



Midland Exploration Inc.

Management's Discussion and Analysis
Quarterly Highlights

Six months ended March 31, 2018

Midland Exploration Inc.

Management Discussion & Analysis – Quarterly Highlights

Six months ended March 31, 2018

The following quarterly highlights management discussion and analysis (the “MD&A Highlights”) 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 Q2-18 YTD. This MD&A Highlights should be read in conjunction with the Corporation’s condensed interim financial statements as at March 31, 2018 prepared in accordance with the International Financial Reporting Standards (“IFRS”), as well as with the management discussion and analysis for the year ended September 30, 2017. All figures are in Canadian dollars unless otherwise noted.

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 found on www.sedar.com.

Abbreviation	Period
Q1-17	October 1, 2016 to December 31, 2016
Q2-17	January 1, 2017 to March 31, 2017
Q2-17 YTD	October 1, 2016 to March 31, 2017
Q3-17	April 1, 2017 to June 30, 2017
Q4-17	July 1, 2017 to September 30, 2017
Fiscal 17	October 1, 2016 to September 30, 2017
Q1-18	October 1, 2017 to December 31, 2017
Q2-18	January 1, 2018 to March 31, 2018
Q2-18 YTD	October 1, 2017 to March 31, 2018
Q3-18	April 1, 2018 to June 30, 2018
Q4-18	July 1, 2018 to September 30, 2018
Fiscal 18	October 1, 2017 to September 30, 2018

1. 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. The Corporation’s shares are listed on the TSX Venture Exchange (the “Exchange”) under the MD ticker.

2. OVERALL PERFORMANCE

Midland has a working capital of \$11,507,326 as of March 31, 2018 (\$12,630,496 as of December 31, 2017), which will allow the Corporation to execute its exploration program for at least the next three years.

In November 2017, the Corporation completed private placements by issuing 1,692,854 flow-through shares respectively at \$1.35 per share, for total gross proceeds of \$2,285,354. The balance on flow-through financing not spent according to the restrictions imposed by this financing represents \$1,370,348 as at March 31, 2018.

On May 3, 2018, 1,522,000 warrants were exercised at \$1.15 for total gross proceeds of \$1,750,300.

As operator, Midland incurred exploration expenditures totalling \$2,106,507 (\$2,661,245 in Q2-17 YTD), on its properties of which \$883,383 was recharged to its partners (\$727,818 in Q2-17 YTD). The operating partners incurred \$351,255 of exploration expenses (\$539,252 in Q2-17 YTD). Also, the Corporation invested \$173,464 (\$354,510 in Q2-17 YTD) to complete several property acquisitions in Quebec of which \$25,688 was recharged to its partners (\$30,189 in Q2-17 YTD).

Midland Exploration Inc.

Management Discussion & Analysis – Quarterly Highlights

Six months ended March 31, 2018

2. OVERALL PERFORMANCE (CONT'D)

The Corporation reported a loss of \$495,828 in Q2-18 YTD compared to \$553,314 for Q2-17 YTD. Operating expenses are stable at \$407,775 (\$405,741 in Q2-17 YTD). A favorable change in fair value of listed shares (non-cash) of \$27,000 was recorded on the Niobay Metals Inc. shares received as part of the La Peltrie option agreement. A \$270,720 (\$197,020 in Q2-17 YTD) recovery of deferred income taxes was recognized to record the amortization, in proportion of the work completed, of the premium related to flow-through shares renunciation following the November 2017 private placement (November 2016 and March 2017 in Q2-17 YTD).

Midland Exploration Inc.

Management Discussion & Analysis – Quarterly Highlights

Six months ended March 31, 2018

3. EXPLORATION ACTIVITIES

Deferred exploration expenses Q2-18 YTD	Balance beginning	Geology	Geophysics	Drilling	Geo-chemistry	Line cutting	Sub total	Stock-based compen-	Recharge	Tax credits	Option payment	Write-off	Net change	Balance end
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Abitibi														
Maritime Cadillac	292,271	739	-	13,000	-	-	13,739	1,080	-	-	-	-	14,819	307,090
Laflamme Au	2,202,064	25,433	96,909	-	292	-	122,634	2,236	-	-	-	-	124,870	2,326,934
Patris Au	221,844	944	-	944	-	-	1,888	-	(944)	-	-	-	944	222,788
Casault Au	963,965	65,161	-	517,398	39,373	-	621,432	7,315	(185,966)	(52,947)	-	-	390,334	1,354,299
Jouvex Au	412,833	-	-	-	-	-	-	129	-	-	-	-	129	412,962
Heva Au	261,985	4,383	-	-	-	-	4,383	-	(3,490)	-	-	-	893	267,264
Valmond Au	124,314	-	-	-	-	-	-	-	-	-	-	-	-	124,314
Samson Au	83,411	16,655	35,761	260	-	-	56,676	99	-	(40)	-	-	52,735	136,146
La Peltrie	1,067,584	28,204	60,696	428,549	26,733	17,831	562,013	5,080	(562,013)	-	-	-	5,080	1,072,664
Adam	131,155	8,339	-	407	-	18,750	27,496	1,382	-	(802)	-	-	28,076	159,231
Abitibi Au	203,470	12,059	-	-	-	-	12,059	99	-	(1,347)	-	-	10,811	214,281
Grenville-Appalaches														
Weedon Cu Zn Au	626,897	-	-	-	-	-	-	1,000	-	-	-	-	1,000	627,897
Gatineau Zn	44,005	66	2,899	-	-	-	2,965	-	-	(7)	-	-	2,958	46,963
Bay-James														
James Bay Au	362,595	19,752	-	-	-	-	19,752	887	-	(575)	-	-	20,064	382,659
Eleonore Au	1,723,519	26,533	-	-	292	-	26,825	1,716	-	(2,260)	-	-	26,281	1,749,800
JV Eleonore Au	291,282	18,617	69,154	-	373	-	88,144	4,083	-	-	-	-	92,227	383,509
JV BJ Altius	162,781	130,108	101,139	-	30,693	-	261,940	3,035	(130,970)	(56,092)	-	-	77,913	240,694
Northern Quebec														
Pallas PGE	538,746	-	-	-	-	-	-	1,068	-	-	-	-	1,068	539,814
Willbob Au	2,126,873	39,753	-	14,006	24,633	-	78,392	14,704	-	(16,674)	-	-	76,422	2,203,295
Soissons	-	6,000	-	-	-	-	6,000	-	-	-	-	-	6,000	6,000
Projects generation														
	91,166	24,145	179,524	-	-	-	203,669	1,170	-	(4,319)	-	(194)	200,326	291,492
TOTAL	11,932,760	426,891	546,082	974,564	122,389	36,581	2,106,507	49,469	(883,383)	(135,063)	-	(194)	1,137,336	13,070,096

Midland Exploration Inc.

Management Discussion & Analysis – Quarterly Highlights

Six months ended March 31, 2018

3. EXPLORATION ACTIVITIES (CONT'D)

Deferred exploration expenses Q2-17 YTD	Balance beginning	Geology	Geophysics	Drilling	Geo-chemistry	Line cutting	Sub total	Stock-based compensation	Recharge	Tax credits	Option payment	Write-off	Net change	Balance end
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Abitibi														
Maritime Cadillac	236,090	160	-	33,638	-	-	33,798	476	-	(54)	-	-	34,220	270,310
Laflamme Au	1,893,853	13,608	35,692	181,243	4,196	-	234,739	5,418	-	(216)	-	-	239,941	2,133,794
Patris Au	221,646	3,486	-	2,939	-	-	6,425	198	(6,425)	-	-	-	198	221,844
Casault Au	352,708	38,567	95,494	610,573	2,419	18,533	765,586	10,767	(382,496)	(2,213)	-	-	391,644	744,352
Jouvex Au	351,966	2,806	87,704	-	-	20,923	111,433	1,401	(55,716)	(217)	-	-	56,901	408,867
Heva Au	157,076	44,123	12,157	-	3,609	35,580	95,469	3,956	-	(9,310)	-	-	90,115	247,191
Valmond Au	120,742	-	-	-	-	-	-	-	-	-	-	-	-	120,742
Samson Au	78,203	850	-	259	-	-	1,109	1,018	-	-	-	-	2,127	80,330
La Peltrie	652,484	28,610	293,565	461	-	49,275	371,911	7,614	-	(413)	-	-	379,112	1,031,596
Adam	42,841	6,608	55,435	4,221	-	-	66,264	476	-	-	-	-	66,740	109,581
Abitibi Au	173,644	7,928	4,050	-	-	-	11,978	893	-	(861)	-	-	12,010	185,654
Grenville-Appalaches														
Weedon Cu Zn Au	523,230	18,568	7,000	-	20,873	-	46,441	1,759	-	(1,578)	-	-	46,622	569,852
Gatineau Zn	29,024	4,910	-	-	-	-	4,910	-	-	-	-	-	4,910	33,934
Bay-James														
Bay-James Au	261,886	11,783	-	-	-	-	11,783	-	-	-	-	-	11,783	273,669
Eleonore Au	1,629,303	1,485	-	-	-	-	1,485	2,746	-	(224)	-	-	4,007	1,633,310
JV Eleonore Au	124,692	135,630	-	-	-	-	135,630	10,777	-	(40,611)	-	-	105,796	230,488
JV JB Altius	-	9,276	-	-	-	-	9,276	1,212	(4,638)	-	-	-	5,850	5,850
Québec Labrador														
Ytterby ETR	183,583	-	-	-	-	-	-	-	-	-	-	-	-	183,583
Northern Quebec														
Pallas PGE	369,500	52,364	-	474,576	32,084	-	559,024	3,709	(278,543)	(99,436)	-	-	184,754	554,254
Willbob Au	565,271	92,287	-	45,198	55,227	-	192,712	29,566	-	(59,909)	-	-	162,369	727,640
Projects generation	74,069	1,272	-	-	-	-	1,272	-	-	-	-	-	1,272	75,341
TOTAL	8,041,811	474,321	591,097	1,353,108	118,408	124,311	2,661,245	81,986	(727,818)	(215,042)	-	-	1,800,371	9,842,182

Midland Exploration Inc.

Management Discussion & Analysis – Quarterly Highlights

Six months ended March 31, 2018

3. EXPORATION ACTIVITIES (CONT'D)

Exploration and evaluation expenses	Actual Q2-17 YTD			Actual Q2-18 YTD			Budget Fiscal 18		
	Midland	Partner	Total	Midland	Partner	Total	Midland	Partner	Total
Properties	\$	\$	\$	\$	\$	\$	\$	\$	\$
100% owned by Midland									
Abitibi Au	11,978	-	11,978	12,059	-	12,059	30,000	-	30,000
Valmond	-	-	-	-	-	-	5,000	-	5,000
Samson	1,109	-	1,109	52,676	-	52,676	100,000	-	100,000
Adam	66,264	-	66,264	27,496	-	27,496	100,000	-	100,000
Weedon Cu-Zn-Au	46,441	-	46,441	-	-	-	60,000	-	60,000
Gatineau Zn	4,910	-	4,910	2,965	-	2,965	5,000	-	5,000
James Bay Au	11,783	-	11,783	19,752	-	19,752	300,000	-	300,000
Éléonore Au	1,485	-	1,485	26,825	-	26,825	100,000	-	100,000
Willbob	192,712	-	192,712	78,392	-	78,392	2,000,000	-	2,000,000
Pallas PGE Jogmec	280,481	278,543	559,024	-	-	-	5,000	-	5,000
Soissons	-	-	-	6,000	-	6,000	-	-	-
Project generation	1,272	-	1,272	203,669	-	203,669	120,000	-	120,000
	618,435	278,543	896,978	429,834	-	429,834	2,825,000	-	2,825,000
With option, operated by Midland and paid by partner									
La Peltrie	371,911	-	371,911	-	562,013	562,013	-	500,000	500,000
With option, operated and paid by partner									
Patris – Teck	-	375,815	375,815	944	944	1,888	-	15,000	15,000
Heva Au	95,469	-	95,469	893	252,031	252,924	-	500,000	500,000
	95,469	375,815	471,584	1,837	252,975	254,812	-	515,000	515,000
In joint venture									
Maritime-Cadillac AEM 51\$	33,798	33,638	67,436	13,739	14,300	28,039	100,000	100,000	200,000
Vermillon – Soquem 53,4%	-	-	-	236	270	506	5,000	5,000	10,000
Laflamme Au– Abcourt 26,5%	234,739	-	234,739	122,634	-	122,634	200,000	-	200,000
Casault – Soquem 50%	383,090	383,090	766,180	435,966	185,966	621,932	300,000	300,000	600,000
Jouvex – Soquem 50%	55,717	55,716	111,433	-	-	-	100,000	100,000	200,000
JV Eleonore 50%	135,630	135,630	271,260	88,144	88,144	176,288	275,000	275,000	550,000
JV BJ Altius 50%	4,638	4,638	9,276	130,970	130,970	261,940	300,000	300,000	600,000
	847,612	612,712	1,460,324	791,689	419,650	1,211,339	1,280,000	1,080,000	2,360,000
Grand total	1,933,427	1 267,070	3,200,497	1,223,360	1,234,638	2,457,998	4,105,000	2,095,000	6,200,000

Midland Exploration Inc.

Management Discussion & Analysis – Quarterly Highlights

Six months ended March 31, 2018

3. EXPLORATION ACTIVITIES (CONT'D)

When the work is done and paid by the partners, the expenses are not included in the Midland accounts. The previous table shows all the work being done on Midland's properties including work done and paid by operating partners. This table excludes stock-based compensation that has been capitalized.

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

HIGHLIGHTS

- ***Drilling programs ongoing on Vortex (Casault) and Maritime-Cadillac***
- ***Several geophysical surveys completed in the Abitibi; VTEM in progress***
- ***New acquisition for Ni-Cu-Co in the Churchill geological province (Soissons)***

ABITIBI

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

Exploration work on the property

During Q1-18, Agnico Eagle finalized the drilling targets and permitting in preparation for the next drilling program scheduled to start during Q2-18. The objective of this new program, initially comprising two to three drill holes totalling 1,000 to 1,500 metres, is to test the potential depth extensions of the gold-bearing zone intersected in drill hole 141-17-36 on the historic Maritime-Cadillac showing. This drill hole intersected an interval grading 1.46 g/t Au over 31.6 metres, from 112.80 to 144.40 metres, including 2.2 g/t Au over 15.6 metres at a vertical depth of approximately 100 metres. This zone included several higher-grade sections, namely 4.3 g/t Au over 0.9 metre (124.1 to 125.0 m), 3.4 g/t Au over 1.0 metre (126.0 to 127.0 m), and 5.7 g/t Au over 0.6 metre (135.0 to 135.6 m) (*Note that results are reported as core lengths and that true thicknesses cannot be determined at this time with the information currently available*).

During Q2-18, one drill hole was completed and another one is in progress at 801.0 metres for a total of approximately 1,325 metres. Hole 141-18-38 intersected the Maritime-Cadillac zone between 486.3 and 493.0 metres. The zone consists in a felsic-intermediate dyke mineralized with traces to 1% pyrite and arsenopyrite. Assays are pending

3.2 Laflamme (Au-Ni-Cu-PGE), in partnership with Abcourt Mines Inc. and operated by Midland

Exploration work on the property

During Q2-18, a heliborne magnetic survey was completed over the southern claim block. Several lineaments were interpreted as structural features within the felsic intrusion.

Also, a ground SQUID-EM survey was completed and covered the ultramafic unit identified east of the Copernick zone. A weak conductor was identified to the east of Copernick on the preliminary data and could be related to weakly connected or veinlets of sulphides. A final interpretation is in progress.

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

Exploration work on the property

During Q1-2018, a diamond drilling campaign consisting of five (5) drill holes with a minimum spacing of 100 metres between drill holes and totalling 1,638.0 metres was completed on the Casault property. During this campaign, a significant gold system including four (4) new parallel gold zones, named Vortex 475, 450, 435 and 425, was identified. The envelope encompassing these mineralized zones forms a corridor approximately 50 metres wide.

Midland Exploration Inc.

Management Discussion & Analysis – Quarterly Highlights

Six months ended March 31, 2018

3. EXPLORATION ACTIVITIES (CONT'D)

The most important gold zone identified to date at Vortex, Zone 450, was intersected at shallow vertical depth (75 to 250 metres) in all the drill holes of this campaign, over a strike length of at least 500 metres. The zone trends east-west and is steeply dipping to the north; it remains open in all directions.

Zone Vortex 450 (best results)

- 1.38 g/t Au over 26.5 m, incl. 7.87 g/t Au over 2.2 m, incl. 14.55 g/t Au over 0.8 m (CAS-17-96)
- 1.30 g/t Au over 23.5 m, incl. 3.46 g/t Au over 6.0 m, incl. 23.6 g/t Au over 0.5 m (CAS-17-95)
- 2.10 g/t Au over 6.7 m, incl. 6.82 g/t Au over 0.4 m and 5.58 g/t Au over 0.4 m (CAS-17-93)
- 1.91 g/t Au over 7.2 m, incl. 5.18 g/t Au over 1.4 m (CAS-17-94)

Zone 435, located approximately 15 metres south of Zone 450, was intersected mainly to the west, in drill holes CAS-17-93 and CAS-17-94. This zone remains open to the west and at depth.

Zone Vortex 435 (best results)

- 3.50 g/t Au over 2.8 m, incl. 5.0 g/t Au over 0.95 m (CAS-17-93)

In addition to zones 450 and 435, two other zones with anomalous gold values (475 and 425) were intersected in a few drill holes, approximately 25 metres north of Zone 450 and approximately 10 metres south of Zone 435 respectively. Drill hole CAS-17-96 intersected an interval grading 18.7 g/t Au over 0.50 metre in Zone 475.

This drilling campaign, completed in the fall of 2017, targeted the strike extensions of a new gold zone that was initially identified in drill hole CAS-17-86 on section 628 100E near the Sunday Lake. This drill hole intersected a gold-bearing interval grading 3.1 g/t Au over 1.40 metres (180.50 to 181.90 m), including 3.94 g/t Au over 0.90 metre (181.00 to 181.90 m). This zone was included within a wider envelope with anomalous gold values and strong hematite, carbonate and albite alteration that graded 0.56 g/t Au over 16.0 metres, from 180.50 to 196.50 metres.

Following this discovery, a new drilling program has been approved and will be completed during Q3-18. This program will consist in a minimum of nine (9) drill holes totalling approximately 3,500 metres and its main objective will be to test the strike extensions of the Vortex zone at a 100-metre spacing to the east, and a 200-metre spacing to the west. The program will also test the continuity of the Vortex zone at a vertical depth of 250 metres, below drill holes CAS-17-93, CAS-17-95 and CAS-17-96. Subsequent to this campaign, which began in April due to lack of available drills, the Vortex zone will have been tested over a strike length of more than 800 metres and to vertical depths ranging from the surface to approximately 250 metres. This campaign is also expected to result in the identification of new vectors to locate the core of this major gold system.

This program is still ongoing and will be completed during Q3-18; all assay results should be received by the end of May.

3.4 Heva (Au), in partnership with IAMGOLD and operated by IAMGOLD

Property description

On May 1, 2018, the Corporation signed an amendment to the May 27, 2017 option agreement with IAMGOLD Corporation ("IAMGOLD") whereby IAMGOLD will have till December 31, 2018 to make the \$70,000 cash payment and the \$500,000 work commitment of the first anniversary.

Exploration work on the property

During Q1-18, IAMGOLD completed a drilling program consisting in five (5) holes totalling 1,390 metres. This program tested the best structural, geological and geophysical (IP-Mag) targets identified during the compilation phase.

Midland Exploration Inc.

Management Discussion & Analysis – Quarterly Highlights

Six months ended March 31, 2018

3. EXPLORATION ACTIVITIES (CONT'D)

IAMGOLD provided the complete and final results of their drilling program that was completed in December. Unfortunately, no significant results were obtained but some small anomalous intervals were intersected. The best result returned 2.28 g/t Au over 1.15 metre in hole HV-17-04 and 0.97 g/t Au over 2.30 metres in hole HV-17-03.

3.5 La Peltrie (Au), in partnership with Niobay and operated by Midland

Exploration work on the property

During Q1-18, a drilling program comprising seven (7) drill holes totalling 1,881.0 metres was completed. This program tested the best IP-OreVision targets identified on the West and Central grids. Final and complete assays are pending.

An interpretation of the VTEM survey was completed by consultant Marc Boivin. He proposed ten (10) targets to be followed-up with TDEM ground surveys. Following internal discussions, one grid (VTEM LAP-1-2-4) was selected and extended for a follow-up. The TDEM survey was completed during December and a strong conductor was detected.

3.6 Valmond (Au), operated by Midland

Exploration work on the property

A ground magnetic survey was completed on Valmond during Q2-18. This survey covered the NW extension of the main showing. No significant magnetic feature was identified.

3.7 Samson Ni-Cu-PGE, operated by Midland

Exploration work on the property

A ground Armit-EM survey was completed on three grids during Q2-18 in order to cover three structurally complex areas having weak airborne conductors. The final report and the interpretation are pending.

3.8 Adam Cu-Au, operated by Midland

Exploration work on the property

During Q2-18, an IP-OreVision survey was completed on Adam. The three grids covered the southern portion of the property where historical till gold anomalies had been identified. The survey also targeted some unexplained VTEM conductors. The final results are pending.

3.9 Abitibi Gold (Au), operated by Midland

Property description

On March 28, 2018, the Corporation signed an agreement whereby it sold 17 claims for \$8,000 cash and a 2% net smelter return (“NSR”) royalty.

Exploration work on the property

An important VTEM survey is in progress over the Mistouac and Turgeon properties located in the vicinity of the Casa Berardi mine. Final results are pending.

GRENVILLE-APPALACHES

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

Exploration work on the property

A till geochemical survey was completed during Q1-18 to the north-east of the Weedon mine.

Midland Exploration Inc.

Management Discussion & Analysis – Quarterly Highlights

Six months ended March 31, 2018

3. EXPLORATION ACTIVITIES (CONT'D)

The till survey identified a new unexplained gold and zinc anomaly to the northwest of the Lingwick deposit. A follow-up program for the next summer is in preparation.

3.11 Gatineau Zinc (Zn), operated by Midland

Exploration work on the property

A gravimetric survey was completed during Q2-18 on the Bouchette property. The final results and the report are pending.

JAMES BAY

3.12 James Bay Gold JV (Au), operated by Osisko

Exploration work on the property

During Q1-18, Osisko Mining Inc. ("Osisko") prepared a ground geophysical survey (IP-OreVision) in order to try to find the source of the Cu-rich boulders found in prospecting during the summer of 2017. This important IP-OreVision survey will be completed during Q2-18. Four (4) diorite boulders sampled in 2016 and 2017 returned 8.28% Cu, 6.85% Cu, 4.54% Cu and 3.45% Cu in grab samples. Mineralisation consists in decimeter-thick, disseminated chalcopyrite ribbons in the boulders. The Cu±Mo±Ag±Bi geochemical signature of the boulders and the dioritic host rock suggest a porphyry copper system. These boulders are all found within a 100 meters diameter zone, which suggests a local source. Pyrrhotite-bearing diorite outcrops were observed near the boulders but the source of the copper mineralization has not been found yet.

During Q2-18, the IP-OreVision survey was completed in the Cu-rich boulders field area. Final results from Osisko are pending and will be presented during the next technical meeting in May.

3.13 JV JB Altius, I partnership with Altius, operated by Midland

Exploration work on the property

Midland and its partner Altius held a technical meeting where the strategy for 2018 was discussed. Midland will generate another list of exploration targets that will be verified in the field during next summer. Also, additional trenching and prospecting will be conducted on the Shire-Zn and Moria-Ni 2017 discoveries. In the meantime, Midland and Altius started the marketing of those discoveries in order to try to find new partners for those projects (third parties).

A technical meeting will be held with Altius during May in order to finalize the exploration plan for the summer.

3.14 Éléonore Gold Properties (Au), operated by Midland

Exploration work on the property

No exploration work conducted during Q2-18. Midland is preparing the next summer field program.

3.15 James Bay Gold (Au), operated by Midland

Exploration work on the property

No exploration work conducted during Q2-18. Midland is preparing the next summer field program.

Midland Exploration Inc.

Management Discussion & Analysis – Quarterly Highlights

Six months ended March 31, 2018

3. EXPLORATION ACTIVITIES (CONT'D)

NORTHERN QUEBEC

3.16 Willbob (Au), operated by Midland

Property description

On October 2, 2017, the Corporation signed an acquisition agreement whereby it acquired 9 claims for a \$10,000 cash payment and a 2% net smelter return (“NSR”) royalty of which 1% can be bought back for a payment of \$1,000,000.

Exploration work on the property

During Q1-18, Midland received the complete and final assay results of the fall prospecting program and released the results of the drilling campaign.

Prospecting Highlights

The Wayne showing was first identified in August 2017, with two grab samples separated by about 200 meters that returned 32.7 g/t Au and 2.47 g/t Au, in an area that was not explored previously. First, an elevated value of 250.10 g/t Au was obtained from a single, isolated sample located about 225 meters south-east of the initial 32.7 g/t Au value. Re-sampling of the original 32.7 g/t Au sample yielded 6.54 g/t Au, while values of 40.10 g/t Au, 24.80 g/t Au, 1.94 g/t Au, 1.81 g/t Au, 1.56 g/t Au were obtained from grab samples collected in a 10 meters radius around the original sample. Another grab sample collected about 25 meters south also yielded 1.15 g/t Au. Mineralisation in the Wayne showing area consists in a quartz diorite that contains numerous mm- to cm-thick quartz veinlets; the veinlets and the wallrock are mineralized in pyrrhotite with usually no arsenopyrite. Ten (10) samples out of 29 samples collected from the Wayne area yielded more than 1 g/t Au, with three additional ones yielding between 0.1 and 1 g/t Au.

The new Didgeridoo gold zone is located about 15 kilometers southeast of Osisko/Barrick’s Pump Pad Ridge gold showing, and about 70 kilometers south of Midland’s Golden Tooth zone. It is part of a new claim block staked in January 2017. Channel samples on Didgeridoo yielded 1.37 g/t Au / 6.1 m. Several grab samples collected north and south of this channel along the zone also yielded significant gold values: 2.77 g/t Au, 1.82 g/t Au and 0.62 g/t Au located between 15 and 40 meters north of the channel, and 2.35 g/t Au, 1.35 g/t Au, 1.235 g/t Au, 1.20 g/t Au and 0.63 g/t Au from 15 to 25 meters south. *Note that grab samples are selective by nature and values reported may not be representative of mineralized zones.* The Didgeridoo zone appears to be at least 60 meters long by 5 to 10 meters wide, and is open to the south. It is a shear zone with abundant fault-filling quartz-calcite veins and veinlets, along with minor disseminated pyrrhotite within the veins and in the strongly chloritized host gabbro. Six (6) grab samples out of 19 at Didgeridoo yielded more than 1 g/t Au, and four (4) samples also yielded between 0.1 and 1.0 g/t Au. Following the discovery, Midland acquired 8 adjacent claims that contain an historical gold showing that returned up to 2.8 g/t Au in grab sampling, located on-strike about 500 meters northwest of Didgeridoo.

Several additional gold showings were also discovered in the Fall 2017 campaign and include (grab samples): the Cross Lake Showing (8.82 g/t Au, 39.20 g/t Ag; 1.28 g/t Au; 1.03 g/t Au), the Nak showing (6.26 g/t Au), the Lac H showing (1.75 g/t Au) and the West Smokey Bear showing (2.35 g/t Au; 2.21 g/t Au; 2.16 g/t Au; 1.23 g/t Au).

Highlights of the 2017 drilling campaign

The objective of the 2017 drilling campaign was primarily to test several arsenopyrite-bearing gold showings within shear zones, found in the northern corner of the project (Golden Tooth, Polar Bear, GTN, Kuni and Kuurok showings). A total of ten (10) holes totalling 3116 meters tested these shear zones. One (1) hole 189 meters deep tested the quartz-ankerite brittle veins and breccias of the Sunshine showing. Three (3) more holes also tested the Stars gold-bearing volcanogenic massive sulfide prospect at a very shallow depth (less than 25m vertical depth), for a total of 186 meters.

Midland Exploration Inc.

Management Discussion & Analysis – Quarterly Highlights

Six months ended March 31, 2018

3. EXPLORATION ACTIVITIES (CONT'D)

Drillhole WB-17-18 tested the Sunshine showing (up to 7.16 g/t Au in surface grab sampling in 2016). Sunshine represents a different mineralization style compared to the arsenopyrite-bearing shear zones mentioned previously; it contains no arsenopyrite and is hosted within brittle structures and breccias instead of ductile-brittle shears. WB-17-18 intersected three gold-bearing intervals: 36.40 g/t Au / 0.50 m, 1.99 g/t Au / 0.45 m, and 0.50 g/t Au / 1.05 m, all found between 96.35 and 107.55 meters. *Unless otherwise stated, all drill intersections reported in this report are apparent thicknesses; true thicknesses cannot be determined at this time for most intersections.* Mineralization consists in a non-sheared, altered diorite containing un-mineralized quartz veins, with pyrite and pyrrhotite in the wallrock of the veins. Hole WB-17-18 confirms that the Sunshine showing is a newly recognized mineralization style that has the potential for high gold grades. The mineralized zone intersected in WB-17-18 is still open in all directions.

Holes WB-17-09, 10 and 11 tested the extensions of the Golden Tooth gold-arsenopyrite shear zone that returned up to 3.1 g/t Au / 1.7 m in 2016 drilling. All three holes successfully intersected the zone. Hole WB-17-11 tested the zone on a section located 100m northwest of WB-16-05, and yielded 2.23 g/t Au / 1.25 m (0.91 m true width). Hole WB-17-09 tested the southwestern extension of the zone at depth, and returned 0.422 g/t Au / 2.15 m (1.32 m true width) between 280.85 and 283 meters. Finally, hole WB-17-10 tested the zone on a section 100 meters southeast of WB-16-07; it yielded 0.81 g/t Au / 1.95 m (1.43 m true width). The Golden Tooth zone was demonstrated to be at least 250 meters long on surface, continuous over more than 300 meters downdip, and is still open in all directions. Field and core observations indicate it is a classic, orogenic-style, gold-arsenopyrite shear zone, typical of many major gold deposits worldwide.

Hole WB-17-13 tested the Kuurok arsenopyrite-bearing shear zone (up to 14.5 g/t Au in grab sample); it yielded 3.50 g/t Au / 0.35 m. In the Polar Bear area, hole WB-17-14 intersected an arsenopyrite-bearing shear zone near a diorite/mudstone contact that yielded 0.73 g/t Au / 2.7 m. In the Kuni area, numerous quartz-arsenopyrite tension veins scattered over tens of meters yielded 1.82 g/t Au / 0.55 m, 2.54 g/t Au / 0.35 m meters as well as many weakly anomalous Au values.

Holes WB-17-20, 21 and 22 tested the Stars gold-bearing massive sulfide prospect at a very shallow depth (maximum of 25 meters vertical depth). Holes WB-17-21 and 22 were drilled from the same drill setup but at different angles. Both holes intersected the massive sulfide lens. WB-17-21 yielded 0.40 g/t Au, 0.79% Cu and 0.046% Co / 1.9 m, in pyrrhotite-rich massive sulfides. WB-17-22 yielded 0.49 g/t Au, 0.59% Cu and 0.042% Co / 4.55 m, including 2.56 g/t Au, 0.51% Cu and 0.153% Co over 0.45 m in pyrite-rich massive sulfides. A section of sulfides-rich black shales further down also yielded 0.28 g/t Au / 5.65 m. Hole WB-17-20, drilled on a section 25 meters to the southeast, narrowly missed the massive sulfide lens because of a surface erosion feature.

During Q2-18, Midland started the preparation and logistics for the next summer program that will consist in prospecting, channel sampling followed during the fall by a drilling program to test the best summer discoveries.

3.17 Soissons (Ni-Cu-Co), operated by Midland

Exploration work on the property

During Q2-18, Midland announced the acquisition by map staking of a new, 100% owned, nickel-copper-cobalt project in the Churchill geological province, Quebec. This new project consists of a total of 175 claims covering about 82 square kilometers and is located approximately 150 kilometers southeast of the town of Kuujuaq, Quebec.

Midland Exploration Inc.

Management Discussion & Analysis – Quarterly Highlights

Six months ended March 31, 2018

3. EXPLORATION ACTIVITIES (CONT'D)

The new project, called Soissons, covers a series of Ni-Cu-Co showings associated with two distinct troctolite to olivine-bearing gabbro-norite intrusions (Soissons intrusive suite). Work done in 2000 and 2001 by previous explorers revealed the following Ni-Cu-Co grades in grab samples: 1.22% Ni, 0.5% Cu, 0.06% Co; 1.03% Ni, 0.47% Cu, 0.05% Co (Papavoine showing); 0.63% Ni, 0.15% Cu, 0.04% Co (A14-1W showing); 0.67% Ni, 0.43% Cu, 0.05% Co (A14-1E showing); 0.30% Ni, 0.29% Cu, 0.03% Co (A17-1 showing) (note that grab samples are selective by nature and may not be representative of mineralized zones). A limited drilling campaign in 2001 (9 drill holes) also revealed the following intersections: 1.07% Ni, 0.23% Cu, 0.09% Co / 0.75m; 0.55% Ni, 0.43% Cu, 0.03% Co / 1.7m (Papavoine); 0.57% Ni, 0.29% Cu, 0.03% Co / 1.0m (Papavoine West) (note that the true thicknesses of the mineralized intervals are still undetermined). Drilling also returned several significant intervals of disseminated sulfides with Ni values between 0.1% and 0.2% over tens of meters. Re-examination of historical borehole geophysical surveys indicates that several very promising off-hole electromagnetic anomalies remain untested in the extensions of these mineralized intervals.

4. RISK FACTORS AND FORWARD LOOKING INFORMATION

For the risk factors and forward looking information, refer to the annual management discussion and analysis of September 30, 2017.

May 10, 2018

(s) Gino Roger

Gino Roger
President and CEO

(s) Ingrid Martin

Ingrid Martin
CFO

Midland Exploration Inc.

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Notes:

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

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