

Midland Exploration Inc.

Management's Discussion and Analysis

For the nine-month period ended June 30, 2014

Midland Exploration Inc.

Table of content

Nature of activities	3
Overall performance.....	3
Results of operations	4
Investing activities.....	5
Financing activities.....	21
Working capital	21
Summary of results per quarters	22
Compensation to key management and related party transactions	22
Subsequent events	23
Outstanding share data.....	23
Off-balance sheet arrangements.....	23
Critical accounting estimates.....	23
Financial instruments	24
Risk factors	24
Forward looking information	24
Corporate information	25

Midland Exploration Inc.
Management Discussion & Analysis
For the nine-month period ended June 30, 2014

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 YTD Q3-14. This MD&A should be read in conjunction with the Corporation’s financial statements as at June 30, 2014 prepared in accordance with the International Financial Reporting Standards (“IFRS”) and with the annual MD&A as of September 30, 2013. All figures are in Canadian dollars unless otherwise noted.

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

Abbreviation	Period
Q1-13	October 1, 2012 to December 31, 2012
Q2-13	January 1, 2013 to March 31, 2013
Q3-13	April 30, 2013 to June 30, 2013
Q4-13	July 1, 2013 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
Q4-14	July 1, 2014 to September 30, 2014
YTD Q3-13	October 1, 2012 to June 30, 2013
YTD Q3-14	October 1, 2013 to June 30, 2014

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.

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

On December 19, 2013, the Corporation completed a private placement by issuing 802,001 units at \$0.75 per unit and 833,286 flow-through shares at \$0.90 per share, for total gross proceeds of \$1,351,460. Midland has a working capital of \$3,784,591 as of March 31, 2014 (\$3,343,414 as of September 30, 2013) which will allow the Corporation to execute its exploration program for at least the following year.

On November 19, 2013, Midland signed an option agreement with Donner Metals Ltd (“Donner”) whereby Donner has the option to acquire a 50% interest in the Valmond property by paying cash \$250,000 and funding \$2,500,000 in exploration works. On January 21, 2014, Midland signed an option agreement with Japan Oil, Gas and Metals National Corporation (“JOGMEC”) whereby JOGMEC has to option to acquire a 50% interest in the Pallas property by funding \$2,000,000 in exploration works. Midland is pleased that these two option agreements follow another option agreement signed in September 2013 with Teck Resources Ltd (“Teck”) whereby Teck has the option to acquire a 50% interest in the Patris property by funding \$10,500,000 exploration works and paying cash \$250,000.

As operator, Midland incurred exploration expenditures totalling \$1,439,875 (\$1,288,864 in YTD Q3-13), on its properties of which \$964,857 was recharged to its partners (\$143,705 in YTD Q3-13). In addition, the operating partners incurred exploration expenses of \$79,819 (\$1,875,547 in YTD Q3-13). Also, the Corporation invested \$204,704 (\$426,959 in YTD Q2-13) to complete several property acquisitions in Quebec of which \$68,932 was recharged to its partners (\$19,477 in YTD Q3-13).

The Corporation reported a loss of \$576,636 in YTD Q3-14 compared to \$581,309 in YTD Q3-13.

Midland Exploration Inc.
Management Discussion & Analysis
For the nine-month period ended June 30, 2014

Results of operations

Operating expenses decreased to \$599,088 in Q2-14 versus \$638,878 in Q2-13. We can mention that:

- Conferences and mining industry involvement decreased to \$71,660 (\$103,500 in YTD Q3-13) mainly due to a reduction in Minalliance contribution.
- During YTD Q3-14, the Corporation dropped some claims and partially impaired the Jouvex property for \$3,150 (during YTD Q3-14: \$12,467 for Weedon, \$5,218 for Valmond, \$4,745 for Laflamme and \$4,688 for Bay James Au).

Project management fees increased to \$98,379 (\$16,334 in YTD Q3-13) due to the Valmond property under option with Donner and the Pallas PGE property under option with JOGMEC being very active in YTD Q3-14.

Midland Exploration Inc.

Management Discussion & Analysis

For the nine-month period ended June 30, 2014

Investing activities

	Abitibi							Grenville-Appalaches		Bay James				Québec Labrador		Northern Québec		
	Maritime Cadillac - Au	Lafamme - Au	Patris - Au	Casault - Au	Valmond - Au	Jouvex - Au	Heva - Au	Weedon - Cu-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	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance beginning	228,787	1,167,804	179,176	214,479	113,507	237,576	16,149	359,196	28,648	162,521	14,686	949,831	42,158	-	1,277,720	210,168	36,125	5,238,531
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net change	4,003	141,159	22,038	33,591	5,436	50,267	2,414	28,817	85	17,838	-	92,640	-	-	35,401	13,494	23,069	492,602
Balance end	232,790	1,308,963	201,214	248,070	118,943	287,843	18,563	388,013	28,733	180,359	14,686	1,042,471	42,158	22,350	1,313,121	223,662	59,194	5,731,133

Midland Exploration Inc.

Management Discussion & Analysis

For the nine-month period ended June 30, 2014

Investing activities (Cont'd)

	Abitibi							Grenville-Appalaches		Bay James				Québec Labrador			
	Maritime Cadillac - Au	Lafamme - Au	Patris - Au	Casault - Au	Valmond - Au	Jouvex - Au	Heva - Au	Weedon - Cu-Zn-Au-	Gatineau - Zn	Bay-James - Au	Bay-James - U	Eléonore - Au	Baie-James - Fe	Ytterby - ETR	Pallas PGE	Project generation	Total
Deferred exploration expenses YTD Q3-13	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance beginning	214,241	592,050	85,044	276,006	73,139	18,957	-	198,458	25,593	111,249	14,686	366,786	59,703	1,171,617	-	34,704	3,242,233
Geophysics	-	115,840	-	87,844	473	574	-	126,687	-	-	-	37,860	36,305	-	-	-	405,583
Geology	715	56,181	22,203	7,760	2,190	19,903	8,360	41,440	2,474	48,559	-	158,304	-	63,506	67,469	-	499,064
Drilling	-	234,963	-	-	-	-	-	-	-	-	-	-	-	-	-	-	234,963
Geochemistry	-	33,356	-	-	236	-	-	-	-	5,193	-	5,193	236	30,994	-	-	75,208
Line cutting	-	46,000	-	-	-	-	-	18,533	-	-	-	-	-	-	-	-	64,533
Travelling	-	4,639	1,405	-	-	-	-	1,526	-	1,393	-	550	-	-	-	-	9,513
Stock-based compensation	715	490,979	23,608	95,604	2,899	20,477	8,360	188,186	2,474	55,145	-	201,907	36,541	94,500	67,469	-	1,288,864
Recharge	11,288	17,257	6,469	22,629	-	-	-	-	-	-	-	2,009	-	29,307	-	-	88,959
Net addition	-	-	-	(95,604)	-	-	-	-	-	-	-	-	-	(48,101)	-	-	(143,705)
Net addition	12,003	508,236	30,077	22,629	2,899	20,477	8,360	188,186	2,474	55,145	-	203,916	36,541	75,706	67,469	-	1,234,118
Tax credits	(287)	(2,814)	(3,885)	-	(670)	(1,369)	-	(27,118)	(858)	(8,773)	-	(8,499)	(103)	(1,533)	-	-	(55,909)
Option payment	-	-	-	(89,837)	-	-	-	-	-	-	-	-	-	-	-	-	(89,837)
Write-off	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net change	11,716	505,422	26,192	(67,208)	2,229	19,108	8,360	161,068	1,616	46,372	-	195,417	36,438	74,173	67,469	-	1,088,372
Balance end	225,957	1,097,472	111,236	208,798	75,368	38,065	8,360	359,526	27,209	157,621	14,686	562,203	96,141	1,245,790	67,469	34,704	4,330,605

Midland Exploration Inc.

Management Discussion & Analysis

For the nine-month period ended June 30, 2014

Investing activities (Cont'd)

When the work is done and paid by the partners, the work are not on Midland accounting books. Following is a table showing all the work being done on Midland's properties (excluding stock-based compensation):

Exploration and evaluation expenses

Properties	Partner	Actual YTD Q3-14			Budget Fiscal 2014		
		Midland	Partner	Total	Midland	Partner	Total
		\$	\$	\$	\$	\$	\$
100% owned by Midland							
Valmond Au		-	-	-	50,000	-	50,000
Jouvex Au		52,833	-	52,833	75,000	-	75,000
Abitibi Au		19,865	-	19,865	10,000	-	10,000
Heva		2,720	-	2,720	50,000	-	50,000
Casault Au		29,958	-	29,958	15,000	-	15,000
Weedon Cu-Zn-Au		33,991	-	33,991	75,000	-	75,000
Gatineau Zn		99	-	99	15,000	-	15,000
Baie James Au		20,686	-	20,686	55,000	-	55,000
Baie James Fe		-	-	-	20,000	-	20,000
Éléonore Au		95,994	-	95,994	300,000	-	300,000
Fosse Labrador		22,350	-	22,350			
Project generation		5,600	-	5,600	20,000	-	20,000
		<u>284,096</u>	<u>-</u>	<u>284,096</u>	<u>685,000</u>	<u>-</u>	<u>685,000</u>
With option, operated by Midland and paid by partner							
Patris Au	Teck (start Sept 2013)	5,810	54,474	60,284	-	500,000	500,000
Valmond Au	Donner (start Nov 2013)	3,800	526,147	529,947	-	300,000	300,000
Pallas PGE	Jogmec (start Jan 2014)	17,224	370,601	387,825	-	950,000	950,000
		<u>26,834</u>	<u>951,222</u>	<u>978,056</u>	<u>-</u>	<u>1,750,000</u>	<u>1,750,000</u>
In joint venture							
Maritime-Cadillac Au	Agnico Eagle (operator)	760	3,619	4,379	26,950	28,050	55,000
Ytterby REE	Jogmec	25,071	13,635	38,706	50,000	50,000	100,000
Laflamme Au	Maudore	138,257	-	138,257	88,050	-	88,050
Vermillon CU-Au	Soquem	-	76,200	76,200	-	-	-
		<u>164,088</u>	<u>93,454</u>	<u>257,542</u>	<u>165,000</u>	<u>78,050</u>	<u>243,050</u>
		<u>475,018</u>	<u>1,044,676</u>	<u>1,519,694</u>	<u>850,000</u>	<u>1,828,050</u>	<u>2,678,050</u>

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

Midland Exploration Inc.

Management Discussion & Analysis

For the nine-month period ended June 30, 2014

Investing activities (Cont'd)

HIGHLIGHTS

- **Prospection and channel sampling completed on Pallas; Assays pending**
- **Gold anomalous graphitic-pyritic mudstones intersected on Valmond**
- **VTEM conductors identified on Laflamme as Ni-Cu-PGE targets**
- **Two new property acquisitions (Samson and La Peltrie)**
- **New IP targets on Jouvex**

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

During 2014, Agnico Eagle Mines Ltd expects to complete a major compilation of the Lapa and Maritime Cadillac properties in order to build a Gocad 3D-Model. This compilation aims to generate new drilling targets for 2015 and Agnico Eagle plans to commence this Gocad 3D-Model during Q4-14.

Laflamme (Au-Ni-Cu-PGE), in partnership with Maudore 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 2013 of a total of 682 claims covering an area of approximately 35,942 hectares.

Exploration work on the property

The geophysical program encompassed three induced polarization ("IP") surveys totalling approximately 40 kilometres, as well as a horizontal loop electromagnetic ("HLEM") survey covering 7 kilometres, completed along a gold-bearing structure. The latter was originally identified by Midland during the winter of 2013, during a drilling program targeting the extensions of its 2011 gold discovery as well as the strike extensions of the Comtois NW zone discovered by Maudore Minerals Ltd ("Maudore") in June 2012, where grades of 71.2 g/t Au over 1.2 metres and 0.8 g/t Au over 40.8 metres were reported.

IP Grid 2013-A

The IP survey conducted on this grid was designed to validate and characterize a series of VTEM conductors coinciding with an isolated magnetic anomaly, located about 12 kilometres northeast of the Notting Hill showing. The latter showing, discovered by Midland in 2013, consists of a drill intersection grading 0.34 g/t Au over 25.56 metres including an interval at 3.12 g/t Au over 1.5 metres in sheared mafic volcanic rocks with pyrite and pyrrhotite mineralization. A strong chargeability anomaly, coupled with a strong resistivity low and a discrete magnetic anomaly, was identified on this grid over a strike length of more than 400 metres; it represents a new, top-priority drilling target.

Midland Exploration Inc.
Management Discussion & Analysis
For the nine-month period ended June 30, 2014

Investing activities (Cont'd)

IP Grid 2013-B

This IP survey was designed to characterize a series of weak MegaTEM conductors clustered along the northern contact of a strongly magnetic unit, about 1 kilometre south of the Trafalgar showing discovered by Midland in 2013. This new showing yielded a grade of 0.40 g/t Au over 5.7 metres, including an interval at 1.72 g/t Au over 1.0 metre, at the contact between silicified mafic rocks and sericitized felsic rocks. During this IP survey, several weak chargeability anomalies were identified over a strike length of more than one kilometre, bordering an intense magnetic anomaly.

IP Grid 2013-C

This IP survey was completed about 5 kilometres along the northeast extension of the Picadilly showing discovered in 2011 by Midland and Maudore. This showing yielded a grade of 9.71 g/t Au over 1.0 metre in a shear zone with quartz-carbonate veinlets and 2-3% pyrite. The results of this survey outlined the presence of at least four (4) chargeability axes ranging from 200 to 800 metres in length. One of these axes, at least 800 metres long, is located at the western end of a magnetic anomaly and thus occurs in a potential low-pressure zone, favourable for gold deposition.

So far in 2014, five (5) drill holes were completed for a total of 881.0 metres. Hole LAF-14-29 targeted a VTEM anomaly located mid-way between the Midland's Trafalgar showing and the Maudore's NW Comtois showing. The hole explained the VTEM anomaly by the presence of pyrrhotite stringers within the pillowed basalts. No felsic rocks have been intersected. The hole ended at a final depth of 156.0 metres.

Hole LAF-14-30 aimed to test the Notting Hill showing at approximately 75 metres below hole LAF-13-21, which had returned 0.34 g/t Au over 25.56 metres, including 3.12 g/t Au over 1.50 metre in 2013. Hole 30 intersected a chlorite breccia at around 230.0 metres followed by a 0.7 metre shear zone with 5% Py at approximately 253.0 metres. These two zones are surrounded by a biotite alteration which likely represents the extension of the hole 21 gold-bearing zone. The hole ended at 296.0 metres.

Approximately 100 metres to the north-east of the Notting Hill showing, drill hole LAF-14-31 tested the same contact which is marked by a sharp magnetic contrast. Right at the targeted area, a wide shear zone altered with quartz-carbonate veins with local biotite was intersected from 112.5 and 119.0 metres. Several mineralized zones with 2-3% Py-Po were intersected from 78.2 to 79.0 metres, from 112.63 to 112.88 metres, from 120.14 to 121.90 metres and from 130.0 to 130.25 metres. The hole ended at 156.0 metres.

Hole LAF-14-32 targeted a VTEM anomaly approximately 2 km to the north-east of the Notting Hill showing. This hole ended at a final depth of 165.0 metres. Several shear zones altered in chlorite; carbonates and locally biotite as well as several mineralized zones have been intersected:

Hole LAF-14-33 was completed at 108.0 metres and tested a VTEM anomaly located approximately 4 km to the north-east of the Notting Hill showing. This hole intersected two zones with centimetric stringers of pyrrhotite at around 51 metres and 99 metres down the hole.

Hole LAF-14-30 returned an interval of 4.43 g/t Au over 0.74 metre between 258.18 to 258.92 metres comprised within a wider anomalous zone grading 1.71 g/t Au over 2.66 metres from 258.18 to 260.84 metres. Additional sampling is in progress in order to check for the whole interval that is altered with some biotite.

Hole LAF-14-31 returned 0.12 g/t Au over 0.60 metre between 78.0 and 78.6 metres at the upper contact with a late felsic dyke which could have cut the zone.

Midland Exploration Inc.
Management Discussion & Analysis
For the nine-month period ended June 30, 2014

Investing activities (Cont'd)

Hole LAF-14-33 which tested a VTEM conductor approximately 4 km to the north-east of hole 30, intersected three anomalous intervals associated with a weak biotite alteration. From 14.74 to 15.74 metres, an interval returned 0.34 g/t Au over 1.0 metre; an interval of 0.33 g/t Au over 0.39 metre was intersected from 26.61 to 27.00 metres and another interval was intersected between 34.15 to 35.65 metres and returned 0.15 g/t Au over 1.50 metre.

Holes LAF-14-29 and 32 did not returned any anomalous results.

During this quarter, a review of the VTEM anomalies located in the vicinity of the 2011 Ni-Cu-PGE discovery in hole LA-11-08 was completed. Two (2) VTEM conductors located approximately two kilometres north of hole LA-11-08 have been selected for a possible ground TDEM follow-up.

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

Property Description

The Corporation acquired claims by map staking about 30 kilometres to the north-east of Rouyn-Noranda. This property consists in 218 claims covering an area of approximately 9,031 hectares. Some claims are subject to a 1% royalty and the Corporation can buy back this royalty for \$500,000 per 0.5% tranche.

The Patris property now includes the Dunn property which is located along the Porcupine-Destor fault about 35 km northeast of the town of Rouyn-Noranda, Québec. Midland purchased twelve (12) claims, subject to a 2% net smelter return royalty; the Corporation can buy back, in tranches, the entire royalty for \$2,000,000.

On November 12, 2012, the Corporation acquired a 100% interest in some claims adjacent to the Patris property in exchange for a payment of \$50,000. Part of the claims are subject to a 2% NSR royalty, the Corporation may buy back that royalty in total or in two parts upon a payment of \$1,000,000 per 1% for a total of \$2,000,000. The other part of the claims is subject to a 1% NSR royalty, the Corporation may buy back the royalty in total or in two parts upon a payment of \$500,000 per 0.5%, for a total of \$1,000,000.

On July 24, 2013, the Corporation acquired a 100% interest in some claims adjacent to the Patris property in exchange for a payment of \$5,000. The claims are subject to a 1.5% NSR royalty, the Corporation may buy back that royalty in total or in three parts upon a payment of \$500,000 per 0.5% for a total of \$1,500,000.

Midland Exploration Inc.
Management Discussion & Analysis
For the nine-month period ended June 30, 2014

Investing activities (Cont'd)

The Corporation signed an option agreement with Teck on September 6, 2013 and amended it on May 20, 2014 to accommodate the delays in permitting. Under this agreement, Teck may earn, in three options, a maximum interest of 65%, by fulfilling the following conditions:

	Payments in cash	Works
	<u>\$</u>	<u>\$</u>
First Option for a 50% initial interest		
On or before August 31, 2015 (firm commitment)	-	500,000
On or before August 31, 2016	-	800,000
On or before August 31, 2017	-	<u>1,700,000</u>
	-	3,000,000
Second Option for a 10% additional interest		
On or before August 31, 2019, \$500,000 of exploration work and \$60,000 cash payment for each additional 2% interest	300,000	2,500,000
Third Option for a 5% additional interest		
On or before August 31, 2021, \$1,000,000 of exploration work for each additional 1% interest	-	5,000,000
Total, for a 65% maximum interest	<u>300,000</u>	<u>10,500,000</u>

Exploration work on the property

Results from the prospecting program and the channel sampling on Rosie (15.5 g/t Au – grab sample) have been received. A total of 168 samples, including blanks and standards, had been sent to ALS Minerals in Val d'Or at mid-October. The best results from the Rosie showing include:

- 0.40 g/t Au over 2.0 m including 0.94 g/t Au over 0.5 m
- 0.46 g/t Au over 0.5 m
- 0.16 g/t Au over 2.5 m including 0.36 g/t Au over 0.5 m
- 0.13 g/t Au over 1.0 m
- 0.11 g/t Au over 0.5 m
- 0.65 g/t Au (grab sample)

These results were returned mainly from the quartz veins crosscutting the carbonatized felsic dyke (1.5 to 2.0 meter thick) and forming a discontinuous envelope of approximately 8.5 metres along the dyke. Two other gold anomalous zones (77 ppb Au over 2.0 m and 66 ppb Au over 2.0 m) were identified within the sheared and carbonatized (iron carbonate) basalts. The showing is characterized by a flexure of a felsic dyke which is altered in iron carbonate with 1-3% pyrite. This dyke is generally oriented NW-SE and becomes N-S in the showing area with the development of a network of quartz -carbonate veins oriented N060 crosscutting an older quartz veinlet system oriented N100. A strong shear zone oriented N055-060, with accompanying iron carbonate alteration, affects the chloritized pillowed basalts.

Prospecting the IP anomalies in the western portion of the Dunn area returned a new showing of 0.3 g/t Au (grab sample) within a strongly sheared mafic volcanics.

Midland Exploration Inc.
Management Discussion & Analysis
For the nine-month period ended June 30, 2014

Investing activities (Cont'd)

Results of 172 soil samples (including QAQC samples) have been received. During this program completed in October, a follow-up soil sample (duplicate) was taken near the site that had returned a soil anomaly of 1.5 g/t Au last summer. This duplicate sample returned a result of 1.2 g/t Au and thus validate that the area is highly anomalous and that the source of this anomaly remains unexplained. The area is sub cropping and would require additional mechanical stripping next summer. Another soil sample returned a result of 0.195 g/t Au approximately 300 metres west of the KE-3 showing which had returned 4.7 g/t Au over 0.4 metre (channel 2011). This soil anomaly remains also opened to the north and unexplained.

An initial drilling campaign consisting of seven (7) shallow diamond drill holes was planned for total of about 1,400 metres. This program is designed to test several high-priority induced polarization ("**IP**") geophysical targets located along the strike extensions of the Fayolle Prospect held by Typhoon Exploration Inc. and currently under option by Hecla Quebec Inc. One of these targets, a strong chargeability anomaly coincident with a resistivity low occurring at the northern contact between Lac Caste sediments and mafic volcanic rocks, will be tested in two shallow drill holes. Another IP anomaly located along the southeast strike extension of drill hole PAT-11-15, which intersected an interval grading 0.48 g/t Au over 17.0 metres (*see press release dated May 24th 2012*), will also be tested during this campaign. In addition, drill hole PAT-11-16 will be deepened in order to test the gold-bearing zone about 100 metres below drill hole PAT-11-15. That zone is characterized by a hematite alteration zone in a strongly deformed felsic intrusive.

Since four of the seven planned drill holes totalling 1,400 metres are located on agricultural land, an authorization from the *Commission de la Protection des Terres Agricoles* ("**CPTAQ**") is required. This authorization from the CPTAQ was received in June. A meeting is scheduled in August in order to discuss the conditions to respect during the drilling. Later this fall, the drilling program will test several high-quality targets including induced polarization anomalies, as well as the depth extension of a gold-bearing zone intersected in drill hole PAT-11-15 which graded 0.48 g/t Au over 17.0 metres (*see press release dated May 24, 2012*).

Casault (Au) 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. This property consists in 286 claims covering an area of approximately 15,741 hectares.

Exploration work on the property

Earlier this year, a total of 83 samples were collected from the 2011 and 2013 drill holes and analysed for whole rock geochem. Geochem results have been received and a geochemical study is currently in progress.

Lithological geochemistry analyses from the Casault-Martiniere area where successfully integrated into LithoModeleur. Preliminary observations of the Martiniere datasets show that a potassic alteration is more dominant than the sodic alteration pole (6 versus 52). Samples range from "fresh" to potassic alteration. The majority of the highest gold values (of the geochemical database, up to 297 ppb Au) are found as a subset of data associated with the "highest" potassium/sodium ratio [$(K_2O / K_2O + Na_2O) > 80\%$].

During Q3-14, two induced polarization surveys were completed respectively on the south block and on the west block. Results are pending.

Midland is currently seeking a partner for this project.

Midland Exploration Inc.
Management Discussion & Analysis
For the nine-month period ended June 30, 2014

Investing activities (Cont'd)

Heva (Au), operated by Midland

Property Description

On April 25, 2013, the Corporation signed an agreement with Arianne Resources Inc. to acquire a 100% interest in the Heva property located along and proximal to the Cadillac Break, less than 5 kilometres northwest of the town of Malartic. In consideration for the acquisition, the Corporation paid cash \$30,000 and issued 60,000 common shares with a fair value of \$57,000 which is based on the closing of the Corporation's share on the April 25, 2013. The claims are subject to a 2% NSR royalty to the original holders; half of the royalty can be bought back for a payment of \$1,000,000.

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 West block covers nearly 1 kilometre along the contact between Pontiac Group sediments and mafic volcanic rocks of the Piché Group and is located less than 1 kilometre south of Agnico Eagle's Lapa gold mine (2.1 million tonnes in proven and probable reserves at a grade of 6.0 grams per tonne of gold, for 395,000 ounces of gold), which has been in commercial production since May 2009.

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. This block encompasses several historical gold occurrences with grades up to 91.2 g/t Au and 3.12 g/t Au in surface grab samples, and up to 6.2 g/t Au over 0.9 metre in drill hole. In addition, the Heva East block covers a 4-kilometre segment along an underexplored gold trend that graded 11.7 g/t Au over 0.5 metre in a historical drill hole located less than 500 metres northwest of the property boundary (Source: MRNF SIGEOM NTS sheet 32D01).

Exploration work on the property

A compilation of the historical works done on the property was initiated and is still ongoing. So far, the compilation confirmed the presence of several anomalous gold values within the sediment package which is composed of graywackes and conglomerates of the Cadillac Group. A visit of the historical trenches and showings is planned for Q4-14.

Midland is currently seeking a partner for this project.

Valmond (Au), in partnership with Donner 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 6,178.77 hectares. Forty-nine (49) claims were purchased in December 2013 from Canadian Mining House.

On November 19, 2013, the Corporation signed an agreement with Donner whereby Donner can acquire 50% of the Valmond property subject to the following conditions:

	Payments in cash	Works
	\$	\$
Upon signing	20,000	-
November 19, 2014 (work completed)	50,000	300,000
November 19, 2015	50,000	700,000
November 19, 2016	60,000	800,000
November 19, 2017	70,000	700,000
Total	250,000	2,500,000

Midland Exploration Inc.
Management Discussion & Analysis
For the nine-month period ended June 30, 2014

Investing activities (Cont'd)

- The Corporation will be the operator during the option;
- Upon acquiring a 50% interest, a joint venture will be formed;
- If a party's interest dilutes to 10% or less, its interest will be converted to a 2% NSR royalty, 1% of which can be purchased back for \$1,500,000.

Exploration work on the property

A pole-dipole IP survey totalling 48.1 line-kilometres was completed during the month of December 2013 in the central part of the Valmond property. A detailed interpretation of the survey results reveals the presence of a strong anomaly characterized by a sharp drop in resistivity directly caused by the presence of sulphide mineralization (pyrite-pyrrhotite-chalcopyrite-arsenopyrite) on the principal gold showing. This anomaly extends toward the northwest over a distance of about 800 metres, whereas toward the southeast IP profiles indicate that the anomaly is located deeper. Two shallow drill holes are proposed to test the anomaly at 100 metres vertical depth along the northwest extension of the principal showing, and one drill hole is proposed to test the southeast plunge at a vertical depth of about 300 metres, i.e. about 100 metres below historical drill hole S86-9, which graded 3.77 g/t Au over 1.5 metres (Source: MRN SIGEOM NTS sheet 32E09; GM46724).

Further east, in an area that has never been drill-tested, four distinct IP axes characterized by high chargeability values associated with low resistivity values were detected. These axes are commonly located along magnetic contacts or near inferred structural intersections. Five additional shallow drill holes are proposed to test these new targets at about 100 metres vertical depth.

In addition, a property-wide helicopter-borne VTEM-type electromagnetic survey, totalling 900 line-kilometres, was also completed in December 2013. Several new conductors have been identified along the favourable Bapst gold-bearing structure.

A drilling program totalling 1,450.2 metres was completed during the quarter ended March 31, 2014. A total of five (5) holes were completed and three (3) others were abandoned. Target IP-F was cancelled because the lack of available water in the vicinity. Two holes (Target VTEM-A and B) were abandoned in the thick overburden which is composed of sand and gravel (esker).

Hole VAL-14-01 (Target H) was designed to test the main showing (quartz-Aspy veins in altered tuffs) at a vertical depth of 275 metres. The hole intersected a mix of mafic and intermediate tuffs with local mudstone. Several decimetric massive sulphides (Py-Po +/- Cp-Sp) were intersected at around 220 metres. This hole was stopped at 415.2 metres because of technical problems (broken rods). The best assay results in hole VAL-14-01 returned 92 ppb Au over 0.88 metre from 198.20 to 199.08 metres associated with up to 15% pyrrhotite and traces of pyrite within quartz-carbonate veins.

Hole VAL-14-02 (Target I) was targeting the downplunge of the main showing at a vertical depth of approximately 350 metres. This hole intersected an altered intermediate tuff containing local quartz veins and veinlets with arsenopyrite between approximately 455 metres and 505 metres. That zone likely represents the extension at depth of the Valmond showing. This zone is sub-vertical for the first 200 metres but seems to turn and dip north below 200 metres. In the upper portion of this hole, spectacular nodular pyrite was intersected in a graphitic mudstone and coincides with a regional structure. As for hole 01, several decimetric massive sulphides were intersected. This hole ended at 543.0 metres. Two new mudstone horizons have returned gold anomalous results at the beginning of hole 02. A first graphitic mudstone horizon containing massive and nodular pyrite up to 80% returned 0.30 g/t Au over 2.87 metres from 99.0 to 101.87 metres and a second graphitic mudstone containing massive pyrite (90%) returned 0.41 g/t Au over 0.29 metre from 200.52 to 200.81 metres.

Midland Exploration Inc.
Management Discussion & Analysis
For the nine-month period ended June 30, 2014

Investing activities (Cont'd)

The targeted alteration zone below the main Valmond gold showing returned several gold values over 100 ppb Au associated mainly with centimetric quartz-carbonate veins with 1-3% arsenopyrite. The best intervals returned:

- 0.46 g/t Au over 0.60 m (454.50 to 455.10 m)
- 0.74 g/t Au over 0.64 m (487.80 to 488.44 m)
- 0.15 g/t Au over 1.00 m (493.00 to 494.00 m)
- 0.44 g/t Au over 0.85 m (508.00 to 508.85 m)
- 0.10 g/t Au over 0.50 m (517.15 to 517.65 m)

Hole VAL-14-03 (Target J) was testing a low resistivity zone approximately 200 metres to the northwest of the main showing. The hole intersected several massive sulphides horizons as well as graphitic mudstone and the conductor is well explained. The hole ended at 201.0 metres. From 88.0 to 89.0 metres, this hole intersected a 15 cm quartz vein with 1-2% Py-Po that returned 0.23 g/t Au over 1.0 metre.

Hole VAL-14-04 (Target VTEM-D) was completed at a final depth of 141.0 metres. The VTEM conductor is well explained by the presence of a graphitic mudstone with a 10 cm interval of massive pyrite. No significant alteration was noted in that hole. An altered siltstone (sericite) returned 0.25 g/t Au over 0.38 metre from 137.94 to 138.32 metres.

Hole VAL-14-05 (Target VTEM-C) was completed at a final depth of 150.0 metres. This hole intersected a nice altered and mineralized (5-7% Py, 1-2% Po) shear zone from 66.75 to 71.08 metres followed by a graphitic and pyritic mudstone containing several quartz veins and silicified breccias. No significant results have been obtained in this hole.

Assays are pending.

Jouvex (Au), operated by Midland

Property Description

The Corporation acquired claims by map staking about 50 kilometres to the southwest of Matagami. This property consists in 257 claims covering an area of approximately 14,350 hectares. Some claims were dropped and therefore the Corporation partially impaired its exploration properties for \$3,150.

Exploration work on the property

The VTEM survey totalling approximately 700 kilometres successfully defined several conductors that were previously undetected by historical airborne electromagnetic surveys. Many of these new conductors are located along the extensions of gold occurrences. Moreover, the new VTEM magnetic survey provided a better definition of the complex magnetic signature of this property, which encompasses several iron formation horizons.

A consultant geophysicist has completed a structural interpretation using the VTEM survey and identified a total of 20 structural targets for gold (2nd order structures, low angle crosscutting structures etc.) as well as 8 new VTEM conductors never detected by the previous airborne EM surveys.

Two follow-up IP grids have been completed over the VTEM anomalies. The south grid detected a weak chargeability anomaly associated with a low mag and coincident with the three weak VTEM anomalies. The north grid detected a formational conductor with a second one coincident with a high mag anomaly. Drilling was proposed to test these two anomalies.

Midland Exploration Inc.
Management Discussion & Analysis
For the nine-month period ended June 30, 2014

Investing activities (Cont'd)

During Q3-14, two other IP surveys have been completed. The surveys covered VTEM anomalies associated with a structural complexity. On both grids, chargeability anomalies combined with low resistivity anomalies defined several new drilling targets.

Midland is currently seeking a partner for this project.

Abitibi Gold (Au) operated by Midland

Property Description and exploration work on the property

During Q3-14, two new properties (Samson and La Peltrie) were acquired within the Abitibi Au project, and several other areas are being compiled and staked and will likely generate more new projects during Q4-14.

Samson Property Acquisition

This acquisition, by map designation, is a new property with strong gold and Ni-Cu-PGE potential, located about 5 kilometres south of the recent Ni-Cu-PGE and gold discovery made by Balmoral Resources Ltd ("Balmoral") on the Grasset project. Recently, Balmoral announced the discovery of a high-grade Ni-Cu-PGE zone, with values up to 1.79% Ni, 0.19% Cu, 0.42 g/t Pt, and 1.04 g/t Pd over 45.28 metres including an interval grading 10.6% Ni, 0.45% Cu, 2.04 g/t Pt, and 5.23 g/t Pd over 1.10 metres (see press release by Balmoral dated May 20, 2014).

This newly acquired property, wholly owned by Midland and called Samson, comprises 510 claims covering a surface area of about 280 square kilometres. Ninety (90) cells out of 528 are currently being processed by the Ministère des Ressources Naturelles and will be registered shortly. This property covers, over a strike length of more than 20 kilometres, a series of strongly magnetic sills located just south of the regional Lower Detour Fault, also known for its gold potential. In addition, lithogeochemistry data from historical drill holes indicate the presence of ultramafic sills, thus confirming the potential for magmatic Ni-Cu-PGE mineralization on the Samson property. Data from airborne input electromagnetic surveys indicate the presence of several conductors coinciding with magnetic sills, which have never been drill-tested and thus represent potential high-priority targets.

The Samson property is mainly underlain by tholeiitic basalts with felsic bands intruded by a series of mafic to ultramafic sills of the Brouillan North Group. A few historical drill holes dating from the year 2000 and bordering the Samson property yielded interesting gold values such as 9.94 g/t Au over 0.20 metre, 2.28 g/t Au over 1.70 metres, and 1.02 g/t Au over 5.90 metres (Source: Sigeom NTS sheet 32E16; GM 55989 and 58259).

La Peltrie Property Acquisition

This acquisition, by map designation is a new property with strong gold potential located near the regional Lower Detour Fault. This new wholly-owned gold property, named La Peltrie, is located about 25 kilometres east of the Lower Detour area, part of the Detour Lake property held by Detour Gold Corp. ("Detour Gold"). Recently, Detour Gold announced a series of significant drill intersections from the Lower Detour area, which is located about 6 kilometres south of the Detour Lake mine, currently in production and where mineral reserves total 15.5 Moz Au. Recent drill intersections reported in the Lower Detour area include significant gold grades reaching 11.82 g/t Au over 32.40 metres and 12.74 g/t Au over 28.0 metres (see press release by Detour Gold dated June 2, 2014).

Investing activities (Cont'd)

The La Peltrie property comprises 161 claims covering a surface area of about 90 square kilometres and encompasses possible subsidiary faults to the south of the regional Lower Detour Fault over a distance of more than 10 kilometres. In the 1960's, historical drill intersections located about 800 metres east of the property boundary yielded gold values grading up to 3.0 g/t Au over 2.0 metres and 4.0 g/t Au over 0,30 metre, in felsic breccias with pyrite and chalcopyrite mineralization (Source: SIGEOM NTS sheet 32E14; GM 22497).

This new property is mainly underlain by calc-alkaline mafic to felsic volcanic rocks of the Brouillan Group and tholeiitic mafic rocks of the Fénélon-Brouillan Group. It is located about 25 kilometres northwest of the former Selbaie mine, which historically produced 56.5 Mt of ore grading 1.9% Zn, 0.9% Cu, 38.0 g/t Ag and 0.6 g/t Au. In the western part of the property, tholeiitic mafic to intermediate volcanic rocks of the Enjalran-Bapst Group are intruded by a series of diabase dykes trending north-south. The granodioritic to dioritic Carheil syntectonic pluton lies in the central part of the property.

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 is now comprised of 212 claims covering an approximate area of 10,934 hectares. Some claims are subject to a 1% NSR royalty and the Corporation can buy back the royalty for \$500,000 per 0.5%. Some other claims are subject to a 0.5% NSR royalty and the Corporation can buy back this royalty for \$500,000.

On June 14, 2013, the Corporation acquired a 100% interest in a claim adjacent to the Weedon property in exchange for an NSR royalty on metals except gold and silver, the Corporation may buy back that royalty in total or in three tranches upon a payment of \$500,000 per 0.5% tranche for a total of \$1,500,000.

Exploration work on the property

A ground TDEM survey was completed in December 2013 in the vicinity of the Lingwick deposit. The TDEM survey identified a conductor at the southern limit of the grid. An extension of the grid towards the south would be necessary in order to characterize this conductor.

Five days of mapping and lithogeochemical sampling were completed during Q3-14. The final interpretation of these results is in progress.

Midland is currently seeking for a partner for this project.

Gatineau Zinc (Zn), operated by Midland

Property Description

Midland owns a 100% interest in a large land position for zinc, including 214 claims covering 12,516 hectares distributed in the Gatineau Area, approximately 200 kilometres northwest of the city of Montreal.

Exploration work on the property

No work conducted during YTD Q3-14 on the property.

Midland is currently seeking for a partner for this project

Midland Exploration Inc.
Management Discussion & Analysis
For the nine-month period ended June 30, 2014

Investing activities (Cont'd)

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 of 34 contiguous claims covering a total surface area of 1,985 hectares in joint venture 50/50 with Soquem. The property is subject to a 1% NSR royalty on specific claims, which can be purchased back for 500 000 \$ per each 0.5%.

Exploration work on the property

An IP survey was completed over the Cu-Au showing and its possible lateral extensions. Several chargeability anomalies have been detected and prospecting is proposed to try to explain these anomalies. Midland did not participate to the IP survey and has been diluted.

JAMES BAY

James Bay Gold (Au), operated by Midland

Property Description

Midland owns a 100% interest on 646 claims covering 32,643 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 km² are wholly owned by Midland.

Exploration work on the property

No work conducted on the property during YTD Q3-14.

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 was composed of 8 claims.

Exploration work on the property

No work conducted on the property during YTD Q3-14.

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 247 claims covering an area of approximately 12,863 hectares.

Exploration work on the property

Reinterpretation of the field data for a new geological map has begun and about 650 of 1000 samples of the database were treated. All data acquired since 2009 are being assembled and an exploration program including prospecting and trenching is in preparation.

A three weeks exploration field program, consisting mainly in prospection and mapping, will begin during the month of August 2014.

Midland Exploration Inc.
Management Discussion & Analysis
For the nine-month period ended June 30, 2014

Investing activities (Cont'd)

Bay James Fe (Fe) operated by Midland

Property Description

The Montagne-du-pin and Guyer properties consist in a total of 374 wholly owned claims covering 18,831 hectares and are located along the Trans-Taiga road, James Bay.

Exploration work on the property

No work conducted on the property during YTD Q3-14.

QUEBEC / LABRADOR

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

Property Description

The Ytterby Project comprises 151 claims in Quebec and 1,223 claims in Labrador located between 200 and 230 kilometres east and northeast of Schefferville.

Exploration work on the property

Discussions with 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 YTD Q3-14.

NORTHERN QUEBEC

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

Property Description

The property totals 477 claims covering approximately 12,336 hectares in the Labrador Trough («Trough») some 80 kilometres west of Kuujjuak, Québec. Staked in March and April, these new claims cover a large folded pluri-kilometric ultramafic-mafic complex known, in this section of the Trough, for its strong exploration potential for platinum group elements (« PGE »). From this acquisition, Midland currently control more than 120 kilometres of very prospective stratigraphy from where already 9 PGE + Au showings are documented (coming from the Québec Ministère des Ressources Naturelles et de la Faune SIGEOM database) and returned values ranging from 0.47 to 2.17 g/t PGE + Au also along several kilometres of documented mineralized horizons. On Midland Properties, all together, 16 grab samples are above 0.50 g/t PGE + Au including 6 samples with values above 1.00 g/t PGE + Au (« PGE + Au »).

Midland Exploration Inc.
Management Discussion & Analysis
For the nine-month period ended June 30, 2014

Investing activities (Cont'd)

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 spread as following:

	<u>Works</u>
	\$
On or before March 31, 2014 (completed)	250,000
On or before March 31, 2015	700,000
On or before March 31, 2016	<u>1,050,000</u>
Total	<u>2,000,000</u>

Midland will be operator as long as it will hold an interest equal to or higher than 50% in the project.

Exploration work on the property

Late in the 2013 summer, Midland has completed a short reconnaissance program on the project. In only a week of prospecting, several new PGE bearing outcrops were discovered with values as high as 3.9 g/t PGE plus gold (« PGE + Au »).

The three new PGE + Au occurrences discovered during this first phase exploration are named Ceres, Pilet and Gaspar. On all 3 occurrences, vari-textured gabbro (gabbro with textures and crystals varying in sizes) with sulfides dissemination was observed over several of meter (« m ») in thickness within layered gabbro. A similar reef-like unit is intimately associated with the main sulfide zone enrich in PGE + Au at the Great Dyke Deposit in Zimbabwe.

In one stop, 3 grab samples collected within 50 m of each other from the Ceres occurrence contained 2.9, 1.09 and 0.59 g/t PGE + Au respectively. This new mineralized trend, marked by a magnetic lineament, is located 4,400 m east and parallel to the Midland's Enish mineralized trend (1.29 g/t PGE + Au found by La Fosse Platine) which strongly suggests a structural repetition of the Montagnais sills and opens consequently new and very extensive prospective ground. Midland controls already a very large position in this area.

The Pilet occurrence, returning 2.17 g/t PGE + Au, is characterized by pyrrhotite-chalcopyrite dissemination hosted in layered intrusion comprising fine to medium grained gabbros and associated vari-textured gabbro including pegmatoidal portions. A grab sample taken 600 m along strike south returned 1.93 g/t PGE + Au while another one 75m to the north returned 0.56 g/t PGE + Au.

On the Gaspar occurrence (3.9 g/t PGE + Au), thirty four of sixty six grab samples collected along the 2,600 metres that forms the Gaspar-Pilet mineralized trend, returned values between 0.1 to 3.9 g/t PGE + Au with a 0.328 g/t PGE + Au average. In addition, some 14 kilometres north in the Itokawa Showing Area (1.73 g/t PGE + Au), several new significant PGE + Au bearing mineralized outcrops were also discovered with one returning 3.5 g/t PGE + Au. While prospecting farther along strike north, 5 grab samples returned 2.46, 1.54, 1.11, 0.99 and 0.77 g/t PGE + Au respectively. This mineralized trend has been traced over more than 250m.

Following the option agreement signature with JOGMEC, a detail airborne magnetic survey has been completed during this quarter ended March 31, 2014. 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.

Midland Exploration Inc.
Management Discussion & Analysis
For the nine-month period ended June 30, 2014

Investing activities (Cont'd)

The team mobilized at Kuujuaq on June 23rd. A thirty-five (35) days exploration program, consisting mainly in prospection and channel sampling, was completed during July and covered the main known PGE's showings discovered during 2013 (Ceres, Pilet, Gaspar, Itokawa, Paladin etc.,). Final assay results are pending and will be released during Q4-14.

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 2014, 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. On December 19, 2013, the Corporation completed a private placement by issuing 802,001 units at \$0.75 per unit and 833,286 flow-through shares at \$0.70 per share, for total gross proceeds of \$1,351,460. 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 \$1.00 until June 19, 2015.

As at June 30, 2014, the balance of flow-through financing not spent according to the restrictions imposed by the financing represents \$397,939 (none as of September 30, 2013). The Corporation has to dedicate these funds to Canadian exploration expenses.

Working capital

Midland has a working capital of \$3,486,092 as of June 30, 2014 (\$3,343,414 as of September 30, 2013).

	<u>Annualized</u>
Cash flow required	\$
Operating expenses, excluding non-cash items	812,000
Project management fees and interest income	(212,000)
Exploration budget paid by Midland (covering the exploration work requirements following the December 2013 flow-through private placement of \$749,959)	950,000
Staking and property maintenance	200,000
Total	<u>1,750,000</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.

Midland Exploration Inc.
Management Discussion & Analysis
For the nine-month period ended June 30, 2014

Summary of results per quarters

For the eight most recent quarters:

	June 30 2014	March 31 2014	December 31 2013	September 30 2013
	\$	\$	\$	\$
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
	June 30 2013	March 31 2013	December 31 2012	September 30 2012
	\$	\$	\$	\$
Revenues	1,194	5,518	9,622	54,502
Net loss	(110,868)	(225,479)	(244,960)	(292,131)
Loss per share	-	(0.01)	(0.01)	(0.01)
Total assets	9,897,527	10,041,598	10,343,353	7,929,796

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:

	Three-month period ended June 30		Nine-month period ended June 30	
	2014	2013	2014	2013
	\$	\$	\$	\$
Short-term benefits				
Salaries including bonuses and benefits	67,309	91,424	187,210	209,098
Professional fees	7,359	6,380	51,261	41,543
Salaries including bonuses and benefits capitalized in E&E expenses	33,440	54,340	97,280	118,320
Long-term benefits				
Stock-based compensation	63,949	63,372	133,154	151,966
Stock-based compensation capitalized in E&E expenses	10,642	10,444	22,043	24,812
Total compensation to key management	182,699	225,960	490,948	545,739

Midland Exploration Inc.
Management Discussion & Analysis
For the nine-month period ended June 30, 2014

Compensation to key management and related party transactions (Cont'd)

b) Related party transactions

In the normal course of operations, in addition to the amounts listed above in the compensation to key management, during YTD Q3-14:

- ◆ No shares options were exercised by key management (50,000 options exercised at a price of \$0.50 for YTD Q3-13);
- ◆ A firm in which an officer is a partner charged legal professional fees amounting to \$43,663 (\$74,526 in Q3-13) of which \$28,858 (\$41,139 in YTD Q3-13) was expensed and \$14,805 (\$33,387 in YTD Q3-13) was recorded as share issue expenses;
- ◆ A company controlled by an officer charged accounting professional fees of \$36,613 (\$36,780 in YTD Q3-13);
- ◆ In December 2013, directors and officers of the Corporation participated in private placements of flow-through shares for a total consideration of \$103,600 (\$97,598 in a private placement closed in December 2012).

As at June 30, 2014, the balance due to the related parties amounted to \$3,705 (\$2,028 as at June 30, 2013) and was recorded in accounts payable and accrued liabilities.

Subsequent events

There is not subsequent event to disclose on the date of this report.

Outstanding share data

	As of August 14, 2014	As of June 30, 2014
	<u>Number</u>	<u>Number</u>
Common shares	30,306,512	30,306,512
Warrants	401,001	401,001
Options	1,780,000	1,780,000
	<u>32,487,513</u>	<u>32,487,513</u>

Off-balance sheet arrangements

During YTD Q3-14, 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, 2014, 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, 2013.

Midland Exploration Inc.
Management Discussion & Analysis
For the nine-month period ended June 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, 2013.

Risk factors

There is no significant change relating to the risk factors since the annual MD&A of September 30, 2013.

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 14, 2014

(S) Gino Roger

Gino Roger
President Chief Executive Officer

(S) Ingrid Martin

Ingrid Martin
Chief Financial Officer

Midland Exploration Inc.

Corporate Information

Directors

Jean-Pierre Janson, Chairman of the board ^{1) 2)}
Gino Roger
Germain Carrière ^{1) 2) 3)}
Robert I. Valliant ^{1) 3)}
René Branchaud ³⁾

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

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Montreal, Quebec, H3B 2G4

Legal counsel

Lavery, de Billy, L.L.P.
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Montreal, Quebec, H3B 4M4

Transfer Agent

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Montreal, Quebec, H3A 3S8
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