Rosita Mining Corporation
(formerly Midlands Minerals Corporation)

Interim MD&A -

Quarterly Highlights

Three months ended March 31, 2016

May 26, 2016

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This interim management discussion and analysis - quarterly highlights ("Interim MD&A") has been prepared as at March 31, 2016. This Interim MD&A is based on information available to Rosita Mining Corporation (formerly Midlands Minerals Corporation) ("Rosita" or the "Company") and updates disclosure previously provided in the Company's Annual MD&A, up to the date of this Interim MD&A and should be read in conjunction with the Company's unaudited interim consolidated financial statements and the related notes as at and for the three months ended March 31, 2016 and 2015, the Company's audited consolidated financial statements for the years ended December 31, 2015 and 2014 (the "Consolidated Financial Statements"). The Consolidated Financial Statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") and all amounts are expressed in Canadian dollars unless otherwise noted. Other information contained in this Interim MD&A has also been prepared by management and is consistent with the data contained in the Financial Statements. Additional information relating to the Company may be found under its profile on SEDAR at www.sedar.com.

MANAGEMENT'S ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING ("ICFR")

Management is responsible for establishing and maintaining adequate internal control over the Company's financial reporting. The internal control system was designed to provide reasonable assurance to the Company's management regarding the preparation and presentation of the financial statements.

The inherent limitations in all control systems are such that they can provide only reasonable, not absolute, assurance that all control issues and instances of fraud or error, if any have been detected. Therefore, no matter how well designed, ICFR has inherent limitations and can provide only reasonable assurance with respect to financial statement preparation and may not prevent and detect all misstatements.

As the Company is a Venture Issuer (as defined under under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*) ("NI 52-109"), the Company and Management are not required to include representations relating to the establishment and/or maintenance of disclosure controls and procedures ("DC&P) and/or ICFR, as defined in NI 52-109.

CAUTIONARY NOTE ON FORWARD-LOOKING INFORMATION

This document may contain or may refer to forward-looking information. Such forward-looking information includes, among other things, statements regarding targets, estimates and/or assumptions in respect of future production, capital costs and future economic, market and other conditions, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to: the grade and recovery of ore which is mined varying from estimates; exploration and development costs varying significantly from estimates; inflation; fluctuations in commodity prices; delays in the development of the any project caused by unavailability of equipment, labour or supplies, climatic conditions or otherwise; termination or revision of any debt financing; failure to raise additional funds required to finance the completion of a project; and other factors. Forward-looking statements are subject to significant risks and uncertainties and other factors that could cause actual results to differ materially from expected results. Readers should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and we assume no responsibility to update them or revise them to reflect new events or circumstances, except as required by law.

Financial condition and performance

Financial condition

During the quarter ended March 31, 2016, the Company's net assets decreased by $143,859, the result of a decrease in assets of $183,666 offset by decreased liabilities of $42,046.

The Company's cash balance decreased by $180,072, a result of cash used for operating activities of $185,074 less advances from related parties totalling $5,002.

Performance

The Company's operations are not generally subject to seasonal variations. The timing of exploration activities is influenced primarily by the availability of funds and the identification of suitable exploration targets. However, due to either their location or nature, the exploration of some properties may be restricted during certain times of the year due to climatic conditions.

Due to its cash position, the Company continues with its austerity measures to preserve its financial position. Operating expenditures for the quarter have been limited to the minimum amount necessary to maintain its Rosita project in good standing and meet all of its reporting and disclosure requirements. Loss for the quarter totalled $143,860 and was the result of direct project expenditures totalling $54,111 together with general and administrative expenditures totalling $86,700. Forex losses of $3,669, offset by interest income of $620 comprise the remaining components of the loss for the quarter. The loss is a decrease from the comparative quarterly-period of approximately $157,000, as the comparative period recorded a gain on the sale of the Company's Kaniago project of $311,500. If this gain is ignored, the period-over-period loss has decreased by approximately $155,000, represented by decreases of $49,378 for exploration expenditures, $109,284 for administrative expenditures.

Project update

During the quarter, the Company incurred approximately $54,000 of exploration expenditures required to keep the Rosita project in good standing.

The Company earned its 65% interest in the Rosita project during the fourth quarter of 2015, by incurring a total of $4,000,000 in property expenditures and issuing 181,000 Rosita common shares (as adjusted for the Arrangement and Consolidation – as defined in notes 12 and 16 of the Financial Statements).

Commitments, liquidity and capital resources

As at March 31, 2016, the Company (including previous expenditures by Alder Resources Ltd. ("Alder") – see note 18 of the Consolidated Financial Statements regarding the acquisition of Alder), had fulfilled the requirements under the option agreement and it had earned its 65% interest in the Rosita project. The Company is further obligated to pay a 0.5% net smelter royalty ("NSR") on its interest in the Rosita project (see note 15 of the Consolidated Financial Statements).

As at March 31, 2016, the Company had a cash balance of $266,754 and a working capital deficiency of $208,327. The Company's properties are in the exploration and development stage and, as a result, the Company currently has no source of operating cash flow. The only sources of future funds presently available to the Company are through the exercise of outstanding stock options, the sale of equity capital of the Company or the sale by the Company of an interest in any of its properties in whole or in part.

Related-party transactions and balances

During the three months ended March 31, 2016, $45,000 of management fees were incurred and payable to RG Mining Investments Inc. ("RGMI"). The Company's Chairman of the Board and its CFO beneficially own RGMI. Effective March 1, 2016, RGMI has agreed to defer payment of $5,000, of its monthly management fees until the Company completes its next financing.

During the three months ended March 31, 2016, $12,000 (2015 - $96,241) was incurred and payable to Tormin Resources Inc. ("Tormin"). The Company's CEO beneficially owns Tormin. Effective February 1, 2016, Tormin has agreed to defer payment of the entire monthly management fee of $4,000, until the Company completes its next financing.