birimian greenstone geology. Exploration prior to acquisition by Indigo consisted of property wide mapping, soil geochemistry, quartz veining and quartz float sampling and ground geophysics. These surveys located a number of gold targets, including: Zelingpe 1, Zelingpe 2, Vein 2 and Vein 3.

The Company completed initial RC drill programs on Zelingpe 1, Zelingpe 2 and Vein 3; and followed up with a diamond drill program at Vein 2 and Vein 3. These were the first drill programs ever completed at Moule.

Results of the drill programs have been reported by press release and in prior MD&A's. Drill plans and selected sections from the Moule diamond drill program can be found on the Company's website at www.indigoexploration.com.

Lati Exploration Permit

The 100% owned, 246 square kilometre Lati Permit covers a major north-south shear zone in the Boromo greenstone belt. Lati is the site of expanding artisanal activity with at least three known active artisanal mining areas over the 8 kilometre long Prospect 1. The Lati permit is about 150 km by road west of Ouagadougou. Lati was previously explored by the United Nations Development Program ("UNDP") and the Burkina Faso Office of Mines and Geology ("BUMIGEB") for volcanic-hosted massive sulfides ("VHMS") similar to the Perkoa zinc deposit, as well as by Carlin Resources and Incanore Resources for gold.

Results of a RC drill program on Lati have been reported by press releases and in prior MD&A's. Drill plans and selected sections from the Lati RC drill program can be found on the Company's website at www.indigoexploration.com.

Tordo Exploration Permit

The 100% owned, 143 square kilometre Tordo permit lies about 150km east of Ouagadougou. The permit covers a portion of the Fada N'gourma greenstone belt which consists of meta-tuff, meta-sediment and mafic metavolcanic rocks and has never been previously explored until recently by Sanu Burkina.

The Company plans a trenching at Tordo in advance of a preliminary drilling program.

Loto Exploration Permit

The 100% owned, 93 square kilometre Loto exploration permit is located in the Boromo greenstone belt, contiguous to the Moule Exploration Permit, and forms part of the Moule project. The Loto permit lies near the town of Diebougou, approximately 270 km by road from Ouagadougou of which 250 km is paved. The area is intensely farmed and it has taken time to establish a working relationship with the local community.

QUARTERLY INFORMATION

The following is selected financial data from the Company's unaudited quarterly financial statements for the last eight quarters ending with the most recently completed quarter, being the three months ended March 31, 2015.

	For the quarter ended ($)			
	Mar. 31, 2015	**Dec. 31, 2014**	**Sep. 30, 2014**	**Jun. 30, 2014**
Total revenues	-	-	-	-
Loss	(41,091)	(25,064)	(2,171,278)	(37,158)
Loss per share (basic and diluted) (1)	(0.00)	(0.00)	(0.05)	(0.00)
Total assets	846,676	879,709	783,228	2,921,084

	For the quarter ended ($)			
	Mar. 31, 2014	**Dec. 31, 2013**	**Sep. 30, 2013**	**Jun. 30, 2013**
Total revenues	-	-	-	-
Loss	(53,555)	(40,187)	(1,114,983)	(41,954)
Loss per share (basic and diluted) (1)	(0.00)	(0.00)	(0.03)	(0.00)
Total assets	2,958,250	3,022,534	2,818,705	3,929,841

(1) The basic and diluted calculations result in the same values.

The loss in the quarters ended September 30, 2014 and 2013 increased due to write-downs of mineral properties of $2,121,835 and $1,044,360, respectively.

RESULTS OF OPERATIONS

Three months ended March 31, 2015
The Company recorded a loss of $41,091 ($0.00 per share) for the three months ended March 31, 2015 as compared to a loss of $53,555 ($0.00 per share) for the three months ended March 31, 2014.

Differences in general and administration expenses of note include:

Management and administration fees of $5,850 (2014 - $13,000). Management fees include charges from the CEO billed by day worked. The decrease in the period is due to a reduction of business activity and therefore a reduced number of days billed.

Office and miscellaneous of $8,369 (2014 - $14,811). Office expenses, including those related to Sanu Burkina, decreased in the period due to a reduction in business activity.

Six months ended March 31, 2015
The Company recorded a loss of $66,155 ($0.00 per share) for the six months ended March 31, 2015 as compared to a loss of $93,742 ($0.00 per share) for the six months ended March 31, 2014.

Differences in general and administrative expenses of note include:

Accounting and audit fees of $19,543 (2014 - $29,583). Accounting and audit fees include fees incurred in Canada and Burkina Faso, decreased in the period due to a reduction in business activity.

Management and administration fees of $11,701 (2014 - $15,514). Management fees include charges from the CEO billed by day worked. The decrease in the period is due to a reduction of business activity and therefore a reduced number of days billed.

Office and miscellaneous expenses of $15,850 (2014 - $29,153). Office expenses, including those related to Sanu Burkina, decreased in the period due to a reduction in business activity.

FINANCING ACTIVITIES AND CAPITAL EXPENDITURES

Financing Activities

During the six months ended March 31, 2015, the Company completed three tranches of a non-brokered private placement as follows:

(i) On December 17, 2014, the Company closed the first tranche of 5,125,000 units at $0.02 per unit for gross proceeds of $102,500. Each unit is comprised of one common share and one share purchase warrant. Each whole warrant entitles the holder thereof the right to purchase one common share of the Company at $0.05 per share, exercisable up to December 17, 2017. A value of $5,125 has been attributed to the warrants.

(ii) On December 24, 2014, the Company closed the second tranche of 1,000,000 units at $0.02 per unit for gross proceeds of $20,000. Each unit is comprised of one common share and one share purchase warrant. Each whole warrant entitles the holder thereof the right to purchase one common share of the Company at $0.05 per share, exercisable up to December 24, 2017. A value of $1,000 has been attributed to the warrants.

(iii) On January 21, 2015, the Company closed a third tranche of the below referenced private placement for 1,500,000 units at $0.02 per unit for gross proceeds of $30,000. Each unit is comprised of one common share and one share purchase warrant. Each whole warrant entitles the holder thereof the right to purchase one common share of the Company at $0.05 per share, exercisable up to January 21, 2018. A value of $1,500 has been attributed to the warrants.

In connection with the three tranches, the Company paid finders' fees of $8,400 and incurred additional cash issue costs of $2,233.

During the six months ended March 31, 2014, the Company completed the following financing:

(i) On November 4, 2013, the Company closed a non-brokered private placement of 4,900,000 units at $0.05 per unit for gross proceeds of $245,000. Each unit is comprised of one common share and one share purchase warrant. Each whole warrant entitles the holder thereof the right to purchase one common share of the Company at $0.12 per share, exercisable up to November 4, 2016. A value of $98,000 has been attributed to the warrants.

In connection with the private placement, the Company incurred cash issue costs of $1,975.

Capital Expenditures

The capital expenditures of the Company during the six months ended March 31, 2015 included deferred mineral property expenditures of $59,738 (2014 - $96,890) on the Company's Burkina Faso projects.

LIQUIDITY AND CAPITAL RESOURCES

The Company's operations consumed $64,948 of cash (before working capital items) for the six months ended March 31, 2015 (2014 - $90,002) with an additional $59,738 (2014 - $96,890) used on mineral property deferred exploration expenditures. The cash requirement was fulfilled from cash on hand at the beginning of the period and from the proceeds from a $152,500 private placement.

The Company's aggregate operating, investing and financing activities during the six months ended March 31, 2015 resulted in a net increase in its cash balance from $47,036 at September 30, 2014 to $56,437 at March 31, 2015. The Company's working capital increased to $12,190 at March 31, 2015 (September 30, 2014 – deficit of $12,140). The Company has no long term debt. In January 2015, the Company completed its third and final tranche of its private placement of 1,500,000 units, priced at 0.02 per unit, for gross proceeds of $30,000.

The Company has no further payments to make to acquire any of its Burkina Faso mineral properties. The Company has minimum exploration commitments in Burkina Faso in order to keep its properties in good standing. Aside from the minimum exploration commitments in Burkina Faso, the Company does not have any commitment for material capital expenditures over the near term or long term and none are presently contemplated in excess of normal operating requirements.

The Company has not as yet put into commercial production any of its mineral properties and as such has no operating revenues or cash flows. Accordingly, the Company is dependent on the equity markets as its sole source of operating working capital, and the Company's capital resources are largely determined by the strength of the junior resource capital markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. 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 it.

TRANSACTIONS WITH RELATED PARTIES

During the three and six months ended March 31, 2015 and 2014, the Company incurred the following expenditures charged by directors and officers of the Company and by companies controlled by directors and officers of the Company:

	Three months ended March 31,		Six months ended March 31	
	2015	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**
Accounting fees(1)	5,753	5,231	11,281	11,781
Management and administration fees(2)	5,850	13,000	11,700	14,950
	11,603	18,231	22,981	26,731

(1) Includes fees billed by a company owned by the Chief Financial Officer, Rob McMorran.
(2) Includes fees billed by a company owned by the Chief Executive Officer, Paul Cowley.

As at March 31, 2015, accounts payable and accrued liabilities includes an amount of $47,223 (September 30, 2014 - $35,211) due to companies controlled by directors and officers of the Company. These amounts are unsecured, non-interest bearing and due on demand.

Key management includes the Chief Executive Officer and the directors of the Company. The compensation paid or payable to key management for services during the three and six months ended March 31, 2015 and 2014 is identical to the table above.

FINANCIAL INSTRUMENTS

Classification of Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, other receivables, and accounts payable and accrued liabilities. Cash and cash equivalents and other receivables are designated as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are designated as other financial liabilities, which are measured at amortized cost.

As at March 31, 2015, the Company believes that the carrying values of cash and cash equivalents, other receivables, and accounts payable and accrued liabilities approximate their fair values because of their nature and relatively short maturity dates or durations.

Discussions of risks associated with financial assets and liabilities are detailed below:

Foreign Exchange Risk

A portion of the Company's financial assets and liabilities is denominated in West African CFA francs ("CFA") giving rise to risks from changes in the foreign exchange rate. The Company is exposed to currency exchange rate risk to the extent of its activities in the Burkina Faso. The Company's currency risk is presently limited to $1,421 of net exposure denominated in CFAs. Based on this exposure as at March 31, 2015, a 5% change in the exchange rate would give rise to a change in loss of $71. The Company does not use derivative financial instruments to reduce its foreign exchange exposure.

The currencies of the Company's financial instruments were as follows:

	March 31, 2015	
	Canadian dollar	CFA
Cash and cash equivalents	51,776	4,661
Other receivables	4,081	139
Accounts payable and accrued liabilities	(48,171)	(3,379)
Net exposure	**(7,686)**	**1,421**

	September 30, 2014	
	Canadian dollar	CFA
Cash and cash equivalents	33,946	13,090
Other receivables	1,996	-
Accounts payable and accrued liabilities	(56,664)	(7,149)
Net exposure	**(20,722)**	**5,941**

Future changes in exchange rates could have a material effect on the Company's business, financial condition and results of operations.

Credit Risk

Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The majority of the Company's cash is held through a major Canadian charted bank and accordingly, the Company's exposure to credit risk is considered to be limited.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Although interest income on the Company's cash and cash equivalents is subject to a variable interest rate, the risk exposure is not significant due to the small amount of interest income these balances.

Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash to enable settlement of transactions as they come due. Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained.

OUTSTANDING SHARE DATA

a) Authorized:
Unlimited common shares without par value.

b) Issued and outstanding:
55,585,982 common shares as at May 29, 2015.

c) Outstanding warrants and options as at May 29, 2015:

Type of Security	Number	Exercise Price	Expiry Date
Share purchase warrants	4,900,000	$0.12	November 4, 2016
Share purchase warrants	5,125,000	$0.05	December 17, 2017
Share purchase warrants	1,000,000	$0.05	December 24, 2017
Share purchase warrants	1,500,000	$0.05	January 21, 2018
Stock options	475,000	$0.20	August 9, 2015
Stock options	515,000	$0.30	November 3, 2016

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized, and reported within the time periods specified by securities regulations and that the information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the consolidated financial statements for the six months ended March 31, 2015 and this accompanying MD&A (together, the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at www.sedar.com.

RISKS AND UNCERTAINTIES

Certain risks are faced by the Company, which could affect its financial position. In general they relate to the availability of equity capital to finance the acquisition, exploration and development of existing and future exploration and development projects. The availability of equity capital to junior resource companies is affected by commodity prices, global economic conditions and economic conditions and government policies in the countries of operation, among other things. These conditions are beyond the control of the management of the Company and have a direct effect on the Company's ability to raise capital.

The Company's working capital and liquidity fluctuate in proportion to its ongoing equity financing activities. The Company requires a certain amount of liquid capital in order to sustain its operations and in order to meet various obligations as specified under the its mineral property option agreement. Should the Company fail to obtain future equity financing due to reasons as described above, it will not be able to meet these obligations and may lose its interest in the property covered by the agreement. Further, should the Company be unable to obtain sufficient equity financing for working capital, it may be unable to meet its ongoing operational commitments.

The Company's properties are in the exploration stage and without known reserves. Exploration and development of natural resources involves substantial expenditures and a high degree of risk. Few exploration properties are ultimately developed into producing properties. Accordingly, the Company has no material revenue, writes-off its mineral properties from time to time and operates at a loss. Continued operations are dependent upon ongoing equity financing activities.

Pursuant to the Mining Code of Burkina Faso, an exploration permit holder is required to incur 270,000 West African CFA Francs ($583) of exploration expenditures per square kilometre per year in order to maintain its permits in good standing. If such expenditures are not incurred, the Government of Burkina Faso may, at its discretion, cancel the permits after giving the permit holder sixty days notice to remedy any deficiency.

OUTLOOK

The Company's focus is on the exploration and advancement of its mineral properties in Burkina Faso. A drill campaign completed in February 2012 on the Lati permit and two large soil sampling programs completed during 2012 on the Kodyel and Moule/Loto permits generated new and sizeable drill targets.

Since the spring of 2012, the Company has minimized its expenditures in order to conserve cash. In December and January 2015, the Company closed three tranches of a non-brokered private placement for gross proceeds of $152,500 to provide working capital. Additional funding will be required in order to continue to advance the Burkina Faso permits.

OTHER INFORMATION

Additional information related to the Company is available for viewing on SEDAR at www.sedar.com.