SUPER NOVA PETROLEUM CORP.

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(An Exploration Stage Company)

## Management Discussion & Analysis
## For the six months ended November 30, 2015

*(Expressed in Canadian Dollars)*

900-525 Seymour Street Vancouver BC Canada V6B 3H7
P. 604.221.8936 F. 604.336.1490

## BACKGROUND

This management discussion and analysis of the financial position and results of operation ("MD&A") for Super Nova Petroleum Corp. ("Super Nova" or the "Company") is prepared as at January 25, 2016 and should be read in conjunction with the unaudited condensed interim financial statements for the six months ended November 30, 2015 and in conjunction with the audited financial statements for the year ended May 31, 2015.

The unaudited condensed interim financial statements for the six months ended November 30, 2015, and comparative information presented therein, have been prepared in accordance with International Financial Reporting Standard ("IFRS") and with International Accounting Standard 34, "Interim Financial Reporting", as issued by the International Accounting Standards Board ("IASB").

All dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

## FORWARD LOOKING STATEMENTS

Except for statements of historical fact, certain information contained herein constitutes forward-looking statements. Forward-looking statements are usually identified by the use of certain terminology, including "will", "believes", "may", "expects", "should", "seeks", "anticipates", "plans" or "intends" or by discussions of strategy or intentions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results or achievements to be materially different from any future results or achievements expressed or implied by such forward- looking statements. Forward-looking statements are statements that are not historical facts, and include but not limited to, estimates and their underlying assumptions; statements regarding plans, objectives and expectations with respect to the effectiveness of the Company's business model; future operations, products and services; the impact of regulatory initiatives on the Company's operations; the size of and opportunities related to the markets for the Company's products; general industry and macroeconomic growth rates; expectations related to possible joint and/or strategic ventures and statements regarding future performance.

## COMPANY OVERVIEW

Super Nova is a Canadian resource exploration company engaged in the acquisition and exploration of mineral properties and oil and gas properties. The Company currently holds an interest in the iron Ridge property in British Columbia, Canada.

## HIGHLIGHTS

The following are highlights of events occurring during the six months ended November 30, 2015 and subsequent thereto:

### Resources exploration projects

a) Bakken Land, Montana, USA

On January 16, 2014, the Company and Norstra Energy Inc. (the "Farmor") entered into a Farmout Agreement whereby the Company can earn an optioned 80% working interest in approximately 10,000 acres of contiguous property located in the Bakken Formation in North-West Montana, USA (the "Farmout Lands"). The Farmout Lands have been divided into three separate blocks and the Company has an option to earn an 80% working interest in each block by drilling a vertical well at each Block.



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On June 6, 2014, the Company entered into a purchase and Farm-In agreement ("Letter Agreement") with BNV Energy Company LLC ("BNV Energy") and Norstra Energy Inc. ("Norstra") to sell approximately 2964 acres of its wholly owned Milford East Land for US$66,700 in cash (received). This acreage is contiguous to the south of the Company's Milford Colony farm in lands in Lewis and Clark Country on the Albert Bakken Fairway in Northwest

On October 21, 2014, the Company issued 3,000,000 shares valued at $120,000 to BNV Energy as described in the Letter Agreement.

During the year ended May 31, 2015, the Company wrote off costs relating to the property of $380,182 to the statement of loss and comprehensive loss.

On September 21, 2015 by way of a Purchase and Sale Agreement the Company assigned its 20% working interest in an exploration well in the Bakken to BNV Energy. In consideration of the assignment the Company received back from the BNV Energy the 3,000,000 common shares (valued at $30,000) of Super Nova Petroleum Corp. which was issued pursuant to the Letter Agreement in October 2014. Also, in consideration BNV Energy cancels an outstanding invoice in the amount of $43,597 (US$35,054).

b) Iron Ridge Project, British Columbia

Pursuant to a series of agreements, the Company entered into an option to acquire a 100% interest in the Iron Ridge Property, located near Creston, British Columbia. The Company agreed to pay $39,000 ( paid) and issue 3,300,000 common shares (issued at a value of $230,000).

During the year ended May 31, 2015, the Company incurred $55,000 in exploration expenditures.

Due to a delay of exploration activity the Company wrote off acquisition and exploration costs of $399,367 to the statement of loss and comprehensive loss.

During the six months ended November 30, 2015, the Company incurred $8,846 on sampling. The Company is yet to decide its operation strategy on this property.

**Share consolidation**

On December 21, 2015, the Company held its Annual General and Special Meeting of Shareholders, on which the shareholders approved of consolidating its issued and outstanding shares on the basis of up to one new commons share for every existing ten common shares, or on such other basis as the board of directors determines. On January 14, 2016, the 10:1 consolidation was in effect.

**Appointment of directors and officers**

In December 2015, the Company appointed Mr. Stefan Bender as a member of the Board of Directors, Ms. Andrea Yuan as Chief Financial Officer and Mr. Andrew Brown as corporate secretary

## RESULTS OF OPERATIONS

**Overview**



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Mineral exploration expenditures are capitalized and losses are incurred as a result of administrative expenses related to the operation of the Company's business. Consequently, the Company's loss and comprehensive loss for the period is not a meaningful indicator of its performance or potential.

The key performance driver for the Company is the acquisition and development of prospective mineral and oil and gas properties. By acquiring and exploring projects of superior technical merit, the Company increases its chance of finding and developing an economic deposit.

At this time, the Company is not anticipating profit from operations. Until such time as the Company is able to realize profits from the production and sale of commodities from its mineral interests, the Company will report an annual loss and will rely on its ability to obtain equity or debt financing to fund ongoing operations.

**Six months ended November 30, 2015 and 2014**

During the six months ended November 30, 2015, the Company incurred a net loss and comprehensive loss of $31,816 (2014 - $195,973).

The Company shared office space and administration and management services with Golden Dawn Resources Inc. ("GOM"), a public company that has common director and officers with the Company. During six month period ended November 30, 2015, GOM charged the Company $45,557(2014 - $47,375) for its services mainly including rent, accounting, staff payroll and office supplies and miscellaneous expenses.

During the six months ended November 30, 2015, $30,000 (2014 - $30,000) of management fee was accrued in administration expenses to a company controlled by CEO. In the comparative period, the management fees were accrued as of November 30, 2104, but then waived as of May 31, 2015.

Other than the above expenses, during the six months ended November 30, 2015, the Company incurred other expenses of $29,863 mainly including $9,170 of CSE, SEDAR filing and transfer agent fees, and $15,000 paid to an investor relations consultant.

During the six months ended November 30, 2015, the Company recorded other income of $73,597 from assignment of 20% working interest in an exploration well in the Bakken to BNV Energy. The consideration received included 3,000,000 common shares (valued at $30,000) of Super Nova Petroleum Corp. and the forgiveness of accounts payable in the amount of $43,597 (US$35,054).

During the six months ended November 30, 2104, the Company recorded gain on settlement of debts of $21,548. There was no such transaction during the six months ended November 30, 2015.

**Three months ended November 30, 2015 and 2014**

During the three months ended November 30, 2015, the Company incurred an income of $10,809, compared with a loss of $124,313 during the comparative three months ended November 30, 2014. The income during the three months ended November 30, 2105 was due to $73,597 of consideration received from assignment of interest in an exploration well. During the three months ended November 30, 2015, the Company recorded other income of $73,597 from assignment of 20% working interest in an exploration well in the Bakken to BNV Energy. The consideration received included 3,000,000 common shares (valued at $30,000) of Super Nova Petroleum Corp. and the forgiveness of accounts payable in the amount of $43,597 (US$35,054).

The Company shared office space and administration and management services with Golden Dawn Resources Inc. ("GOM"), a public company that has common director and officers with the Company. During three month period ended November 30, 2015, GOM charged the Company $22,803 (2014 - $23,439) for its services mainly including rent, accounting, staff payroll and office supplies and miscellaneous expenses.

During the three months ended November 30, 2015, $15,000 (2014 - $15,000) of management fee was accrued in administration expenses to a company controlled by CEO. In the comparative period, the management fees were accrued as of November 30, 2104, but then waived as of May 31, 2015.

Other than the above expenses, during the three months ended November 30, 2015, the Company incurred other expenses of $24,974 mainly including $5,632 of CSE, SEDAR filing and transfer agent fees, and $7,500 paid to an investor relations consultant.

## SUMMARY OF QUARTERLY RESULTS

The following table summarizes the operation results for the most recent eight quarters:

| | Three month period ended November 30, 2015 (a) | Three month period ended August 31, 2015 | Three month period ended May 31, 2015 (b) (c) | Three month period ended February 28, 2015 |
|---|---|---|---|---|
| Total assets | $ 9,675 | $ 183,287 | $ 2,531 | $ 793,037 |
| Exploration and evaluation assets | 8,846 | - | - | 735,952 |
| Working capital (deficiency) | (807,849) | (823,812) | (737,187) | (760,811) |
| Shareholders' equity (deficiency) | (799,003) | (823,812) | (737,187) | (24,859) |
| Net income (loss) and comprehensive income (loss) | 10,809 | (42,625) | (712,328) | (71,730) |
| Income (loss) per share | 0.00 | (0.00) | (0.02) | (0.00) |

| | Three month period ended November 30, 2014 | Three month period ended August 31, 2014 | Three month period ended May 31, 2014 (d) | Three month period ended February 28, 2014 (e) |
|---|---|---|---|---|
| Total assets | $ 745,553 | $ 552,611 | $ 550,049 | $ 826,249 |
| Exploration and evaluation assets | 730,425 | 524,743 | 529,437 | 822,642 |
| Working capital deficiency | (639,554) | (533,334) | (610,988) | (522,869) |
| Shareholders' equity (deficiency) | 90,871 | (8,591) | 81,551 | 299,773 |
| Net income (loss) and comprehensive income (loss) | (124,313) | (71,660) | (670,558) | (1,025,519) |
| Income (loss) per share | (0.00) | (0.00) | (0.02) | (0.03) |

a) During the three months ended November 30, 2015, the received consideration of $73,597 from assignment of 20% working interest in an exploration well.

b) The Company has restated the comparative May 31, 2015 balances to correctly record the renunciation of tax benefit to subscribers of flow-through shares in December 2014.

In October 2014, the Company closed a private placement of 1,100,000 flow-through units at a price of $0.05 per unit for gross proceeds of $55,000. A total of $44,000 in flow-through share premium liability was recorded as a result of the private placement. As of May 31, 2015, all $55,000 in qualified expenditures had



900-525 Seymour Street Vancouver BC Canada V6B 3H7
P. 604.221.8936 F. 604.336.1490

been incurred and the tax benefits renounced to investors. As a result, the Company should have recognized the $44,000 of flow-through share premium liability into other income.

The effect on the statement of financial position as of May 30, 2105 is a reclassification of $44,000 between flow-through share premium liability and deficit. For the year ended May 31, 2015, net loss decreased by $44,000 from $1,024,031 to $980,031. There was no effect to cash flow from operations, investing or activities.

c) During the three months ended May 31, 2105, the Company wrote off exploration and evaluation assets of $779,549.

d) During the three months ended May 31, 2105, the Company wrote off exploration and evaluation assets of $397,690.

e) During the three months ended February 28, 2014, the Company wrote off exploration and evaluation assets of $854,033.

## LIQUIDITY AND CAPITAL RESOURCES

### Capital management

The Company is in the exploration stage and therefore has incurred losses and negative cash flows from operations. The Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placement. On October 22, 2012, the common shares of the Company were listing on the Canadian Securities Exchange ("CSE"). Although public listing could increase the liquidity, the Company's ability to raise cash mainly depends on capital market conditions, commodities price, and the results of ongoing exploration programs. There is no assurance that the Company will be able to obtain any additional financing on terms acceptable to the Company. The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration and development activity.

The mining industry is capital intensive and there can be no certainty that the Company's existing cash balances or that the proceeds from the issuance of its common shares will provide sufficient funds for all of the Company's cash requirements. Should the need arise, the Company may pursue other financing options or rely on joint venture partners to supply some of funds required to explore and develop any acquisitions. There is no assurance that the Company will be successful in obtaining the funds it may require for its program or that the terms of any financing obtained will be acceptable. The Company has no commitments for capital expenditures and financing arrangements which have been arranged but not yet used as at November 30, 2015.

### Liquidity and capital resources

The Company's working capital and deficit positions at November 30, 2015 and May 31, 2015 were as follows:

| | **November 30, 2015** | May 31, 2015 (Restated) |
|---|---|---|
| Working capital (deficiency) | **$ (807,849)** | $ (737,187) |
| Deficit | **$ (3,969,007)** | $ (4,027,191) |

The balance of cash available at November 30, 2015 was $141.



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Net cash used in operating activities for the current six month period was $36,572 (2014 - $179,071). The net cash used in operating activities for the period consists primarily of the operating loss and a change in non-cash working capital items.

Net cash used in investing activity during the current six months period was $8,846 (2014 - $153,133) which was exploration expenses incurred on the properties.

Net cash from financing activity during the current six months period was $44,228 (2014 - $332,674). During the six months ended November 30, 2105, the Company received cash advances of $44,228 from its related parties. During the Comparative six months ended November 30, 2104, the Company completed several private placements by issuing 4,419,477 shares or share units for gross proceeds of $204,676.

There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. If adequate financing is not available when required, the Company may be unable to continue operating. The Company may seek such additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering, will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

The Company does not have sufficient funds to cover anticipated administration expenses throughout the current fiscal year. The Company is seeking new investment opportunities in the mineral resources industry that will provide value to its shareholders.

## RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties during the six month period ended November 30, 2015:

a) During the six months ended November 30, 2015, $30,000 of management fee was accrued in administration expenses to a company controlled by CEO. During the year ended May 31, 2015, the Company waived the accrued remuneration for key management. Management fees therefore were $nil for the year ended May 31, 2015. As at November 30, 2015, $83,490 (May 31, 2015 - $60,000) was payable or outstanding to key management.

b) Golden Dawn Minerals Inc. ("GOM"), a public traded company with common directors and officers of the Company, provides office space and administration services to the Company. During six month period ended November 30, 2015, the Company incurred $45,557(2014 - $47,375) payable to GOM for its services provided. As at November 30, 2015, a total of $332,192 (May 31, 2015 - $213,452) remained outstanding as due to GOM.

c) During the six month ended November 30, 2015, the Company paid $19,625 (2014 - $Nil) to the former CFO.

d) During the year ended May 31, 2015, the Company obtained $15,000 unsecured loan from a relative of an officer and director, which is payable on demand with a fixed rate of $1,000 in interest accruing thereon. The balance remains unpaid as of November 30, 2015.

e) Accounts payable to related parties do not bear interest, are unsecured and repayable on demand.

## CRITICAL ACCOUNTING POLICIES AND ESTIMATES



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Certain new accounting standards and interpretations have been published that are not mandatory for the November 30, 2015 reporting period. Those new standards have been assessed, but are not expected to have any impact on the Company's financial statements.

All of the Company's significant accounting policies and estimates are included in Note 2 of its condensed interim financial statements for the six months ended November 30, 2015 and Notes 2 and 3 of its audited financial statements for the year ended May 31, 2015.

**FINANCIAL INSTRUMENTS**

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities, short term loans, convertible debentures and amounts due to related parties. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

***Credit risk***

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and receivables. The Company limits its exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. Receivables consist of Goods and Services Tax ("GST") receivable from the Canadian government and are considered low risk.

***Currency risk***

The Company operates primarily in Canadian dollar. There is foreign exchange risk to the Company as some of its exploration and evaluation property interests and resulting commitments are located in the United States. Management monitors its foreign currency balances and makes adjustments based on anticipated need for currencies. The Company does not engage in any hedging activities to reduce its foreign currency risk.

***Liquidity risk***

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipated it will need additional capital in the future to finance ongoing exploration of its properties, such capital to be derived from the exercise of outstanding stock options, warrants and/or the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future exploration and development of its projects, although the Company has been successful in the past in financing its activities through the sale of equity securities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and exploration success. In recent years, the securities markets in Canada have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.



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***Interest rate risk***

The Company normally invests in short-term interest bearing financial instruments. There is a minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any guaranteed bank investment certificate included in cash as they are currently held in large financial institutions.

***Fair value measurements of financial assets and liabilities***

Disclosure about significance of inputs used in making fair value measurements is as follows:

Level 1 – quoted prices in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e.: as prices) or indirectly (i.e.: derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data.

The fair value of cash is determined based on "Level 1" inputs, which consist of quoted prices in active markets for identical assets. The Company believes that the recorded values of receivables, due from related parties and accounts payable and accrued liabilities, approximate their current fair values because of their nature and relatively short maturity dates or durations.

**OTHER RISKS AND UNCERTAINTIES**

The Company's principal activity is mineral and oil and gas exploration. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, commodity prices, political and economic.

Although the Company has taken steps to verify the title to mineral and oil and gas properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title.

Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

The Company has no significant source of operating cash flow and no revenues from operations.
None of the Company's mineral and oil and gas properties currently have reserves. The Company has limited financial resources.

Substantial expenditures are required to be made by the Company to establish ore reserves. The property interests owned by the Company, or in which it has an option to earn an interest are in the exploration stages only, are without known bodies extractable resources and have no ongoing operations. Exploration involves a high degree of risk and only few properties which are explored are ultimately developed into producing resources.

Exploration of the Company's mineral and oil and gas exploration may not result in any discoveries of commercial significance. If the Company's efforts do not result in any discovery of commercial significance, the Company will be forced to look for other exploration projects or cease operations. The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any



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existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Trends, commitments, events or uncertainties presently known or identifiable to management that are reasonably expected to have a material effect on the Company's business, financial position, or results of operations, are as follows:

- Current market volatility and general share price decline in the financial sector, including the Exchange, may impact the Company's ability to raise further capital and fund ongoing operations.

- To maintain operational expenses going forward, the Company will require non flow through funds either through a private placement financing, the exercise of stock options or warrants, or the sale of unproven resource interests.

## SUBSEQUENT EVENTS

a) On December 21, 2015, the Company held its Annual General and Special Meeting of Shareholders, on which the shareholders approved of consolidating its issued and outstanding shares on the basis of up to one new commons share for every existing ten common shares, or on such other basis as the board of directors determines. On January 14, 2016, the 10:1 consolidation was in effect.

b) In January 2016, 545,440 common shares were issued to settle $27,272 of convertible debenture

## OUTSTANDING SHARE DATA

The following table summarizes the Company's outstanding share data as of the date of this MD&A:

| | Number of shares Issued or issuable (before consolidation) | Number of shares Issued or issuable (after consolidation) |
|---|---|---|
| Common shares | 48,137,107 | 4,813,696 |
| Stock options | 2,550,000 | 255,000 |
| Warrants | 15,967,443 | 1,596,744 |

a) Share consolidation
On December 21, 2015, the Company held its Annual General and Special Meeting of Shareholders, on which the shareholders approved of consolidating its issued and outstanding shares on the basis of up to one new commons share for every existing ten common shares, or on such other basis as the board of directors determines. On January 14, 2016, the 10:1 consolidation was in effect.

b) Treasury shares
Included in the number of common shares outstanding, there are 3,000,000 (300,000 after consolidation) shares are held in treasury.

## OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet items.

## DISCLAIMER



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The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. The users of this information, including but not limited to investors and prospective investors, should read it in conjunction with all other disclosure documents. No securities commission or regulatory authority has reviewed the accuracy of the information presented herein.



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