Musgrove Minerals Corp.

Management Discussion and Analysis
Three and Six Months Ended May 31, 2016

Date and Subject of the Report

The following Management's Discussion & Analysis ("MD&A") is intended to assist in the understanding of the trends and significant changes in the financial condition and results of the operation of Musgrove Minerals Corp. ("Musgrove" or the "Company") for three and six months ended May 31, 2016. This MD&A is presented in Canadian Dollars and has been prepared effective as of July 20, 2016.

This MD&A should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the same period and the audited annual consolidated financial statements for the recent year ended November 30, 2015 which have been prepared in accordance with International Financial Reporting Standards ("IFRS") and presented in Canadian Dollars.

The Company consolidated its common shares on a three to one basis on June 15, 2015. All share and per-share amounts in this MD&A have been adjusted to reflect this stock consolidation.

Additional information relating to the Company is available *on the SEDAR website at www.sedar.com*

FORWARD LOOKING STATEMENTS

Except for statements of historical fact relating to the Company, certain information contained herein constitutes forward-looking statements. Forward-looking statements are generally, but not always, identified by the use of forward-looking terminology such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "projects", "potential", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will be taken", "occur" or "be achieved".

Forward-looking statements are based on the opinions and estimates of management on the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include the inherent risks involved in the exploration and acquisition of resources properties, the uncertainties involved in interpreting drilling results and other geological data, fluctuating metal prices, the possibility of project cost overruns or unanticipated costs and expenses, changes in and the effect of government policies, the ability to obtain required permits, delays in exploration projects and the possibility of adverse development in the financial markets, uncertainties relating to the availability and costs of financing needed in the future, and other factors described in this report. Although the Company believes the expectations expressed in its forward-looking statements are based on reasonable assumptions, there can be no assurance that such forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on such statements.

The Company reviews its forward-looking statements on an ongoing basis and updates this information when circumstances require it.

The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward looking statements.

Overall Performance

The Company was incorporated under the laws of British Columbia, Canada on March 29, 2000. The Company's office is located at Suite 2600-1066 West Hasting St., Vancouver, V6E 3X1. The Company's common shares are traded on the TSX Venture Exchange ("TSXV") under the symbol MGS.

The Company is an exploration stage company with its principal business being the acquisition, exploration, and development of mineral properties. The Company has interests in various mineral properties in the USA. The Company will complete the assignment of the Musgrove Creek Option Agreement to an arm's length party following completion of the Transaction (as defined below).

Outlook

On May 30, 2016 the Company entered into an amalgamation agreement with RewardStream Solutions Inc. ("RewardStream"). Musgrove and RewardStream will amalgamate (the "Amalgamation" or the "Transaction") to form a new company with the name "RewardStream Solutions Inc." ("Amalco"). Pursuant to the Amalgamation, all of the outstanding Musgrove securities and RewardStream securities will be exchanged for corresponding securities of Amalco as follows:

- Each issued and outstanding Musgrove share will be exchanged for 0.5 Amalco shares (the "Exchange Ratio");
- Each issued and outstanding RewardStream share will be exchanged for approximately 1.56 Amalco shares;

The Transaction received shareholder approval on June 24, 2016 and conditional approval from the TSXV on June 22, 2016. Completion of the Transaction is subject to a number of conditions including final TSX-V approval and the completion by Musgrove of a private placement consisting of at least 12,000,000 units (the "Units") at a price of $0.125 per Unit for gross proceeds of at least $1,500,000 (the "Concurrent Financing"). Each Unit consists of one common share and one-half of one share purchase warrant (the "Warrant"). Each Warrant entitles the holder to purchase one additional common share at a price of $0.25 per share for a period of two years. The Warrants are subject to an accelerated expiry if the 10 trailing-day volume weighted average price of the Musgrove shares on the TSX Venture Exchange ("TSX-V") exceeds $0.375, in which event the holder will be given notice that the Warrants will expire 30 days following the date of such notice. The Warrants will be exercisable by the holder during the 30-day period between the notice and the expiration of the Warrants. Following completion of the Transaction, the Warrants will be adjusted according to their terms based on the Exchange Ratio.

The first tranche of the Concurrent Financing was closed on May 26, 2016 for gross proceeds of $1,000,000. The final tranche of the Concurrent Financing will be completed in connection with closing of the Transaction.

The Transaction will result in a change of business for Musgrove within the meaning of the policies of the TSXV.

As of the date of this report, the Transaction has not yet been completed.

More details of the Transaction are available from the Company's recent press releases and information circular filed on www.sedar.com under the profile of the Company.

Completion of the Transaction is subject to a number of conditions. There can be no assurance that the Transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the management information circular prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon.

Discussion of Operations

Musgrove Creek Gold Property, U.S.A.

On June 13, 2007, the Company acquired the Musgrove Creek Property situated in the Idaho, USA through an option agreement ("the MC Option Agreement") and under the terms of the option agreement, the Company assumed the underlying lease agreement dated June 12, 2003 with respect to certain mineral claims that comprise the Musgrove Creek Property.

The Company is required to pay annual lease payments to the underlying lessor of US$50,000 per year for the remaining life of the lease. These claims are subject to an underlying 2% production royalty and a lump sum payment of US$350,000 upon completion of a feasibility study. The Company is also required to incur minimum annual exploration expenditures of US$100,000.

The Company will complete the assignment of the MC Option Agreement to an arm's length party following completion of the Transaction (as defined below).

Summary of Quarterly Results

Following is a summary of the Company's quarterly results in the last eight recent quarters:

	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
	$	$	$	$	$	$	$	$
Revenues	-	-	-	-	-	-	-	-
Loss	(160,576)	(107,874)	(58,397)	(43,453)	(13,500)	(53,959)	(456,872)	(221,259)
Loss per share, basic and diluted (ii)	(0.01)	(0.03)	(0.03)	(0.02)	(0.01)	(0.03)	(0.33)	(0.18)

(ii)loss per shares have been restated throughout these eight quarters to account for the 3-1 shares consolidation completed in June 2015

The Company is in the business of acquisition and exploration of mineral properties and its operating results are not subject to seasonal variations. Losses in the last eight quarters are mainly due to incurring administrative expenses to support the Company's operation. Other factors that affect the losses among these eight quarters are losses from the disposition and impairment write down of mineral properties/subsidiaries, and gain from settlement with creditors for various payables. The loss in the quarter ending November 30, 2014 was high because an impairment charge was taken during that quarter.

Results of Operations

Six months ended May 31, 2016 (“2016 Six Months”)

The Company’s loss in 2016 Six Months was $268,450 (2015 Six Months– $67,459), an increase of $200,991. The increase was mainly a result of $190,853 increase in operating expenses (2016 Six Months - $311,969; 2015 Six Months - $121,116)

Major operating expenses in 2016 Six Months were $45,182 in transaction fees (2015 Six Months – $Nil), $30,415 in office and administration fees (2015 Six Months - $12,994), $205,904 in consulting fees (2015 Six Months - $69,500). In 2016 Six Months, the Company has been active in securing equity financing and a new business partner for an acquisition and merger. As a result, operating expenses are generally higher. In particular, the Company incurred $45,182 transaction fees (mainly the professional fees) in connection with the Amalgamation discussed in the section “Outlook”. Management expects the operating expenses in the remaining 2016 will increase as the Company progresses to the completion of the Amalgamation.

As at May 31, 2016, the Company had $802,490 cash (November 30, 2015 - $7,035), $141,880 accounts payable and accrued liabilities (November 30, 2015 - $116,344), and $17,902,161 share capital (November 30, 2015 - $16,513,350).

The increase of cash is mainly a combined result of receipt of $1,428,811 from issuance of shares and security units which was partly offset by the use of $369,356 in operating activities and use of $264,000 in investing activities.

Three months ended May 31, 2016 (“2016 Q2”)

The Company’s loss in 2016 Q2 was $160,576 (2015 Q2– $13,500), an increase of $147,076. The increase was mainly a result of $139,797 increase in operating expenses (2016 Q2 - $204,095; 2015 Q2 - $64,298)

Major operating expenses in 2016 Q2 were $45,182 in transaction fees (2015 Q2 – $Nil), and $159,510 in consulting fees (2015 Q2 -$37,700). In 2016 Q2, the Company has been actively in securing equity financing and new business partner for acquisition and merge. As a result, consulting fees are significantly higher. In particular, the Company incurred $45,182 transaction fees (mainly the professional fees) in connection with the Amalgamation discussed in the section “Outlook”. Management expects the operating expenses in the remaining 2016 will increase as the Company progress to the completion of the Amalgamation.

Share Data

As at the date of this MD&A, the Company has 22,075,365 common shares outstanding, Nil stock options and 4,740,740 share purchase warrants that are convertible to the Company’s common shares on a one-to-one basis.

Liquidity and Capital Resources

Financing of operations has been achieved primarily by equity and debt financing. On May 31, 2016, the Company had a cash balance of $802,490 and a working capital of $1,011,528. The Company is not subject to external working capital requirements. However, the Company is required to raise at least $1.5 million to fulfil a condition precedent listed in the amalgamation agreement in connection with the Transaction (see the section “Outlook”). While the Company was able to raise financing when needed in the past, there is no guarantee that the Company can do so in the future.

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company’s objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements.

Related Party Transatcions

Key personnel compensation:

Six months ended	**May 31, 2016**	**May 31, 2015**
	$	$
Consulting fees	30,000	63,500

On December 1, 2015, the Company entered into a Services Agreement (the "Services Agreement") with Rana Vig, the CEO of the Company, for $60,000 per annum (the "Fee").

As at May 31, 2016, $Nil (November 30, 2015 - $42,000) was owing to the Chief Executive Officer of the Company and $2,131 (November 30, 2015 - $4,300) was owing to the Chief Financial Officer of the Company. The amounts owing to related parties do not bear interest, are unsecured and are due on demand.

Off-Balance Sheet Arrangements

The Company does not have off-balance sheet arrangements.

Proposed Transactions

Other than the Transaction discussion in the section "Outlook", the Company does not have proposed transactions that may have material impacts to the Company.

Changes in Accounting Policies including Initial Adoption

The Company has not adopted new accounting standards since its recent year ended November 30, 2015.

The following new standards, amendments and interpretations that have not been early adopted in these consolidated financial statements, is not expected to have a material effect on the Company's future results and financial position: IFRS 9 Financial Instruments (new; to replace IAS 39 and IFRIC 9); and Amendments to IAS 32 Financial Instruments: Presentation.

Accounting standards issued but not yet effective

IFRS 9 Financial Instruments – This new standard is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 introduces new requirements for the classification and measurement of financial assets, additional changes relating to financial liabilities, a new general hedge accounting standard which will align hedge accounting more closely with risk management. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. The Company is currently evaluating the impact IFRS 9 will have on its consolidated financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

Financial Instruments

The Company's financial instruments have not significantly changed since its recent year ended November 30, 2015.

More details of the Company's financial instruments are available in the Note 13 of the Company's consolidation financial statements for the recent year ended November 30, 2015.

Risk and Uncertainties

The exploration for mineral deposits is highly speculative activities and is subject to significant risks. The Company's ability to realize its investments in exploration projects is dependent upon the discovery or acquisition of mineral resources and mineral reserves, and the economic viability of developing its properties. The market price of minerals and/or metals is volatile and cannot be controlled. There is no assurance that the Company's mineral exploration activities will be successful. The exploration of mineral resources and mineral reserves involves many risks in which even a combination of experience, knowledge and careful evaluation may not be able to overcome.

The Company is in the process of going through the Transaction discussed in the section "Outlook". The Company's principal business and corporate structure will be significantly changed upon the completion of the Transaction. Readers are encouraged to access more details of the Transaction disclosed in the information circular filed at www.sedar.ca under the Company's profile.

Financial Disclosure Controls and Procedures

Venture issuers are not required to include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52- 109"). In particular, the Company's certifying officers are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company's generally accepted accounting principles.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that inherent limitations on the ability of the Company are certifying officers to design and implement on a cost effective basis.

Officers and Directors

Rana Vig, President, CEO and Director
Larry Tsang, CFO
Martin Bernholtz, Director
Norman Brewster, Director