

**MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018****Introductory Comment and Overview**

Big Sky Petroleum Corporation (“Big Sky” or the “Company”) was incorporated under the *Canada Business Corporations Act* on February 3, 2006 and, effective July 6, 2009, changed its continuance out of the federal jurisdiction into the British Columbia jurisdiction under the *Business Corporations Act* (British Columbia). The Company has been listed on the TSX Venture Exchange (the “TSX-V” or “Exchange”) since May 5, 2006. Its shares began trading under the symbol “BSP” effective December 5, 2011. On May 26, 2016, the Company’s shares began trading under the symbol “BSP.H” in the NEX Board of the Exchange. On August 13, 2018, the Company completed a five for two share consolidation. All references to the number of shares and per share amounts have been retroactively restated to reflect the consolidation.

This MD&A is dated November 1, 2018 and discloses specified information up to that date. The Company is classified as a “venture issuer” for the purpose of National Instrument 51-102. Unless otherwise cited, references to dollar amounts are expressed in US dollars. Throughout this report we refer from time to time to “Big Sky”, the “Company”, “we”, “us”, “our”, or “its”. All these terms are used in respect of Big Sky Petroleum Corporation, which is the reporting issuer in this document. We recommend that readers consult the “Cautionary Statements” on the last page of this report. Additional information related to Big Sky is available for view on SEDAR at www.sedar.com.

Major Quarterly Operating Milestones

The Company continues to work on turning Big Sky around by looking for partners, financing to advance its projects or selling its projects.

Quarterly Financial ConditionCapital Resources

Management estimates that the current cash position and future cash flows from options will not be sufficient for the Company to carry out its anticipated operating plans through 2018. The Company will therefore rely on debt or equity financing in 2018 to continue with its operation.

During the three months ended September 30, 2018, the Company completed a Cdn\$500,000 private placement of special warrants at a price of Cdn\$0.02 per special warrant (pre-consolidation), pursuant to a discretionary waiver of the Cdn\$0.05 minimum pricing requirement conditionally granted by the TSX Venture Exchange.

Upon closing of the financing, each special warrant was automatically converted to 0.4 of one unit at a deemed value of Cdn\$0.05 per unit. Each unit consists of one post-consolidation common share in the capital of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to acquire a post-consolidation share at a price of Cdn\$0.05 per share for a period of 12 months from the date of issuance.

For greater certainty, the offering was 25 million special warrants at Cdn\$0.02 per special warrant on a pre-consolidation basis (or 9,999,997 million units at Cdn\$0.05 per unit on a post-consolidation basis) for gross proceeds of up to Cdn\$500,000.

The net proceeds were allocated as follows: Cdn\$450,000 toward current liabilities, and the balance for general working capital purposes and preservation of the Company's existing operations, activities and assets.

The offering was conducted under available exemptions from the prospectus requirements of applicable securities legislation. All securities issued in connection with the offering are subject to a four-month hold period in accordance with applicable securities laws.

During the period, the Company granted 240,000 options to its consultants exercisable at Cdn\$0.0875 until June 22, 2023.

Subsequent to September 30, 2018 period end, the Company announced its intention to complete a private placement of units at a price of Cdn\$0.075 per unit for total aggregate proceeds of up to Cnd\$592,000. Each unit will consist of one common share and one common share purchase warrant. Each warrant will entitle the holder thereof to purchase one common share at an exercise price of Cdn\$0.15 per share at any time on or before the date that is 12 months from the date of issuance of the share purchase warrant. The proceeds of the financing will be used by the Company to pay off debt and liabilities, and provide the Company with additional working capital.

Liquidity

The Company had a working capital deficiency of \$60,875 as at September 30, 2018 (December 31, 2017 – working capital deficiency of \$409,763). Cash totaled \$63,387 as at September 30, 2018, an increase of \$52,127 from \$11,260 as at December 31, 2017.

As of the date of this MD&A, the Company has no other outstanding commitments. The Company has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants.

Operations

During the nine months ended September 30, 2018, the Company had a net loss of \$64,588 (\$0.02 loss per share) compared to net income of \$534,189 (\$0.22 earnings per share) for the same period in 2017. Fiscal 2017 had a gain on sale of subsidiaries of \$591,780.

During the nine months ended September 30, 2018, the Company's general and administrative expenses amounted to \$64,823, compared to 2017's \$42,473. The increase was mainly due to increase in stock-based compensation of \$15,653.

Related Party Transactions

During the quarter, there was no significant transaction between related parties.

Commitments, Expected or Unexpected, or Uncertainties

As of the date of the MD&A, the Company has no outstanding commitments.

Other than disclosed in this MD&A – Quarterly Highlights, the Company does not have any commitments, expected or unexpected, or uncertainties.

Risk Factors

In our management discussion and analysis filed on SEDAR April 30, 2018 in connection with our annual financial statements (the “Annual MD&A”) we have set out our discussion of the risk factors *Exploration risks, Market risks and Financing risk* which we believe are the most significant risks faced by Big Sky. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company’s undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.

Disclosure of Outstanding Share Data

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

	No. of Common Shares Issued & Outstanding	Share Capital Amount
December 31, 2017	2,427,067	\$10,190,960
September 30, 2018	12,427,064	\$10,390,634

As at September 30, 2018 the Company had 240,000 options outstanding, exercisable at Cdn\$0.0875 until June 22, 2023.

As at September 30, 2018 the Company had 9,999,997 warrants exercisable at Cdn\$0.05 until August 13, 2019.

As of the date of this MD&A, there were 12,427,064 common shares issued and outstanding and 22,667,061 common shares outstanding on a diluted basis.

Cautionary Statements

This document contains “forward-looking statements” within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company’s documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or



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opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.