

# **Midland Exploration Inc.**

Management's Discussion and Analysis

Nine months ended June 30, 2015

# Midland Exploration Inc.

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The following discussion and analysis (the “MD&A”) of the financial condition and results of the operations of Midland Exploration Inc. (“Midland” or “the Corporation”) constitutes management’s review of the factors that affected the Corporation’s financial and operating performance for Q3-15 YTD. This MD&A should be read in conjunction with the Corporation’s financial statements as at June 30, 2015 prepared in accordance with the International Financial Reporting Standards (“IFRS”) and with the annual MD&A as of September 30, 2014. All figures are in Canadian dollars unless otherwise noted.

The following abbreviations are used to describe the periods under review throughout this MD&A:

<b>Abbreviation</b>	<b>Period</b>
Fiscal 13	October 1, 2012 to September 30, 2013
Q1-14	October 1, 2013 to December 31, 2013
Q2-14	January 1, 2014 to March 31, 2014
Q3-14	April 30, 2014 to June 30, 2014
Q3-14 YTD	October 1, 2013 to June 30, 2014
Q4-14	July 1, 2014 to September 30, 2014
Fiscal 14	October 1, 2013 to September 30, 2014
Q1-15	October 1, 2014 to December 31, 2014
Q2-15	January 1, 2015 to March 31, 2015
Q3-15	April 30, 2015 to June 30, 2015
Q3-15 YTD	October 1, 2014 to June 30, 2015
Q4-15	July 1, 2015 to September 30, 2015
Fiscal 15	October 1, 2014 to September 30, 2015

Further information regarding the Corporation and its operations are filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) in Canada and can be obtained from [www.sedar.com](http://www.sedar.com).

**Nature of activities**

Midland, incorporated on October 2, 1995 and operating under the Business Corporations Act (Québec), is a company in the mining exploration business. The Corporation’s operations include the acquisition and exploration of mining properties.

**Overall performance**

In May 2015, the Corporation completed a private placement of 20,622,569 units at a price of \$0.70 per unit for total gross proceeds of \$14,435,798. Also, in December 2014, the Corporation completed private placements by issuing 1,263,288 units at \$0.70 per unit and 1,066,683 flow-through shares at \$0.85 per share, for total gross proceeds of \$1,790,982. Considering its working capital of \$17,281,251 as at June 30, 2015, the Corporation will be able to continue its exploration program for at least the next three years.

On October 10, 2014, Midland signed an option agreement with SOQUEM INC. (“SOQUEM”) whereby SOQUEM has the option to acquire a 50% interest in the Casault and Jouvex properties by funding \$4,500,000 in exploration works. In addition, Midland signed on December 12, 2014 an option agreement with Sphinx Resources Ltd. (“Sphinx”) whereby Sphinx has to option to acquire a 50% interest in the Adam property by funding \$3,000,000 in exploration works and paying cash \$250,000.

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**Overall performance (Cont'd)**

As operator, Midland incurred exploration expenditures totalling \$3,767,548 (\$1,439,875 in Q3-14 YTD), on its properties of which \$3,178,933 was recharged to its partners (\$964,857 in Q3-14 YTD). The operating partners completed \$759,090 of exploration expenses (\$79,819 in Q3-14 YTD). Also, the Corporation invested \$253,962 (\$204,704 in Q3-14 YTD) to complete several property acquisitions in Quebec of which \$83,492 was recharged to its partners (\$68,932 in Q3-14 YTD).

The Corporation reported a loss of \$444,334 in Q3-15 YTD compared to \$576,636 in Q3-14 YTD.

**Results of operations**

Operating expenses at \$858,533 in Q3-15 TYD were slightly higher than the \$803,795 in Q3-14 YTD:

- 345,000 options were granted in Fiscal 13, 605,000 in Fiscal 14 and none in Q3-15 YTD. Their fair value was estimated at \$251,850, \$272,250 and nil respectively. This fair value was accounted for according to its vesting period (up to 18 months) or the period in which the services were rendered. Part of this fair value was recorded in the statement of earnings as stock-based compensation (\$187,933 for Fiscal 13, \$170,451 for Fiscal 14 and \$46,958 for Q3-15 YTD) and the other part was capitalized into the deferred exploration expenses (\$110,512 for Fiscal 13, \$96,274 for Fiscal 14 and \$22,996 for Q3-15 YTD);
- Professional fees increased to \$149,949 (\$112,674 in Q3-14 YTD) due to increase legal and accounting corporate activities;
- Impairment of exploration and evaluation assets increased to \$97,982 (\$3,150 in Q3-14 YTD) and the detailed explanation can be found in the investing activities section.

Project management fees increased to \$237,017 (\$98,379 in Q3-14 YTD) due to the Samson and Adam properties under option with Sphinx, the Pallas PGE property under option with JOGMEC and the Casault Jouvex projects under option with SOQUEM being very active in Q3-15 YTD. In Q3-14 YTD, the Valmond project under option with Sphinx and the Pallas PGE were very active.

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**Investing activities**

	Abitibi										Grenville-Appalaches		James Bay				Quebec Labrador	Northern Québec			
Exploration and evaluation expenses Q3-15	Maritime cadillac – au	Laflamme - au	Patris - au	Casault - au	Valmond - au	Jouvex - au	Heva - au	Abitibi au	Adam – Cu Au	Samson – au	Weedon - cu-zn-au-	Gatineau - zn	Baie-james - au	Baie-james – u	Eléonore - au	Baie-james - fe	Ytterby - etr	Pallas - pge	Willbob - au	Génération de projets	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance beginning</b>	232,965	1,310,514	208,755	290,082	123,955	346,090	18,563	36,641	-	-	388,013	28,766	216,677	14,686	1,175,139	42,158	109,090	216,088	5,116	39,547	4,802,845
Geophysics	-	24,500	-	160,355	-	63,932	-	60,249	152,750	147,106	97,870	-	-	-	95,971	-	-	-	-	-	802,733
Geology	-	20,533	6,360	63,719	3,700	24,472	-	17,518	4,610	57,258	10,440	99	15,436	-	46,456	-	4,286	170,917	25,504	13,006	487,354
Drilling	-	16,965	6,371	1,188,117	66,107	281,342	-	-	-	216,379	-	-	-	-	-	-	-	307,100	-	-	2,082,381
Geochemistry	-	119,290	-	40,528	1,063	12,166	-	460	-	18,896	-	-	-	-	-	-	-	36,596	672	-	229,671
Line cutting	-	5,460	-	47,502	-	26,430	-	-	-	49,530	-	-	-	-	-	-	-	-	-	-	128,922
Travelling	-	3,795	651	9,750	2,018	8,256	-	1,815	-	2,852	458	-	-	-	-	-	-	9,342	-	-	38,937
Stock-based compensation	-	190,543	13,382	1,509,971	72,888	416,598	-	80,042	157,360	492,021	108,768	99	15,436	-	142,427	-	4,286	523,955	26,176	13,006	3,769,998
Recharge	-	-	9,198	-	6,439	-	-	-	-	-	-	-	-	-	5,519	-	-	1,840	-	-	22,996
	-	-	(13,382)	(1,504,590)	(72,888)	(415,078)	-	-	(157,360)	(492,021)	-	-	-	-	-	-	(388)	(523,226)	-	-	(3,178,933)
<b>Net addition</b>	-	190,543	9,198	5,381	6,439	1,520	-	80,042	-	-	108,768	99	15,436	-	147,946	-	3,898	2,569	26,176	13,006	614,061
Tax credits	-	(3,262)	-	-	-	-	-	(2,356)	-	-	(12,502)	-	(3,449)	-	(9,470)	-	-	(156)	(5,213)	-	(36,408)
Option payment	-	-	-	-	(10,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(10,000)
Write-off	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net change</b>	-	187,281	9,198	5,381	(3,561)	1,520	-	77,686	-	-	96,266	99	11,987	-	138,476	-	3,898	2,413	20,963	13,006	567,653
<b>Balance end</b>	232,965	1,497,795	217,953	295,463	120,394	347,610	18,563	114,327	-	-	484,279	28,865	228,664	14,686	1,313,615	42,158	112,988	218,501	26,079	52,553	5,370,498

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**Investing activities (Cont'd)**

	Abitibi							Grenville-Appalaches		Bay James				Québec Labrador		Northern Québec		
	Maritime Cadillac - Au	Laflamme - Au	Patris - Au	Casault - Au	Valmond - Au	Jouvex - Au	Heva - Au	Weedon - Cur-Zn-Au	Gatineau - Zn	Bay-James - Au	Bay-James - U	Eléonore - Au	Baie-James - Fe	Fosse Labrador	Ytterby - ETR	Pallas PGE	Project generation	Total
Deferred exploration expenses YTD Q3-14	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance beginning</b>	<b>228,787</b>	<b>1,167,804</b>	<b>179,176</b>	<b>214,479</b>	<b>113,507</b>	<b>237,576</b>	<b>16,149</b>	<b>359,196</b>	<b>28,648</b>	<b>162,521</b>	<b>14,686</b>	<b>949,831</b>	<b>42,158</b>	<b>-</b>	<b>1,277,720</b>	<b>210,168</b>	<b>36,125</b>	<b>5,238,531</b>
Geophysics	-	-	-	-	256,548	26,645	-	19,337	-	-	-	14,150	-	-	122	156,284	-	473,086
Geology	760	15,000	48,169	24,830	51,972	12,920	1,520	13,106	99	20,502	-	81,488	-	22,350	31,759	228,276	25,465	578,216
Drilling	-	111,503	2,647	-	150,495	-	1,200	-	-	-	-	-	-	-	-	-	-	265,845
Geochemistry	-	7,516	9,171	4,876	33,395	-	-	1,548	-	184	-	4	-	-	6,825	2,937	-	66,456
Line cutting	-	-	-	-	31,453	13,268	-	-	-	-	-	-	-	-	-	-	-	44,721
Travelling	-	4,238	297	252	6,084	-	-	-	-	-	-	352	-	-	-	328	-	11,551
Stock-based compensation	760	138,257	60,284	29,958	529,947	52,833	2,720	33,991	99	20,686	-	95,994	-	22,350	38,706	387,825	25,465	1,439,875
Recharge	3,243	3,901	18,943	6,510	13,354	-	-	-	-	-	-	12,342	-	-	13,542	3,789	-	75,624
Net addition	4,003	142,158	24,753	36,468	17,154	52,833	2,720	33,991	99	20,686	-	108,336	-	22,350	38,613	21,013	25,465	550,642
Tax credits	-	(999)	(2,715)	(2,877)	(1,528)	(2,566)	(306)	(5,174)	(14)	(2,848)	-	(15,696)	-	-	(3,212)	(7,519)	(2,396)	(47,850)
Option payment	-	-	-	-	(10,190)	-	-	-	-	-	-	-	-	-	-	-	-	(10,190)
Write-off	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net change</b>	<b>4,003</b>	<b>141,159</b>	<b>22,038</b>	<b>33,591</b>	<b>5,436</b>	<b>50,267</b>	<b>2,414</b>	<b>28,817</b>	<b>85</b>	<b>17,838</b>	<b>-</b>	<b>92,640</b>	<b>-</b>	<b>-</b>	<b>35,401</b>	<b>13,494</b>	<b>23,069</b>	<b>492,602</b>
<b>Balance end</b>	<b>232,790</b>	<b>1,308,963</b>	<b>201,214</b>	<b>248,070</b>	<b>118,943</b>	<b>287,843</b>	<b>18,563</b>	<b>388,013</b>	<b>28,733</b>	<b>180,359</b>	<b>14,686</b>	<b>1,042,471</b>	<b>42,158</b>	<b>22,350</b>	<b>1,313,121</b>	<b>223,662</b>	<b>59,194</b>	<b>5,731,133</b>

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<b>Exploration and evaluation expenses</b>	<b>Actual YTD Q3-14</b>			<b>Q3-14 ADD</b>			<b>Budget Fiscal 2015</b>		
	<b>Midland</b>	<b>Partner</b>	<b>Total</b>	<b>Midland</b>	<b>Partner</b>	<b>Total</b>	<b>Midland</b>	<b>Partner</b>	<b>Total</b>
<b>Properties</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>100% owned by Midland</b>									
Jouvex Au	52,833	-	52,833	-	-	-	-	-	-
Abitibi Au	19,865	-	19,865	80,042	-	80,042	69,000	-	69,000
Heva	2,720	-	2,720	-	-	-	25,000	-	25,000
Casault Au	29,958	-	29,958	-	-	-	-	-	-
La Peltrie	-	-	-	3,040	-	3,040	200,000	-	200,000
Weedon Cu-Zn-Au	33,991	-	33,991	108,768	-	108,768	80,000	-	80,000
Gatineau Zn	99	-	99	99	-	99	20,000	-	20,000
James Bay Au	20,686	-	20,686	15,436	-	15,436	56,000	-	56,000
James Bay U	-	-	-	-	-	-	10,000	-	10,000
James Bay Fe	-	-	-	-	-	-	10,000	-	10,000
Éléonore Au	95,994	-	95,994	142,427	-	142,427	311,000	-	311,000
Fosse Labrador	22,350	-	22,350	-	-	-	-	-	-
Willbob	-	-	-	26,176	-	26,176	61,000	-	61,000
Project generation	5,600	-	5,600	13,006	-	13,006	83,000	-	83,000
	<u>284,096</u>	<u>-</u>	<u>284,096</u>	<u>388,994</u>	<u>-</u>	<u>388,994</u>	<u>925,000</u>	<u>-</u>	<u>925,000</u>
<b>With option, 100% owned and operated by Midland and paid by partner</b>									
Valmond Au – Sphinx	3,800	526,147	529,947	-	72,888	72,888	-	70,000	70,000
Pallas PGE Jogmec	17,224	370,601	387,825	729	523,226	523,955	-	500,000	500,000
Samson - Sphinx	-	-	-	-	492,021	492,021	-	500,000	500,000
Adam - Sphinx	-	-	-	-	157,360	157,360	-	-	-
Casault - Soquem	-	-	-	5,381	1,504,590	1,509,971	-	762,000	762,000
Jouvex - Soquem	-	-	-	1,520	415,078	416,598	-	238,000	238,000
	<u>21,024</u>	<u>896,748</u>	<u>917,772</u>	<u>7,630</u>	<u>3,165,163</u>	<u>3,172,793</u>	<u>-</u>	<u>2,070,000</u>	<u>2,070,000</u>
<b>With option, 100% owned by Midland, operated and paid by the partner</b>									
Patris Au – Teck	5,810	54,474	60,284	-	772,472	772,472	-	445,000	445,000
<b>In joint venture</b>									
Maritime-Cadillac-Agnico Eagle (operator) at 51%	760	3,619	4,379	-	-	-	25,000	25,000	50,000
Vermillon- Soquem at 52%	-	76,200	76,200	-	-	-	-	-	-
Ytterby REE-Jogmec at 50%	25,071	13,635	38,706	3,898	388	4,286	10,000	10,000	20,000
Laflamme Au – Maudore at 37.8%	138,257	-	138,257	190,543	-	190,543	195,000	-	195,000
	<u>164,088</u>	<u>93,454</u>	<u>257,542</u>	<u>194,441</u>	<u>388</u>	<u>194,829</u>	<u>230,000</u>	<u>35,000</u>	<u>265,000</u>
	<u>475,018</u>	<u>1,044,676</u>	<u>1,519,694</u>	<u>591,065</u>	<u>3,938,023</u>	<u>4,529,088</u>	<u>1,155,000</u>	<u>2,550,000</u>	<u>3,705,000</u>

**Investing activities (Cont'd)**

Gino Roger, geological engineer, president and director of Midland, qualified person under NI 43-101, has reviewed the following technical disclosure.

**HIGHLIGHTS**

1. **Drilling programs completed on Casault and Laflamme (19 holes; 6,265 m);**
2. **Gold bearing QP intrusion identified on Casault in hole CAS-15-44;**
3. **IP survey planned as follow-up on the large alteration zone intersected on Patris;**
4. **Prospecting programs commencing on Pallas (PGE) and Willbob (Au);**
5. **Trenching program beginning on James Bay Eleonore Centre (Au);**
6. **IP survey commencing on Jouvex and La Peltrie.**

**ABITIBI**

**Maritime-Cadillac (Au) in partnership with Agnico Eagle and operated by Agnico Eagle**

*Property Description*

The property is located in the Abitibi region in Quebec, along the Cadillac break and is composed of 7 claims.

*Exploration work on the property*

Data compilation and integration continued during Q3-15 in the Lapa-Maritime Cadillac area by our partner Agnico Eagle Mines Limited ("Agnico Eagle"), in order to complete the construction of a 3D model. New exploration targets will be defined for 2015 along this segment of the Cadillac Break.

**Laflamme (Au-Ni-Cu-PGE), in partnership with Maudore Minerals Ltd. and operated by Midland**

*Property Description*

In 2009, the Corporation staked claims by map staking about 25 kilometres west of Lebel-sur-Quévillon in the Abitibi region. The Laflamme property consists at the end of Fiscal 2014 of a total of 682 claims covering an area of approximately 35,942 hectares. In Q3-15 YTD, some claims were dropped therefore the Corporation impaired partially for \$6,709 the exploration property cost of Laflamme.

*Exploration work on the property*

In December 2014, Midland completed a grid and a ground-based electromagnetic survey in order to investigate a series of untested VTEM conductors located about 2 kilometres north of drill hole LA-11-08. The latter intersected a new zone with Ni-Cu-PGE mineralization along the contact with an ultramafic intrusion, which graded 0.66% Ni, 0.35% Cu, 0.17 ppm Pt and 0.16 ppm Pd over 8.0 metres, including a high-grade zone at 1.55% Ni, 0.53% Cu, 0.26 ppm Pt and 0.28 ppm Pd over 1.60 metres.

A drilling program totalling 1,263.0 metres in four (4) holes was completed during Q3-15. This program was aiming to test the best Max-Min and TDEM-ARMIT conductors in the northeastern portion of the property.

Hole **LAF-15-34** tested a Max-Min conductor (EM-1) on the SSE grid. The conductor is well explained by the presence of a graphitic mudstone mineralized with 2-5% Py with local massive sulphide (Py) sections. A second mineralized zone (1-5% Py) with local massive pyrite was intersected between 170.3 and 178.0 m. The best result returned 0.35 g/t Au over 1.5 metre from 114.0 to 115.50 metres.

Hole **LAF-15-35** also tested a Max-Min conductor (EM-4) along the same structure and at about 2 km to the NW of hole 34. In addition to a graphitic mudstone with pyrite that explains the conductor, three (3) other mineralized zones containing between 2-10% pyrite were intersected from 259.2 to 261.95m, from 272.85 to 277.50 m and from 300.0 to 320.0 metres. No significant assay results obtained in this hole.



**Investing activities (Cont'd)**

Hole **LAF-15-36** tested a TDEM-ARMIT conductor associated with a strong magnetic anomaly to the north of the 2011 Ni-Cu-PGE shoeing in hole LA-11-08. The mag is explained by the presence of a magnetic gabbro and not by ultramafics as anticipated. The explanation for the weak conductor is not clear, 3% of qtz-cb veins with traces-1% py were intersected from 170.75 to 180.15 m or from 211.65 to 214.0 m where a rhyolite unit containing local stringers of Sp-Cpy-Po was intersected. No significant assay results obtained in this hole.

Hole **LAF-15-37** tested a weak TDEM-ARMIT conductor as well but in this case it is associated with a mag low. A strongly sericitized rhyolite unit was intersected but no clear evidence for a conductor. The best assay returned 185 ppb Au over 1.5 metre.

**Patris (Au)**, in partnership with Teck and operated by Teck

*Property Description*

The Corporation acquired claims by map staking about 30 kilometres to the north-east of Rouyn-Noranda. At the end of Fiscal 14, this property consists in 221 claims covering an area of approximately 9,154 hectares.

The Corporation signed an option agreement with Teck Resources Ltd. ("Teck") on September 6, 2013 and amended it on May 20, 2014 to accommodate the delays in permitting.

*Exploration work on the property*

During Q2-15, a diamond drilling program consisting in seven (7) holes totalling 1,298.0 metres was completed by Teck on the Patris property. These holes tested the best IP anomaly located along the Porcupine-Destor and the La Pause fault zones. One of these holes was extended in order to test 100 metres below hole PAT-11-15 which had returned 0.48 g/t Au over 17.0 metres.

Holes **PAT-15-01** and **PAT-15-02** tested the IP anomaly located just north of the Caste Lake sediments to the east of the Caste Lake. Both holes intersected mineralized mafic-ultramafic rocks and sediments that explained the IP responses.

**PAT-15-03** intersected altered (fuschite) alteration and local hematized dykes. Traces of VG were identified in a quartz-carbonate vein at about 29.9 metres. The hole got stuck in a fault zone and was abandoned at 56.0 metres.

**PAT-15-04** was re-collared and the casing was rimed through the fault zone. The hole intersected sediments with pyrite that can explain the IP anomaly.

**PAT-15-05** intersected approximately 100m of alteration and mineralization including but not limited to: 2 zones with 20+ m of quartz veining containing galena, chalcopyrite in the upper quartz vein and molybdenite, pyrite, chalcopyrite with trace arsenopyrite in the lower quartz vein. This zone has up to 10% sulphides. The wall rock is fuchsite altered ultramafic with quartz-dolomite veining, syenite dykes and narrow iron carbonate veins.

**PAT-15-06** (PAT-11-16EXT) was completed at a final depth of 369.0 metres. This hole intersected a strongly silicified and hematized zone with pyrite in the altered monzonite intrusion.

**PAT-15-07** (Target IP-E) was completed at a depth of 198.0 metres. This hole intersected basalts and ultramafic rocks cut by hematized and sericitized felsic dykes. Local possible potassic alteration was also noted. Local milky quartz veins with traces of pyrite were intersected in the felsic intrusion. A major fault zone was intersected at about 66.0 metres.

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**Investing activities (Cont'd)**

All assay results have been received during Q3-15 for the winter drilling program. The main highlight consists in the identification of a large alteration zone in hole PAT-15-05. Drill hole PAT-15-05 tested an induced polarization anomaly located near the Destor-Porcupine Fault. The drill hole intersected a wide alteration zone with pyrite, pyrrhotite, chalcopyrite, galena, and molybdenite within ultramafic rocks strongly altered to fuchsite, quartz and carbonates. This alteration zone was intersected over a drill length of approximately 100 metres and locally yielded anomalous copper, molybdenum, silver, and lead values. Grades of 82.6 g/t Ag, 0.10 g/t Au, 0.22% Cu and 1.0% Pb over 1.0 metre were obtained from 176.5 to 177.5 metres.

Midland and Teck are currently working on a reinterpretation of the entire area and are considering a follow-up IP survey in light of these encouraging results obtained in the strongly altered ultramafic rocks occurring north of the Lac Caste sediments.

**Casault (Au), in partnership with SOQUEM and operated by Midland**

*Property Description*

The Corporation acquired claims by map staking about 40 kilometres to the east of the Detour Lake gold project located north of the city of La Sarre. At the end of Fiscal 14, this property consists in 301 claims covering an area of approximately 16,562 hectares.

On October 10, 2014, the Corporation signed a letter of intent with SOQUEM to grant SOQUEM the option to acquire a 50% undivided interest in its Casault and Jouvex properties, and to create a joint venture once the option has been exercised, under the following conditions:

	<b>Works</b>
	<b>\$</b>
On or before October 10, 2015 (firm commitment)	1,000,000
On or before October 10, 2016	1,000,000
On or before October 10, 2017	1,000,000
On or before October 10, 2018	1,500,000
	<u>4,500,000</u>

Midland is the project operator during the option period.

*Exploration work on the property*

During Q2-15, a drilling program consisting in seventeen (17) holes and totalling 3,467.2 metres was completed on Casault in partnership with SOQUEM. This program targeted the most promising gold occurrences discovered in 2012-2013. These areas include the north contact of the Turgeon pluton, where drill hole CAS-12-07 returned 10.4 g/t Au over 1.45 metres, as well as areas immediately north and west of the conglomerate basin with pyrite and jasper clasts identified in 2013. In the northern area, drill hole CAS-13-28A had been terminated in a gold-bearing zone grading 0.29 g/t Au over 9.0 metres. Two holes have also been completed to test IP anomalies on the central block.

An IP-Orevison survey was also completed during the quarter (South Grid). This survey totalling 17.1 km identified several strong chargeability responses near the granodiorite contact. These anomalies correspond to the mineralized package (sediments and diorite intrusions) found between the Turgeon Pluton and the mafic volcanics. Two drillholes (CAS-15-47 and 48) were completed respectively on lines 13+00E and 2+00W to test this IP axis.

Another IP-Orevison survey was also completed in March 2015 on the North Grid. This grid totalled approximately 25 kilometres. Several new IP anomalies were identified on this North grid.

**Investing activities (Cont'd)**

**CAS-13-30EXT** was completed at a final depth of 195.0 metres, for a deepening of 45.0 metres. This hole was drilled 250 metres west of hole CAS-12-07 and intersected over 10-15% Po-Py over 5.0 metres before ending in a granodiorite. Assays did not return any significant gold results with a maximum of 43 ppb Au over 0.60 m from 163.0 to 163.6 metres.

**CAS-13-28AEXT** was deepened from 202.2 to 300.0 metres. The mineralized (Py) and gold-bearing zone associated with a quartz-carbonate swarm in a gabbro in hole CAS-13-28AEXT was intersected for an additional 15-20 metres. The best mineralized zones were between 214.32 and 214.78 m (3-5% Py, loc.7%) and between 223.77 and 224.53 m (5-7% Py). The rest is mineralized with 1-3% Py. The best assay results returned 0.12 g/t Au over 0.50 metre from 216.7 to 217.2 m; 0.11 g/t Au over 0.50 metre from 217.7 to 218.2 m and 0.17 g/t Au over 0.76 metre from 223.77 to 224.53 m.

**CAS-15-38** (Target L; central block) was completed at 162.0 metres. After 25.1 m of casing, the hole intersected chloritized conglomerates with traces of pyrite-pyrrhotite. No significant result was obtained in

**CAS-15-39** (Target M; central block) ended at a final depth of 165.0 metres. This hole targeted an IP anomaly at the southern edge of the conglomerates. From 68.5 to 106.35 m, the hole intersected chloritized tuffs locally mineralized with pyrite. From 106.35 to 124.8 metres, a sericitized conglomerate was intersected with local graphite. No significant assay result was obtained in this hole.

**CAS-15-40** (Target A; 100 m below hole CAS-12-07) finished at a depth of 405.0 metres. Several Py-Po zones were intersected within the MCZ diorite (mixed contact zone) between the granodiorite and the mafic volcanics. A quartz vein in the granodiorite returned 6.27 g/t Au over 0.5 m from 59.5 to 60.0 m. The other best results returned 1.54 g/t Au over 0.50 m from 83.5 to 84.0 m and 1.25 g/t Au over 0.50 m from 312.9 to 313.4 m and finally 0.11 g/t Au over 0.95 m from 353.0 to 353.95 m.

**CAS-15-41** (Target B; 100 m west of CAS-12-07) traversed 31.3 metres of overburden and intersected the granodiorite down to 97.5 metres. Following that, it intersected a mix of mudstones and granodiorite injections with locally pegmatite dykes down to 235.45 metres. The hole finished in the basalt at a depth of 297.0 metres. Several mineralized zones (Py-Po-+/- Cp) were intersected. The best results returned 1.19 g/t Au over 2.5 m including 3.65 g/t Au over 0.5 m.

**CAS-15-42** (Target C; 100 m east of CAS-12-07) was completed at 261.0 metres. This hole intersected several silicified and sericitized zones mineralized with Py-Po-Mo-Cpy within the MCZ diorite. From 203.45 to 210.0 metres, assays returned 0.22 g/t Au over 6.55 metres including 1.46 g/t Au over 0.85 metre and 0.47 g/t Au over 0.93 metre.

**CAS-15-43** (Target D; 300 metres east of 28AEXT) ended at 171.0 metres, Veins of quartz-carbonate-tourmaline were intersected at the beginning of the hole. The best assay result returned 0.22 g/t Au over 0.60 metre from 61.7 to 62.3 metres.

**CAS-15-44** (Target E; 600 metres east of 28AEXT) was completed at a final depth of 172.0 metres. Mineralized (py) felsic porphyry intrusions were intersected. This hole also intersected a silicified-sericitised and albitized alteration zone with fine pyrite.. This hole intersected a series of silica, sericite and hematite alteration zones with anomalous gold values (> 100 ppb Au), occurring in discontinuous fashion over more than 100 metres and locally grading up to 0.47 g/t Au over 1.0 metre from 146.0 to 147.0 metres. The entire contact of the QFP body has not been explored yet, and the contact with the magnetic gabbros remains untested. This new exploration target is located about 5.5 kilometres west of the Bug Lake zone held by Balmoral Resources Ltd, where felsic porphyry intrusions were observed and where a drill intersection grading 19.55 g/t Au over 44.45 metres was recently reported. The best results within the QP intrusion returned 0.47 g/t Au over 1.0 m, 0.29 g/t Au over 1.95 m, 0.19 g/t Au over 2.20 m, 0.13 g/t Au over 1.95 m and 0.13 g/t Au over 1.50 m.

**Investing activities (Cont'd)**

**CAS-15-45** (Target F; 600 metres east of 28AEXT) was completed at 167.4 metres. The hole intersected a mineralized (Py) felsic porphyry intrusion at 135.05 metres. The hole ended in basalt. No significant result was obtained.

**CAS-15-46** (Target G; 1.8 km east of 28AEXT) intersected blocky and lapillis tuffs weakly mineralized from 107.4 to 108.4 m. The hole ended at 204.0 metres. No significant result was obtained.

**CAS-15-47** (Target IP L13+00E) was completed at a final depth of 285.0 metres. After 33.2 metres of casing, the hole cut the granodiorite intrusion down to 85.9 metres. After that, the hole intersected graywackes cut by several granodioritic and pegmatitic dykes. The sediments are strongly silicified in general with local biotite-garnet enrichment. No significant result was received.

**CAS-15-48** (Target IP L2+00W) ended at 300.0 metres and the IP anomaly is well explained by the presence of several well mineralized zones (Py-Po). No significant result was obtained.

**CAS-15-49** (Target IP-I, 100 m west of CAS-13-36) did traverse 60.7 metres of overburden before intersecting a mafic volcanic rock containing up to 40% quartz veins with 1-3% Py from 60.7 to 64.25 metres. Following that, a mix of mafic volcanic and intermediate sericitized tuffs (2-3% Py) was intersected down to 70.40 metres. Between 70.4 and 126.2 metres, a crystal tuff (fp) mixed with altered (sericite-potassic and chlorite) mineralized with 1-2% Py QFP dykes was intersected. The hole then intersected pillowed basalt and finished in a gabbro at a depth of 186.0 metres. No significant assay result to report.

**CAS-15-50** (Target IP-H) was completed at a final depth of 174.0 metres. This hole intersected mafic volcanics and gabbros locally mineralized with traces to 1% pyrite. The volcanics are cut by several altered zones consisting in quartz-carbonate veinlets with up to 3% pyrite. No significant result to report.

**CAS-15-51** (Target IP-J) and **CAS-15-52** (Target IP-K) have been completed respectively to final depths of 219.0 and 156.0 metres. Both holes tested historical IP anomalies identified by Placer Dome in 1995. Both holes intersected mineralized conglomerates containing mineralized (Py) fragments and mineralized quartz veins (cm) mineralized in pyrite explaining well the IP anomalies. No significant result was obtained.

Following this program, a new 5,000 metres drilling program was approved. This program was designed to test the contacts of the gold-bearing QP intrusion identified in hole CAS-15-44, to drill the 2012 showing towards the west to test for possible N-S oriented veins, to test the intersection of the interpreted extension of the Bug Lake fault with the Sunday Lake fault and to test the best IP and TDEM-ARMIT anomalies respectively on the north grid and the East Block.

During Q3-15, a total 15 holes (5,002.0 metres) was competed and a total of 3,341 samples were sent for analysis (plus an additional 143 standards and 156 blanks). All assay results for this summer drilling program are pending.

Hole **CAS-15-53A** was abandoned at 30.0 metres because the dip was at -50 instead of -60 degrees.

Hole **CAS-15-53** was competed at a final depth of 353.0 metres. This cisor hole was targeting the high grade gold zone which has been discovered in 2012 in hole CAS-12-07 which had returned 10.4 g/t Au over 1.45 metres. Hole 53 intersected mineralized quartz veins (+/-5% Py overall) over 5.7 metres from 174.8 to 180.5m. These veins are hosted by the mixed assemblage of meta-rhyolites and meta-diorite found within the contact zone just north of the Turgeon pluton.

**Investing activities (Cont'd)**

Hole **CAS-15-54** was designed to test the IP and the low mag anomaly identified on line 8+00E approximately 200 metres to the east of holes CAS-12-07 and within the same stratigraphic package as hole 53. Hole 54 was completed at a final depth of 302.0 metres. This hole intersected a tension quartz vein with traces of pyrite over 5.0 metres from 212.5 to 217.5 m.

Hole **CAS-15-55** was drilled towards the west in order to verify the possibility of a major N-S structure in this area. No major fault zone was intersected but altered gabbros with local quartz-tourmaline veins with traces of Py were intersected down to 171.0 metres. Some local minor shear zones have also been intersected with this hole which ended at 418.0 metres within a tuff unit.

Hole **CAS-15-56** was drilled as a cisor hole towards the south in order to cross the southern contact of the gold-bearing QFP intrusion intersected in hole CAS-15-44 during the winter program. The hole intersected the QFP dyke from 103.0 to 126.7 metres. The southern contact with the gabbro is strongly sericitized and sheared over 4-5 metres while the northern contact with the mafic volcanics is heavily mineralized with pyrite over a couple of metres. Another sericitized porphyry dyke mineralized with 1-4% Py was intersected from 164.4 to 177.85 metres. The hole ended at 382.0 metres within a gabbro.

Hole **CAS-15-57** was completed at a final depth of 418.0 metres. This hole tested the two IP anomalies located about 600 metres to the east of the QFP intersected in holes 44 and 56. The hole entered bedrock at 18.0 metres and intersected an altered (hematite-quartz-sericite) QFP intrusion containing traces to locally 1% pyrite down to 137.8 metres. The contact zone between 137.8 and 182.0 metres shows the presence of porphyritic Qtz-Fp grains with traces of pyrite. From 182.0 to 218.0 metres, the hole intersected chloritized mafic volcanics containing several Qtz-Cb veins with heavy pyrite, locally semi-massive with traces of chalcopyrite. Again from 218.0 to 231.0 metres, up to 10% Qtz-Cb veins with heavy pyrite was intersected within the chloritized mafic volcanics. From 231.0 to 374.0 m, the Qtz-Cb veins with local pyrite are still present and an epidote alteration appears at about 374.0 metres. The hole ended at 418.0 metres in a gabbro.

Hole **CAS-15-58A** was abandoned at 91.0 metres because of an alignment or a deviation problem within the casing.

Hole **CAS-15-58** hit bedrock at 45.0 metres was completed with the gabbro at a final depth of 355.0 metres. Several silicified zones with quartz veins and minor pyrite were intersected. This hole tested 300 metres west of the 0.29 g/t Au over 9.0 metres intersected in the pyritized gabbro in hole CAS-13-28A.

Hole **CAS-15-59** was completed to a depth of 357.0 metres. This hole is testing an IP anomaly associated with a high mag anomaly where the mag changes from E-W to a SW-NE orientation. The hole entered bedrock at 54.0 metres into a grey quartz siltstone up to 125.0 metres and on north to a gabbro till the end of the hole. However, from 322.0 to 332.0 metres a QP intrusion is present with sericite alteration and quartz veins present at its contacts.

Hole **CAS-15-60** was completed to a depth of 292.0 metres. This hole is testing the intersection between the Sunday Lake deformation zone and the interpreted extension of the Bug Lake fault (Martinière). The hole entered bedrock at 43.0 metres and the hole is summarized by an alternation of mafic to felsic tuffs. From 133.5 to 140.0m the tuff is altered in sericite and contains up-to 5% pyrite and quartz veins. From 133.6 to 135.0 up to 10% cubic pyrite can be observed. This mineralized zone is also deformed and could correspond to the Bug Lake structure. From 219.0 to 223.0m another mineralized horizon is intersected containing traces of pyrrhotite-pyrite and chalcopyrite locally.

**Investing activities (Cont'd)**

Hole **CAS-15-61** was completed to a depth of 397 metres. The hole is testing the southeast extension of the Bug Lake mineralized fault on our property near and north of the Sunday Lake deformation zone. The hole entered bedrock at 48.0 metres into a mafic tuff unit. The tuff is fine grained, strongly foliated and weak carbonate alteration is present throughout the hole. At around 307.0 metres, the tuff becomes more felsic and brecciated (breccia). It is then mineralized in pyrrhotite-pyrite stringers for several meters. At 385.0 metres, the mineralization is weaker with only traces of pyrite in a block tuff and finally ends in a gabbro.

Hole **CAS-15-62** was completed to a depth of 320.0 metres. This hole is testing an IP chargeability anomaly associated with a low magnetic anomaly, located in the western extension of Balmoral's 2014 newly identified gold structure, on line 68+00E. The hole entered bedrock at 12.0 metres into basaltic rocks. From 44.5 to 51.5 a QP intrusion is present and from 51.1 to 92.8 half-centimetre pyrrhotite-pyrite veinlets are present locally. These are conductive and resemble pillow boundaries. Later from 294.0 to 299.5 metres, another horizon rich in pyrrhotite and pyrite is present (in basalt).

Hole **CAS-15-63** was completed to a depth of 202.0 metres. This hole is testing an IP anomaly (Line 71+00E) associated to a strong magnetic anomaly and near a northwest-southeast structure interpreted on the ground magnetic survey. The hole entered bedrock at 6.0 metres into a basalt. Pillow structures are observed and sulfides (pyrrhotite – pyrite) are locally present at their boundary. The hole can be summarized by a mafic volcanic unit (basalt) intruded several times by four (4) QP dykes of varying width (from 0.5 to 10.0 metres). From 50.0 to 54.0 metres approximately, semi-massive pyrrhotite-pyrite veinlets are present which could explain the strong anomaly. Also, the deepest QP intrusion, from 183.5 to 191.0 metres is hematized and contains veinlets of epidote with traces up to 1% pyrite.

Hole **CAS-15-64** was completed to a depth of 229.0 metres. This hole is testing a moderate chargeability IP anomaly (Line 80+00E) near another northwest-southeast interpreted structure and also in the extension of a north-south interpreted second structure. The hole entered bedrock at 15.0 metres into a silt rich sediment. A fault might be present at 73.0 metres. The siltstone is present until 84.0 metres and is a gabbro until the end of the hole. From 129.2 to 133.0m quartz stringers, or stockworks, containing traces of disseminated pyrite and chalcopyrite is present.

Hole **CAS-15-65** was completed to a depth of 232.0 metres. This hole is testing a strong but small TDEM conductor on the eastern claim block. The hole entered bedrock at 24.0 metres into an Andesite with maybe felsic tuffs intervals throughout the entire hole. Several pyrrhotite-pyrite and chalcopyrite traces stringers and veinlets are present from 42.0 to 43.0, 58.0 to 58.5, 59.8 to 59.9, 63.4 to 64.3, 114.9 to 115 and finally 119.0 to 120.0. Some of these horizons are quartz rich and some show similarities to cherty layers.

Hole **CAS-15-66** was completed to a depth of 286.0 metres. The hole is testing a moderate but large conductor identified by the TDEM survey about 500 metres southeast of CAS-15-65. The hole entered bedrock a 24.0 metres into an andesite until the end of hole. From 89.0 to 280.0 metres there are at least 11, smaller than 1.0 metre wide, pyrrhotite stringers associated to pillow boundaries and/or quartz veins or cherty horizons. These stringers contain traces of chalcopyrite and are explain the conductor. Arsenopyrite (tr) has also been observed 166.0 to 166.4 metres in the host rock of a quartz cherty vein.

Hole **CAS-15-67** was completed to a depth of 214.0 metres. The hole is testing a strong TDEM vertical conductor in contact with a high magnetic anomaly near the Sunday Lake deformation zone. The hole entered bedrock at 48.0 metres into a graphitic siltstone which was observed until the end of the hole. At least 7 several metres thick graphitic and pyrite bearing horizons were observed. From 186.5 metres to 202.0 metres felsic and QFP intrusions are present. The thickest one is from 199.2 to 202.0 metres and contains disseminated pyrite. Also, several faults (fault mud) are present within the graphitic horizons. These graphitic horizons explain the strong conductor.

**Investing activities** (Cont'd)

***Heva (Au), operated by Midland***

*Property Description*

The Heva West block consists of 4 contiguous claims adjacent to the west of the Maritime-Cadillac property, currently a 50/50 joint venture between Midland and Agnico Eagle. The Heva East block is located about 4 kilometres to the southeast and consists of 25 contiguous claims largely covering sedimentary rocks of the Cadillac Group just north of the Piché Group.

*Exploration work on the property*

No exploration work conducted during Q3-15 YTD.

Midland is currently seeking a partner for this project.

***Valmond (Au), in partnership with Sphinx and operated by Midland***

*Property Description*

The Corporation acquired claims by map staking about 50 kilometres to the west of Matagami. This property consists in 111 claims covering an area of approximately 6,179 hectares.

On November 19, 2013, the Corporation signed an agreement with Sphinx whereby Sphinx can acquire 50% of the Valmond property. In August 2015, Sphinx terminated the agreement on the Valmond property.

*Exploration work on the property*

In December, Midland completed a 225 metres drill hole to test an induced polarization anomaly consisting of a chargeability high with no related drop in resistivity. This target is located in a structurally complex area marked by the intersection of several NW-SE and NE-SW-trending structures. No significant result was obtained.

No exploration work conducted during Q3-15 YTD.

***Jouvex (Au), in partnership with SOQUEM and operated by Midland***

*Property Description*

The Corporation acquired claims by map staking about 50 kilometres to the southwest of Matagami. This property consists in 297 claims covering an area of approximately 16,581 hectares. See the Casault section for the details on the agreement signed with SOQUEM.

*Exploration work on the property*

During Q2-15, a drilling program consisting in eight (8) holes and totalling 1,258.0 metres was completed on Jouvex in partnership with SOQUEM. This program targeted the best historical IP anomalies and a VTEM conductor identified during the last years. One hole (JOU-15-01) was also completed to test a very strong conductor located east of the historical intersection that returned 6.2 g/t Au over 1.52 metre. Moreover, three (3) holes were completed to test the best IP-Orevison anomalies identified during the 2015 survey.

The IP Orevison survey on Jouvex totalling about 35 km was completed during Q2-15. Several new anomalies have been identified in the regional magnetic low. Following the interpretation of the survey, three (3) drilling targets were added namely H-I-J.

**Investing activities (Cont'd)**

**JOU-15-01** (Target A) was completed at a final depth of 171.0 metres. This hole targeted a very strong conductor associated with a high chargeability IP anomaly. The hole intersected a graphitic mudstone with 5-10% Py from 82.0 to 82.45 m followed by a massive sulphide (Po) horizon from 82.45 to 83.45 metres, explaining the conductor. A second zone with graphite was intersected from 90.0 to 93.2 metres. This hole also cut a large alteration zone (quartz-carbonate) mineralized with up to 2-5% Py from 83.45 m to 90.0 metres and between 93.2 and 133.0 metres. Analyses were received and the best result returned 0.19 g/t Au over 1.0 metre from 74.0 to 75.0 metres.

**JOU-15-02** (Target B) was completed at 140.0 metres. This hole cut a few bans of semi to massive pyrite within intermediate tuffs. A graphitic mudstone with 3% Py was cut between 101.0 and 106.0 metres. From 41.26 to 42.66 m, an interval with semi-massive pyrite returned 0.43 g/t Au over 1.4 metres.

**JOU-15-03** (Target C) was abandoned in the overburden at a depth of 86.0 metres because of a broke casing. No significant assay result was obtained.

**JOU-15-04** (Target D) tested an IP anomaly and intersected 1-5% Py nodules within a conglomerate unit between 90.0 and 100.0 metres. The hole ended at 159.0 metres. No significant assay result was obtained in this hole. No significant assay result was obtained.

**JOU-15-05** (Target J) was completed at a final depth of 195.0 metres. After 38.0 metres of overburden, the hole intersected a graywackes-mudstone sequence with local graphite beds down to 146.8 metres. Locally, 3-5% Py was intersected over 1.0 metre. No significant assay result was obtained.

**JOU-15-06** (Target I) was completed at a depth of 174.0 metres. This hole intersected several units of hematite-jasper iron formations with local magnetite and a low sulphide content. Some strongly portions with a strong sericite alteration were intersected. No significant assay result was obtained

**JOU-15-07** (Target H) was completed at a final depth of 186.0 metres. After 12.3 metres of casing, the hole intersected a mix of mudstones-graywackes and banded hematite iron formations containing some jasper and magnetite. The mudstones show locally quartz-carbonate veins stockwork with traces of pyrite. No significant assay result was obtained.

**JOU-15-08** (Target G) was designed to test a VTEM conductor which has been explained by the presence of a pyritic mudstone over 3 metres. The hole ended at 147.0 metres. Assay results returned 0.22 g/t Au over 1.50 metre from 136.2 to 137.7 metres.

Following the winter program, an additional IP survey totaling approximately 35 km was approved in order to cover a series of VTEM conductors at the southern contact of the Taibi sediments with the mafic volcanics. The survey is commencing.

***Samson Ni-Cu-PGE in partnership with Sphinx and operated by Midland***

*Property Description*

The Corporation acquired claims by map staking 512 claims covering a surface area of about 28,427 hectares about 50 kilometres west of the town of Matagami, in Abitibi, Quebec.

On September 3, 2014, the Corporation signed an agreement with Sphinx whereby Sphinx can acquire 50% of the Samson property.



**Investing activities (Cont'd)**

*Exploration work on the property*

During December 2014, a major ground-based geophysical program totalling about 60 kilometres and including magnetic and ground electromagnetic surveys was completed in an effort to characterize a series of untested MegaTEM conductors coinciding with strong magnetic responses. About a dozen high-priority MegaTEM targets were selected for this ground follow-up, due to their association with strongly magnetic units interpreted as ultramafic rocks. Following the TDEM-ARMIT survey conducted over the best MegaTEM conductors, six conductors were selected for drilling.

During Q2-15, six (6) diamond drill holes totalling 1,625.5 metres were completed on Samson to test the selected TDEM-ARMIT conductors.

**SAM-15-01** (Target 14-01) ended at a final depth of 252.0 metres within a pyroxenite unit. After 56.0 metres of casing, a contact between a gabbro/diorite a pyroxenite was intersected at 212.0 metres. However, there was no clear evidence a conductor except maybe a fault zone at about 154.0 metres. The BHEM survey did not detect any anomaly. One sample returned 101 ppb Au and 263 ppb Pd over 1.0 metre from 240.0 to 241.0 metres. The ultramafics showed background values between 300 to 500 ppm Ni.

**SAM-15-02** (Target 14-01a2) was completed at a depth of 225.0 metres. The hole intersected a gabbroic intrusion down to 225.0 metres after 49.5 metres of casing. No clear explanation for the conductor, possible overburden anomaly. The BHEM survey did not detect any anomaly. This hole returned elevated background values between 100 and 500 ppm Cu.

**SAM-15-03** (Target 14-01b3) was also completed at a depth of 225.0 metres. A granitic intrusion with several fault zones was intersected. These fault zones could possibly explain the conductor. The BHEM survey did not detect any anomaly. No significant result was obtained.

**SAM-15-04** (Target 14-01c4) has been completed to a final depth of 250.5 metres after having traversed 126.0 metres of overburden. A major fault zone was intersected between 143.0 and 145.0 metres. Between 147.0 and 153.0 metres, a mineralized zone consisting of mineralized quartz veins with some tourmaline and 1-2% pyrite was intersected. The BHEM did not detect any anomaly. No significant result was obtained.

**SAM-15-05** (Target 14-04a) ended at a final depth of 177.0 metres. This hole intersected graphitic mudstones between 144.0 and 151.0 metres. Also, an horizon of cherty sediment containing some minor pyrite was intersected from 119.0 to 122.0 metres and again from 126.0 to 128.0 metres. The BHEM did not detect any anomaly. A six (6) metres gold anomalous interval between 145.0 and 151.0 m returned 0.12 g/t Au over 1.0 m (146.0 to 147.0 m) and 0.20 g/t Au over 1.0 m from 150.0 to 151.0 metres.

**SAM-15-06** (Target 14-04) was completed at a final depth of 381.0 metres within an intermediate dyke. From 324.0 to 377.0 metres, an ultramafic unit locally altered with talc was intersected. Traces of sulphides (Py-Po) were noted throughout the unit. The southern contact of this unit has not been reached. The BHEM survey (Z component) identified a weak off-hole anomaly at the end of the hole. The X and Y probes were also surveyed but the response is very weak and insufficient to be able to locate the anomaly. Two assay results returned anomalous values of 0.13 g/t Au over 1.0 m from 330.0 to 331.0 metres and 0.26 g/t Au over 1.0 m from 339.0 to 340.0 metres near the northern contact of the ultramafic rocks.

No exploration work conducted during Q3-15. Midland and Sphinx has agreed on the next exploration program which would consist in three IP surveys followed-up by a drilling program to test the new IP anomalies near the best historical gold showings found on the property. This program is conditional to the financing by Sphinx which is ongoing.

**Investing activities (Cont'd)**

***La Peltrie (Au), operated by Midland***

*Property Description*

At the end of Fiscal 14, the La Peltrie property comprises 171 claims covering a surface area of about 9,493 hectares and encompasses possible subsidiary faults to the south of the regional Lower Detour Fault over a distance of more than 10 kilometres.

*Exploration work on the property*

No exploration work conducted during Q3-15 YTD. However, Midland plans to conduct ground geophysics including IP totalling approximately 75 km in order to cover a series of historical untested MegaTEM conductors.

Midland is currently seeking for a partner for this project.

***Adam (Cu-Au), in partnership with Sphinx and operated by Midland***

*Property Description*

The Adam property was acquired by map designation and is a property with strong gold and copper potential located about 15 kilometres east of the B26 zone held by SOQUEM and about 20 kilometres east of the former Selbaie mine, which historically produced 56.5 Mt grading 1.9% Zn, 0.9% Cu, 38.0 g/t Ag and 0.6 g/t Au.

The Adam property is wholly owned by Midland and is located about 65 kilometres west of the town of Matagami. It consists of 182 cells covering a surface area of about 100 square kilometres in the Abitibi region of Quebec. The B26 and East Zone gold-copper deposits, held and worked actively by SOQUEM, respectively host historical resources on the order of 600,000 metric tonnes grading 2.9 g/t Au and 2.8% Cu and 750,000 metric tonnes grading 2.0% Cu and 0.4 g/t Au (Source: SOQUEM website; historical resources non-compliant with NI 43-101). In addition, drill holes completed in 2012 by Excellon Resources Inc. ("Excellon") on the Beschefer property (B-14 zone) located less than 7 kilometres west of the Adam property, intersected high-grade gold intervals reaching 13.07 g/t Au over 8.75 metres, including 58.5 g/t Au over 1.50 metre (Source: press release by Excellon dated April 17, 2012).

This new acquisition with strong gold and copper potential covers, over more than 8 kilometres, the regional contact between tholeiitic volcanic rocks of the Enjalran Group and calc-alkaline volcanic rocks of the Brouillan Group as well as an assemblage of felsic volcanoclastic rocks. The B26 zone is hosted in felsic to mafic volcanoclastic rocks with iron carbonate, chlorite, sericite, and silica alteration. In the south part of the Adam property lies another favourable contact, between volcanic rocks of the Enjalran Group and wackes, mudrocks, and iron formations of the Taibi sedimentary Group. A gold showing is located less than 5 kilometres west of the Adam property, where a historical drill hole yielded grades reaching 19.9 g/t Au over 0.77 metre (Source: SIGEOM map sheet 32E10, GM56241).

On the Adam property, historical INPUT electromagnetic surveys identified several conductors that have never been drill-tested, located near the felsic volcanic units identified near the favourable regional contact between the Enjalran and Brouillan groups.

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**Investing activities (Cont'd)**

On December 12, 2014, the Corporation signed an agreement with Sphinx whereby Sphinx can acquire 50% of the Adam property subject to the following conditions:

	<b>Payments in cash</b>	<b>Work</b>
	\$	\$
Upon signing (completed)	20,000	-
On or before December 12, 2015	40,000	400,000
On or before December 12, 2016	50,000	400,000
On or before December 12, 2017	70,000	1,000,000
On or before December 12, 2018	70,000	1,200,000
<b>Total</b>	<b><u>250,000</u></b>	<b><u>3,000,000</u></b>

The Corporation is the operator during the option.

*Exploration work on the property*

A helicopter-borne VTEM electromagnetic survey totalling about 800 line-kilometres was completed in December 2014 to cover the entire property. Several new conductors have been identified near the favorable contact between the Enjalran and Brouillan Groups.

***Abitibi Gold (Au) operated by Midland***

*Property Description and exploration work on the property*

The Corporation acquired by map designation 302 claims covering a surface area of about 16,460 hectares. No exploration work was conducted during Fiscal 14. A compilation of the historical works is in progress on the Adam, Jeremie, Lac Clement, Manthet, Louvicourt and Duparquet claims blocks.

*Exploration work on the property*

Compilation of historical data is in progress for the Abitibi Gold project. A VTEM survey totalling approximately 225 line-kilometres was completed during Q1-15 on the Jeremie block. The final interpretation highlighted several new conductors associated with strong magnetic anomalies. A detailed compilation is in progress.

**GRENVILLE-APPALACHES**

***Weedon (Cu-Zn-Au) operated by Midland***

*Property Description*

This property is located in the Eastern Townships, about 120 km south of Quebec City and at the end of Fiscal14 is comprised of 168 claims covering an approximate area of 8,602 hectares. In Q3-15 TYD, some claims were dropped therefore the Corporation impaired partially for \$13,100 the exploration property cost of Weedon.

*Exploration work on the property*

A ground TDEM survey was completed during Q1-15 on Weedon in areas where previous gravimetric and IP surveys had identified interesting anomalies and several conductors have been detected.

No work conducted during Q3-15 YTD on the property.

Midland is currently seeking for a partner for this project.

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**Investing activities (Cont'd)**

***Gatineau Zinc (Zn), operated by Midland***

*Property Description*

Midland owns a 100% interest in a large land position for zinc, including at the end of Fiscal 15 184 claims covering 10,368 hectares distributed in the Gatineau Area, approximately 200 kilometres northwest of the city of Montreal. During Q3-15 YTD, some claims were dropped therefore the Corporation impaired partially for \$2,616 the exploration property cost of Gatineau.

*Exploration work on the property*

No work conducted during Q3-15 YTD on the property. Midland is currently seeking for a partner for this project

***Vermillon (Cu-Au), in partnership with SOQUEM and operated by SOQUEM***

*Property Description*

The Vermillon property is located some 90 km southwest of the town of La Tuque, Quebec and consists at the end of Fiscal 14 of 16 contiguous claims covering a total surface area of 934 hectares in joint venture 50/50 with SOQUEM.

*Exploration work on the property*

No work conducted during Q3-15 YTD on the property. A soil geochem survey and a prospecting program will begin during Q4-15.

**JAMES BAY**

***James Bay Gold (Au), operated by Midland***

*Property Description*

Midland owns a 100% interest on 511 claims at the end of Fiscal 14 covering 26,285 hectares in the James Bay Area, an area that has the potential to soon become a significant new gold producer in Quebec after the Abitibi Belt. These new claims totalling 589 km<sup>2</sup> are wholly owned by Midland. During Q3-15 YTD, some claims were dropped therefore the Corporation impaired partially for \$44,147 the exploration property cost of James Bay Au.

*Exploration work on the property*

No work conducted on the property during Q3-15 YTD. Midland is currently seeking for a partner for this project.

***James Bay Uranium (U) operated by Midland***

*Property Description*

The property is located in the James Bay region and is composed of 8 claims.

*Exploration work on the property*

No work conducted on the property during Q3-15 YTD.

***Éléonore Gold Properties (Au) operated by Midland***

*Property Description*

The Éléonore new property is divided in three distinct blocks with two of them within 25 kilometres from the Éléonore gold discovery of Goldcorp and one southeast 30 km further along strike. It encompasses a group of 246 claims covering an area of approximately 12,889 hectares at the end of Fiscal 14.

**Investing activities (Cont'd)**

*Exploration work on the property*

A 31.5 kilometres ground geophysical IP and magnetic ("Mag") survey was completed in the eastern part of the Éléonore Centre property. This survey completes and extends the 2013 survey where several gold showings were uncovered by Midland (Golden Gun and Golden Gun South showings). The final data of the survey is pending. The 31.5 kilometres IP-Mag survey focussed on identifying sulphide rich targets for further follow-up during the summer exploration program. Trenching, channel sampling and prospection are planned for that exploration campaign to begin during Q4-15.

**Bay James Fe (Fe) operated by Midland**

*Property Description*

The Montagne-du-pin property consist in a total of 163 wholly owned claims covering 8,257 hectares and are located along the Trans-Taiga road, James Bay. During Q3-15 YTD, some claims were dropped therefore the Corporation impaired partially for \$31,410 the exploration property cost of James Bay Fe.

*Exploration work on the property*

No work conducted on the property during Q3-15 YTD.

**QUEBEC / LABRADOR**

**Ytterby (REE), in partnership with JOGMEC and operated by Midland**

*Property Description*

At the end of Fiscal 14, the Ytterby Project comprises 1,108 claims in Labrador located between 200 and 230 kilometres east and northeast of Schefferville.

*Exploration work on the property*

Discussions with Japan Oil, Gas and Metals National Corporation (« JOGMEC ») to plan the next exploration campaign are underway with the objective to further evaluate the economic potential to extract the mineralized boulders from the Strange Lake glacial dispersal train.

No work conducted during Q3-15 YTD.

**NORTHERN QUEBEC**

**Pallas (PGE), in partnership with JOGMEC and operated by Midland**

*Property Description*

At the end of Fiscal 14, the property totals 494 claims covering approximately 22,469 hectares in the Labrador Trough («Trough») some 80 kilometres west of Kuujjuak, Québec. On January 21, 2014, the Corporation signed an option agreement with JOGMEC whereby JOGMEC has the option to acquire 50% interest in the Pallas project prior to March 31, 2016 by funding \$2,000,000 in expenditures.

*Exploration work on the property*

Acquiring a large land package in the Labrador Trough for the Platinum Group Elements plus gold (PGE + Au) followed an exhaustive compilation of all the old PGE + Au showings found between 1986 and 2000 by various exploration companies. Once officially recorded, our mining titles were covering already tenth of occurrences with more than 1.0 g/t PGE + Au. Late in 2013, Midland's exploration team added another tenth occurrence with about the same PGE + Au grade. All mineralization are concentrated in differentiated mafic sills comprising mineralized gabbroic horizons alike reefs.

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**Investing activities (Cont'd)**

Following the option agreement signature with JOGMEC, a detail airborne magnetic survey has been completed. A total of 3,201 line-kilometers has been completed on Juno-Ceres, Itokawa, Gaspar and Palladin grids respectively. In the meantime, Midland has acquired four high-resolution colored satellite images (50 centimetres per pixel) covering the same areas.

In about thirty days during summer 2014, an exploration program including prospecting and channel sampling was completed to further evaluate the best PGE + Au known of Ceres, Gaspar, Itokawa and Palladin.

During the program, a total of 730 grab samples were collected over all of the Ceres, Itokawa, Gaspar and Palladin claim blocks. More than 20% of the samples have returned very anomalous PGE + Au values including 149 grabs > 0.1 g/t PGE + Au, including 92 > 0.2 g/t PGE + Au, including 40 > 0.5 g/t PGE + Au, including 27 > 0.75 g/t PGE + Au, including 15 > 1.0 g/t PGE + Au, including 9 > 2.0 g/t PGE + Au, including 3 > 4.0 g/t PGE + Au and including 1  $\geq$  12.6 g/t PGE + Au. In general, the grab samples are gabbro with trace to 5% combined disseminated chalcopyrite and pyrrhotite.

The best results come from the Gaspar claim blocks with a grab sample returning 12.6 g/t PGE + Au and another one, few meters apart, returning 2.76 g/t PGE + Au (Athena Showing). Five hundred meters north, 3 other grabs, from the Triton Showing, returned 3.2, 0.92 and 0.9 g/t PGE + Au respectively. Another 500m NW, and requiring additional follow up work, 3 grabs from 3 distinct mineralized zones have returned 0.79, 0.55 and 0.46 g/t PGE + Au. On the Ceres claim block, the best results come from a new showing located 5600m NNO from the Ceres Showing and returning 4.3 g/t PGE + Au. Other interesting results, coming from another new mineralised zone 4200m SSW of the Ceres Showing, have returned, from grab samples, 4.94, 2.93, 2.85 and 0.93 g/t PGE + Au. On the Itokawa claim block, the best results are 2.69 and 2.46 g/t PGE + Au still from grab samples. Most of these above mentioned showing were further investigated by prospecting and/or channel sampling.

In the meantime, a total of 1220 channel samples, about a meter in length in general, was cut and have returned several PGE + Au anomalies including 268 channels > 0.1 g/t PGE + Au, including 86 > 0.25 g/t PGE + Au, including 39 > 0.5 g/t PGE + Au, including 29 > 0.75 g/t PGE + Au, including 21 > 1.0 g/t PGE + Au, including, 6 > 2.0 g/t PGE + Au including, 2 > 3.0 g/t PGE + Au and a  $\geq$  4.52 g/t PGE + Au.

The best channels assay results come from, 125m SSE in the extension of the Palladin Showing (Osisko, 2000 and returning 5.5 g/t PGE + Au). Discontinuous channels along a NNW-SSE mineralized trend, have returned, over 90m, 1.57 g/t PGE + Au over 0.58m open to the west; 2.24 g/t PGE + Au over 1.34m; 1.53 g/t PGE + Au over 0.54m and open on both sides; 2.9 g/t PGE + Au over 1.76m, including 4.5 g/t over 0.80m and open on both sides; 0.73 g/t PGE + Au over 1.07m and open on both sides; 1.23 g/t PGE + Au over 0.43m; and 1.94 g/t Au over 2.1m including 2.65 g/t over 0.75m and open on both sides. This NNW trending mineralized zone, open on both sides, has been traced over 260m with a ending channel returning 1.4 g/t PGE + Au over 0.82m.

On the Itokawa claim block, and testing a showing found in 2013 returning 1.73 g/t PGE + Au, a channel through the mineralized zone has returned 1.32 g/t PGE + Au over 2.83m including 3.5 g/t PGE + Au over 0.35m. More than hundred thirty meters NNW, along the same mineralized corridor, another channel returned 1.12 g/t PGE + Au over 2.0m. Farther north, another mineralized zone called Itokawa North and cut by 2 channels have returned 1.29 g/t PGE + Au over 0.6m and 1.21 g/t PGE + Au over 0.36m respectively.

On the Ceres and Gaspar claim blocks, additional channel have returned interesting assay results varying between 0.5 to 1.0 g/t PGE + Au over sub-metric lengths.

Very encouraged by these results, we are currently planning our next exploration program that will include prospecting and additional channel sampling of our best outlined targets.

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**Investing activities (Cont'd)**

A total of 88 grab samples has been collected and has returned very interesting results with a grab sample, located about 100m south of the Enish Est Showing, returning 7.12 g/t PGE + Au. As well, 700m NNW of the Triton Showing on the Gaspar claim block, 3 grabs from the Herculina area, have returned 1.12, 0.81 and 0.48 g/t PGE + Au respectively. Five hundred meters south of the Athena Showing, another grab has returned 0.89 g/t PGE + Au. Finally, 2700m NNW of the Triton showing, in an area named Olympus, 5 grabs returned 0.95, 0.77, 0.76, 0.59 and 0.58 g/t PGE + Au respectively. All these new occurrences deserved additional works follow-up in the next field season.

In the meantime, a total of 262 channel samples was cut, among other, on the Athena, Triton, Enish East and Palladin Showings. On Palladin, testing a channel returning 4.5 g/t PGE + Au over 0.8m, a new channel has returned 1.58 g/t PGE + Au over 1.7m including 2.0 g/t PGE + Au over 0.55m.

On Athena, 2 adjacent channels have returned 2.5 g/t PGE + Au over 1.68m and 1.52 g/t PGE + Au over 4.35m including 2.33 g/t PGE + Au over 1.15m. About 30m NNW, along the same mineralized corridor, another channel has returned 1.13 g/t PGE + Au over 0.5m. On the Triton Showing, 4 channels have returned 0.77 g/t PGE + Au over 1.23m, and few meters south 1.7 g/t PGE + Au over 0.42m and adjacent 1.56 g/t PGE + Au over 1.09m and, 8m south 0.67 g/t PGE + Au over 0.8m.

Finally, on Enish East, over a series of 10 channels along the same 230m long mineralized corridor, 1.29 g/t PGE + Au over 0.55m, and 47m south, 0.62 g/t PGE + Au over 0.58m and, 33m south, 0.41 g/t PGE + Au over 1.31m, and 135m south 0.68 g/t PGE + Au over 0.75m, and 8m south, 1.04 g/t PGE + Au over 0.75m, and adjacent 2.47 g/t PGE + Au over 1.42m including 4.1 g/t over 0.65m, and 4m south 2.17 g/t PGE + Au over 0.74m.

By diamond drilling, Midland has tested the Ceres and Palladin Showing with 2 drill holes each, while one hole was completed on Enish East, Athena and Triton Showings. A total of 767 core samples, for 950m of drilling, was cut and send for analysis. Our best assay results by drilling are 0.60 g/t PGE + Au over 1.45m including 0.94 g/t over 0.69m and 0.28 g/t PGE + Au over 8.5m including 0.77 g/t over 1.0m on Palladin et Ceres respectively. Very encouraged by these results, we are currently planning our next exploration program that will include prospecting and additional channel sampling of our best outlined targets.

A team of 8 geologist and prospectors has just been mobilized on the project for about 3 weeks program for prospecting on the targets identified in 2014. A subsequent channel sampling program is planned in early fall on the best 2014 and 2015 targets.

***Willbob (Au), operated by Midland***

***Property Description***

The Willbob property in the Labrador Trough consists of 51 claims covering about 23.2 square kilometres, and is located approximately 66 kilometres west-southwest of Kuujuaq (Québec), near and in a geological environment similar to Midland's Pallas Project which is currently being worked in partnership with JOGMEC.

**Investing activities (Cont'd)**

*Exploration work on the property*

The Willbob property covers a series of gabbro sills, where numerous gold showings were historically discovered, over more than 8 kilometres. Exploration work conducted by the Nunavik Mineral Exploration Fund ("NMEF") from 2004 to 2006 reported several gold showings that returned up to 31.3 g/t Au on selected grab samples. Visible gold was reported at the Kuni Showing which returned 19.8 g/t Au. Another sample returned 9.5 g/t Au at about 120 metres to the north-west of the Kuni Showing. The Lafrance Showing, located about 6.5 kilometers north of the Kuni Showing, returned up to 21.9 g/t Au on selected grab samples and gold values are traced over 130 metres surface length. Historical channel sampling on the Lafrance Showing returned 3.0 g/t Au over 2.90 metres and 2.6 g/t Au over 3.90 metres in a second channel located about 40 metres north. About 3.5 kilometres from and along the Lafrance mineralized zone trend, the NMEF reported the Polar Bear Showing with values up to 6.4 g/t Au. There, the NMEF reports a gold anomalous corridor that can be traced over 330 metres in the area. (Source: *Nunavik Mineral Exploration Fund 2006 Activity Report*).

Midland 2014 grab resampling along the Lafrance auriferous corridor returned up to 5.4 g/t Au and more sample assays are pending. Several gold showings on the Willbob property are associated to a felsic unit intruding the gabbro sills. Moreover, an important deformation corridor hosts the mineralized zones. Strong ankerite-fuschite-calcite alterations are associated with the arsenopyrite-rich gold mineralizations observed on the property (Kuni, Polar Bear and Lafrance Showings). These showings remain open in all directions and remain untested by drilling. Midland is currently planning a first exploration program that will include prospecting and channel sampling of Polar Bear, Kuni and Lafrance Showings.

In late July 2015, a new field exploration program started on the Willbob Gold project located in the Labrador trough. This summer program includes geological mapping and systematic channel sampling with main objectives to outline the alterations halos, the gold concentration and the mineralogical assemblages that affected the Lafrance, Kuni, Polar Bear and Dupuis Showings.

**Project Generation**

Midland continued some geological compilation programs in Quebec for the acquisition of new strategic gold, uranium and base metal properties.

**Other Activities**

For Fiscal 15, Midland intends to be pro-active in the acquisition of new mineral exploration properties in Quebec. Management is currently reviewing other opportunities and other projects to improve the portfolio of the Corporation.

Acquisition opportunities outside of Quebec will also be considered. Midland prefers to work in partnership and fully intends to secure new partnerships for its properties and its 100% owned properties.

**Financing activities**

The Corporation finances itself mainly through share issuance.

In December 2014, the Corporation completed private placements by issuing 1,263,288 units at \$0.70 per unit for total gross proceeds of \$884,302. Each unit is comprised of one common share and one-half of a warrant. Each whole warrant will entitle the holder to purchase one additional common share at \$0.95 until December 2016. In addition, the Corporation completed private placements by issuing 1,096,683 flow-through shares respectively at \$0.85 per share, for total gross proceeds of \$906,680.



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**Financing activities (Cont'd)**

In May 2015, the Corporation completed a private placement of 20,622,569 units at a price of \$0.70 per unit for total gross proceeds of \$14,435,798. Each unit consisted of one common share and one warrant. Each warrant entitles the holder to purchase one common share at a price of \$1.15 until May 3, 2018. In connection with that private placement, the Corporation paid finder's fees of \$457,980 and issued compensation warrants entitling the finders to acquire 555,000 common shares of Midland at a price of \$0.70 per share until May 3, 2017.

**Working capital**

Midland has a working capital of \$17,281,251 as of June 30, 2015 (\$3,137,673 as of September 30, 2014).

	<u>Annualized</u>
<b>Cash flow required</b>	\$
Operating expenses, excluding non-cash items	1,091,000
Project management fees and interest income	(403,000)
Exploration budget paid by Midland (covering the exploration work requirements following the December 2014 flow-through private placement of \$906,680)	3,400,000
Mining credits	(485,000)
Staking and property maintenance	75,000
<b>Total</b>	<u><b>3,678,000</b></u>

Management is of the opinion that it will be able to maintain the status of its current exploration obligations and to keep its properties in good standing. Advanced exploration of some of the mineral properties would require substantially more financial resources. In the past, the Corporation has been able to rely on its ability to raise financing in privately negotiated equity offerings. There is no assurance that such financing will be available when required, or under terms that are favourable to the Corporation. The Corporation may also elect to advance the exploration and development of mineral properties through joint-venture participation.

**Summary of results per quarters**

For the eight most recent quarters:

	<u>Q3-15</u>	<u>Q2-15</u>	<u>Q1-15</u>	<u>Q4-14</u>
	\$	\$	\$	\$
Revenues	42,672	98,516	97,863	74,204
Net loss	(155,960)	(185,672)	(102,702)	(1,397,949)
Loss per share	-	(0.01)	-	(0.05)
Total assets	25,078,324	11,044,082	11,187,994	9,892,800
	<u>Q3-14</u>	<u>Q2-14</u>	<u>Q1-14</u>	<u>Q4-13</u>
	\$	\$	\$	\$
Revenues	27,059	35,856	35,464	2,536
Net loss	(141,146)	(248,268)	(187,223)	(106,783)
Loss per share	-	(0.01)	(0.01)	-
Total assets	10,741,442	10,888,313	10,869,758	9,953,971

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**Compensation to key management and related party transactions**

**a) Compensation to key management**

The Corporation's key management personnel are members of the board of directors, as well as the president, the vice-president exploration and the chief financial officer. Key management remuneration is as follows:

	<u>T3-15 YTD</u>	<u>T3-14 YTD</u>
	\$	\$
Short-term benefits		
Salaries including bonuses and benefits	176,215	187,210
Professional fees	56,224	51,261
Professional fees in share issue expenses	7,105	
Salaries including bonuses and benefits capitalized in E&E expenses	102,380	97,280
Long-term benefits		
Stock-based compensation	45,093	133,154
Stock-based compensation capitalized in E&E expenses	7,516	22,043
Total compensation to key management	<u>394,533</u>	<u>490,948</u>

**b) Related party transactions**

In the normal course of operations, in addition to the amounts listed above in the compensation to key management, during Q3-15 YTD:

- ◆ A firm in which René Branchaud (director and corporate secretary) is a partner charged legal professional fees amounting to \$115 807 (\$43,639 in Q3-14 TYD) of which \$44,876 (\$28,585 in Q3-14 TYD) was expensed and \$70,931 (\$14,805 in Q3-14 TYD) was recorded as share issue expenses;
- ◆ A company controlled by Ingrid Martin (chief financial officer) charged accounting professional fees of \$40,935 (\$36,613 in Q3-14 TYD) for her staff;
- ◆ Directors and officers of the Corporation participated in the flow-through private placement of December 2014 for \$79,050 and in the units private placement of May 2015 for \$15,400 (\$103,600 in the private placement closed in December 2013).

As of June 30, 2015, the balance due to the related parties amounted to \$13,921 (\$3,705 as at June 30, 2014) and was recorded in accounts payable and accrued liabilities.

**Subsequent events**

In August 2015, Sphinx terminated the agreement on the Valmond property.

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**Outstanding share data**

	<b>As of August 13, 2015</b>	<b>As of June 30, 2015</b>
	<u>Number</u>	<u>Number</u>
Common shares	53,259,052	53,259,052
Warrants	21,809,213	21,809,213
Options	1,545,000	1,545,000
	<b><u>76,613,265</u></b>	<b><u>76,613,265</u></b>

**Off-balance sheet arrangements**

During Q3-15 YTD, the Corporation did not set up any off-balance sheet arrangements.

**Critical accounting estimates**

In preparing these condensed interim financial statements as at June 30, 2015, the significant judgements made by management in applying the Corporation's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended September 30, 2014.

**Financial instruments**

There is no significant change relating the classification or risks relating to financial instruments since the annual MD&A of September 30, 2014.

**Risk factors**

There is no significant change relating to the risk factors since the annual MD&A of September 30, 2014.

**Forward looking information**

This management's discussion and analysis contains forward looking statements reflecting Midland's objectives, estimates and expectations. These statements are identified by the use of verbs such as "believe", "anticipate", "estimate", and "expect". As well as the use of the future or conditional tense. By their very nature, these types of statements involve risk and uncertainty. Consequently, results could differ materially from the Corporation's projections or expectations.

August 13, 2015

*(S) Gino Roger*  
\_\_\_\_\_  
Gino Roger  
President and Chief Executive Officer

*(S) Ingrid Martin*  
\_\_\_\_\_  
Ingrid Martin  
Chief Financial Officer

# Midland Exploration Inc.

## Corporate Information

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### Directors

Jean-Pierre Janson, Chairman of the board <sup>1) 2)</sup>

Gino Roger

Germain Carrière <sup>1) 2) 3)</sup>

Robert I. Valliant <sup>1) 3)</sup>

René Branchaud <sup>3)</sup>

### Notes:

- 1) *Member of the Audit committee*
- 2) *Member of the Compensation Committee*
- 3) *Member of the Corporate Governance Committee*

### Officers

Gino Roger, President and Chief Executive Officer

Mario Masson, Vice-president Exploration

Ingrid Martin, Chief Financial Officer

René Branchaud, Secretary

### Head Office

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### Auditors

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Montreal, Quebec, H3B 2G4

### Legal counsel

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Montreal, Quebec, H3B 4M4

### Transfer Agent

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