MIDNIGHT STAR VENTURES CORP.

Management's Discussion and Analysis

For the Three and Six Months Ended

October 31, 2015

INTRODUCTION

The following discussion and analysis, prepared as of December 21, 2015 has been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Company's comparatives amounts in this MD&A have been presented in accordance with IFRS. All amounts are stated in Canadian dollars unless otherwise indicated.

The following information should be read in conjunction with the unaudited condensed interim financial statements for the three and six months ended October 31, 2015 and the audited financial statements for the year ended April 30, 2015, and the related notes to those financial statements, all of which are available on the SEDAR website at www.sedar.com.

Statements in this report that are not historical facts are forward looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward looking statements.

Additional information related to the Company is available for view on SEDAR at www.sedar.com.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A constitute "forward-looking statements". Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below and as detailed under **RISK AND UNCERTAINTIES** in this MD&A.

Risk factors that could affect the Company's future results include, but are not limited to, risks inherent in mineral exploration and development and mining activities in general, volatility and sensitivity to market prices for commodities, changes in government regulation and policies including environmental regulations and reclamation requirements, receipt of required permits and approvals from governmental authorities, competition from other companies, ability to attract and retain skilled employees and contractors, and changes in foreign currency exchange rates. Further information regarding these and other factors which may cause results to differ materially from those projected in forward-looking statements are included in the Company's filings with securities regulatory authorities. The Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable securities laws.

NATURE OF BUSINESS AND OVERALL PERFORMANCE

Midnight Star Ventures Corp (the "Company") was originally incorporated under the Business Corporations Act of British Columbia on April 19, 2013. The principal business of the Company is the acquisition and exploration of resource properties in North America.

The address of the Company's corporate office and principal place of business is Suite 1085- 555 Burrard Street, Two Bentall Centre, P.O. Box 201, Vancouver BC, V7X 1M8.

On August 4, 2015, the Company listed on the Canadian Securities Exchange ("CSE"), and trades under the symbol "STV" after the closing of a prospectus offering on August 5, 2015.

As at October 31, 2015, the Company held cash of $30,967 compared to $25,996 at April 30, 2015.

Amounts capitalized into exploration and Evaluation assets at October 31, 2015 totalled $84,126 and the amount at April 30, 2015 amounted to $41,512.

As of October 31, 2015, the Company is earning its interest in the Fish property; located in Esmeralda County, Nevada, USA. It lies on the eastern flank of Lone Mountain about 20 airline kilometres (12 airline miles) west of the historic mining town of Tonopah, Nevada. The property occupies all or part of sections 1, 2, 3, 10, 11, and 12 of Township 2 North, Range 40 E, and sections 34, 35, and 36, Township 3 North, Range 40 East., MDB&M, in the Lone Mountain Mining District, Esmeralda County, Nevada. The land holding is made up of 56 unpatented mining claims and covers about 1120 acres (453 hectares).

SELECTED ANNUAL INFORMATION

The following financial data prepared in accordance with IFRS stated in Canadian dollars is presented as at April 30, 2015, April 30, 2014 and April 30, 2013:

	Year Ended April 30 2015	Year Ended April 30 2014	Period from Inception April 19, 2013 to April 30 2013
Total revenue	$ -	$ -	$ -
Net loss for the period	$ (241,702)	$ (77,414)	$ (1,372)
Basic and diluted loss per share	$	$	$
Total Assets	$ 100,851	$ 64,159	$ 1,000
Total Liabilities	$ 75,681	$ 9,344	$ 371
Cash Dividends per share	$ -	$ -	$ -

RESULTS OF OPERATIONS FOR THE SIX MONTH PEROD ENDED OCTOBER 31, 2015

	SIX MONTHS ENDED OCTOBER 31 2015	2014
Expenses		
Bank charges and interest	$ **351**	$ 240
Communications	**1,582**	989
Consulting	**-**	4,500
Depreciation	**330**	-
Interest on notes and convertible notes payable	**1,008**	705
Management fees	**24,000**	27,000
Office and miscellaneous	**2,597**	1,232
Professional fees	**33,001**	16,536
Promotion	**7,190**	5,247
Regulatory, filing and transfer fees	**17,393**	-
Rent	**6,000**	-
Share-based payment	**-**	31,100
Travel	**1,032**	1,004
	94,484	88,553
Net Loss and Comprehensive Loss for the Year	$ **(94,484)**	$ (88,553)
Loss Per Share, Basic and diluted	$ **(0.01)**	$ (0.02)
Weighted Average Number of Shares Outstanding	**9,802,251**	5,030,000

The Company incurred a net loss and comprehensive loss of $94,484 during the six month period ended October 31, 2015, compared to a net loss and comprehensive loss of $88,553 for comparative six month period ended October 31, 2015.

The most significant differences in expenses incurred in the six month periods ended October 31, 2015 and 2014 are discussed below:

Consulting fees decreased to $nil (2014 - $4,500), a result of the cancellation of a monthly consulting arrangement during the prior fiscal year.

Management fees decreased to $24,000 (2014 - $27,000) as the fees paid to the president were reduced from $4,000 to $3,000 in March 2015. The Company also in December 2014 commenced paying a $1,000 per month director's fee to Bernie Hoing.

Office and sundry fees increased to $2,597 (2014 - $1,232) as a result of increased corporate activity.

Professional fees increased to $33,001 (2014 - $16,536) due to additional legal being incurred in respect of the initial public offering in the current period. Also accounting and other professional fees were incurred during the current period.

Regulatory and filing fees increased to $17,393 (2014 - $nil) as a direct result of the Company acquiring its listing on the CSE.

Rent increased to $6,000 (2014 - $nil) as the Company has entered into a monthly rental arrangement for office space in Vancouver BC. The rental paid is $1,000 per month.

Share – based payments expense reduced to $nil (2014 - $31,100) The charge in the prior year related to the recording of the estimated fair value, computed using the Black-Scholes pricing model, of changes in terms of warrants issued to the Company President.

All other expenses were generally consistent with the amounts incurred in the comparative period.

During the six month period ended October 31, 2015, the Company incurred $42,614 of exploration or evaluation expenditures on the Fish Property.

<u>The Fish Property</u>

The Fish Project is owned by Claremont Nevada Mines LLC. On August 28, 2013, the Company entered into an earn in agreement with Pengram Corporation (the "Optionor") whereby the Optionor agreed to assign the Company 80% of its option to acquire a 100% interest in the Fish Project pursuant to an option agreement between the Optionor and Claremont Nevada Mines LLC dated March 31, 2011, as amended on August 28, 2013.

The agreement provides that the Company can acquire an 80% interest in the claims by making staged advance royalty payments as follows:

i) Cdn$2,860 (US$2,500) on or before February 28, 2014 (paid);
ii) Cdn$2,756 (US$2,500) on or before August 28, 2014 (paid);
iii) Cdn$9,866 (US$7,500) on or before August 28, 2015 (paid)
iv) Cdn$13,073 (US$10,000) on or before August 28, 2016;
v) Cdn$16,341 (US$12,500) on or before August 28, 2017;
iv) Cdn$19,610 (US$15,000) on or before August 28, 2018.

Should the Company not be able to meet the obligations noted above, the Company may extend the term for an additional five years by giving notice to the Optionor. In the event the option is extended, the Company will make an advance royalty payment of $19,609 (US$15,000) on August 28, of each year of the extended term.

In addition to the above, the Company has the obligation to maintain the mineral lode claims in good standing by payment of all Bureau of Land Management Fees, Claim Fees, Taxes and Rentals, and the performance of all other actions which may be necessary in that regard in order to keep the mineral claims free and clear of all liens and other charges arising from the Company's activities except those at the time contested in good faith by the Company.

The agreement is subject to a 3% Net Smelter Returns Royalty upon commencement of commercial production.

During the six months ended October 31, 2015, the Company paid the advance royalty payment of $9,866 (US$7,500) and incurred additional sustaining costs for the property aggregating additional sustaining costs aggregating $32,748 (US$24,772).

During the year ended April 30, 2015, the Company incurred $2,756 (US$2,500) in advance royalty payments, $16,561 (US$14,621) to complete a 43-101 report on the property and $10,222 (US$9,024) in claim maintenance fees.

During the year ended April 30, 2014, the Company incurred $2,860 (US$2,500) in advance royalty payments, and $9,113 (US$8,433) in claim maintenance fees.

Discussion of the Fish Property

Compete details of prior exploration and the geological features of the Fish Property have been presented in the Company's long form prospectus which was filed on SEDAR of May 8, 2015.

Exploration activities that have occurred since 2006 have been limited to regional geological mapping, data compilation and prospecting. This work undertaken by Minterra Resource Corp resulted in the preparation of a general geologic map of the property and the collection of 8 dump truck and 42 rock chip and chip channel samples which were intended to characterize the geochemistry of the exposed mineralized rocks. The results of this work program were disclosed in a NI43-101 compliant technical report by Alan Morris dated November 1, 2007 which was filed on SEDAR on November 14, 2007. This work provided a general understanding of the geological framework of the project area and resulted in the identification of widespread, locally strong silver, gold, copper, zinc and lead mineralization on dumps from prospect pits and exploration adits as well as a number of mineralized outcrops. Minterra continued exploration work subsequent to the filing of the Morris report including: taking an additional 22 samples, the completion of a geologic map, a regional geophysical summary and an informal VLF survey of the property.

As with the previous sampling, the intent was merely to identify the presence of mineralization and to characterize it. No attempt has been made to make quantitative assessments of any rock type or a particular volume of rock. The data simply indicates, clearly, that significant mineralization occurs on the Fish Project and the results have been used to aid in initial targeting as well as to identify areas that warrant further work. Geophysical Survey Minterra commissioned a regional geophysical synopsis and an informal VLF survey.

The Long VLF survey was carried out using a WADI VLF instrument and the readings were taken on irregularly spaced (~ 250 meters [~820 feet]), variable length, lines (5 northwest- southeast and six northeast-southwest) with irregular station spacing. The survey was intended as an initial attempt to test the potential usefulness of VLF on the project area. There was no intent to identify geologic features or to develop drill targets from this work. The VLF data has never been formally compiled, interpreted or reported, however, a sketch map of the informal interpretation indicates several "conductor zones" representing "crossover points" projected from line to line. The projections were based on similarity of direction and geologic features observed in the field.

Given the informal nature of the survey, all that can be said is that several possible conductors were identified and additional, more rigorous work may provide a relationship between these conductors and structures and/or mineralization.

Continued Exploration and Development

The Company commissioned its own NI43-101 compliant technical report by David R Shaddrick, M.Sc., CPG, P.Geo. dated October 29, 2014 which was filed on SEDAR on February 25, 2015. This report recommended a two phase exploration program.

The Company commenced the first phase during the current period as recommended by the author of the Technical Report. The first phase consists of detailed geological mapping and soil/rock chip sampling on three currently identified, broadly defined, target areas.

The land holding should be expanded on the west side of the property to cover any possible extensions of into the gap in claims. This will require the acquisition of one additional claim. Phase 1 to date has cost $32,748 (US$24,772) against a budgeted cost of approximately US$20,600. The Company is awaiting the results of the assays.

A second phase exploration program will only be undertaken if, after data has been compiled, management including the Company's qualified person, determine that the results obtained from Phase I work are sufficiently positive in demonstrating the possible presence of a mineral deposit to warrant additional expenditures. Phase 2 exploration would include the collection of drill samples and should it go ahead is expected to cost approximately $107,000.

Summary of Quarterly Results

The following is a summary of the Company's quarterly results for the period from November 1, 2014 to October 31, 2015 reported in Canadian currency.

	QUARTER ENDED			
	OCTOBER 31, 2015	**JULY 31, 2015**	**APRIL30, 2015**	**JANUARY 31, 2015**
Total revenue	$ -	$ -	$ -	$ -
Net loss before income taxes	$ (57,812)	$ (36,672)	$ (52,448)	$ (100,701)
Net income (loss) for the period	$ (57,812)	$ (36,672)	$ (52,448)	$ (100,701)
Basic income (loss) per share	$ (0.01)	$ (0.00)	$ (0.00)	$ (0.01)

	QUARTER ENDED			
	OCTOBER 31, 2014	**JULY 31, 2014**	**APRIL30, 2014**	**JANUARY 31, 2014**
Total revenue	$ -	$ -	$ -	$ -
Net loss before income taxes	$ (66,039)	$ (22,514)	$ (26,714)	$ (18,856)
Net income (loss) for the period	$ (66,039)	$ (22,514)	$ (26,714)	$ (18,856)
Basic income (loss) per share	$ (0.01)	$ (0.00)	$ (0.00)	$ (0.00)

The Company reported a net loss of $57,812 for the three month period ended October 31, 2015 compared to $66,039 for the comparable three month period ended October 31, 2014. The basic loss per share for the three month period ended October 31, 2015 was ($0.01) versus ($0.01) for the comparable period of 2014.

RESULTS OF OPERATIONS FOR THE THREE MONTH PEROD ENDED OCTOBER 31, 2015

	THREE MONTHS ENDED OCTOBER 31	
	2015	2014
Expenses		
Bank charges and interest	**$ 278**	$ 125
Communications	**644**	596
Consulting	**-**	4,500
Depreciation	**165**	-
Interest on notes and convertible notes payable	**504**	705
Management fees	**12,000**	12,000
Office and miscellaneous	**1,342**	707
Professional fees	**18,337**	13,203
Promotion	**4,371**	2,600
Regulatory and filing fees	**16,684**	-
Rent	**3,000**	-
Share-based payments	**-**	31,100
Travel	**487**	503
	57,812	66,039
Net Loss and Comprehensive Loss for the Period	**$ (57,812)**	$ (66,039)
Loss Per Share, Basic and diluted	**$ (0.01)**	$ (0.01)
Weighted Average Number of Shares Outstanding	**10,990,369**	5,030,000

The Company incurred a net loss and comprehensive loss of $57,812 during the three month period ended October 31, 2015, compared to a net loss and comprehensive loss of $66,039 for comparative three month period ended October 31, 2015.

The most significant differences in expenses incurred in the three month periods ended October 31, 2015 and 2014 are discussed below:

Consulting fees decreased to $nil (2014 - $4,500), a result of the cancellation of a monthly consulting arrangement during the prior fiscal year.

Professional fees increased to $18,337 (2014 - $13,203) due to additional legal being incurred in respect of the initial public offering in the current period. Also accounting and other professional fees were incurred during the current period.

Regulatory and filing fees increased to $16,684 (2014 - $nil) as a direct result of the Company acquiring its listing on the CSE.

Rent increased to $3,000 (2014 - $nil) as the Company has entered into a monthly rental arrangement for office space in Vancouver BC. The rental paid is $1,000 per month.

Share – based payments expense reduced to $nil (2014 - $31,100) The charge in the prior year related to the recording of the estimated fair value, computed using the Black-Scholes pricing model, of changes in terms of warrants issued to the Company President.

All other expenses were generally consistent with the amounts incurred in the comparative period.

LIQUIDITY

The Company is engaged in mineral exploration and has no cash flow from operations.

The Company must rely on equity financing, loans and/or advances to meet its administrative and overhead expenses and to pursue its objectives. At October 31, 2015 the Company held cash of $30,967,(April 30, 2015 - $25,996), had amounts recoverable, consisting of Goods and services tax recoverable of $10,111 (April 30, 2015 – $4,702) and had current liabilities of $45,966 (April 30, 2015 - $55,681). At October 31, 2015, the Company's working capital deficiency was $3,838 (April 30, 2015 – working capital of $2,017).

On August 5, 2015, the Company completed its Initial Public Offering ("IPO") by issuing 2,057,800 common shares at $0.10 for aggregate proceeds of $205,780. Wolverton Securities Ltd. ("The Agent") acted as Agent under the Offering. The Agent received a total commission equal to $20,578, being 10% of the gross proceeds; 100,000 common shares; and 205,780 Agents Options. Each Agents Option is exercisable at $0.10 into one Common share of the Company until August 4, 2018. Shares issuance costs aggregating $54,867 were incurred. These costs included a corporate finance fee of $15,000 paid to the agent and other expenses aggregating $39,867. As at April 30, 2015, the Company had advanced the agent $12,000 towards expenses and paid the corporate finance fee of $15,000. These two amounts aggregating $27,000 were recorded as deferred financing costs at April 30, 2015.

The Company believes that the current capital resources are not sufficient to pay for continued mineral exploration and overhead expenses for the next twelve months and will need to seek additional funding, or seek joint venture partners on its project. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects.

Since the Company will not be able to generate cash from its operations in the foreseeable future, the Company will have to rely on the issuance of shares or the exercise of options, warrants and loans to fund ongoing operations and investment. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

As at October 31, 2015, the primary assets of the Company comprise cash of $30,967, other receivable comprising GST recoverable of $10,111, and its mineral property holding which is valued at $84,126. As of October 31, 2015 the Company had a working capital deficit of $3,838.

Financings and share issuances which occurred prior to the IPO noted above were as follows:

a) On December 22, 2014 the Company received notice of the exercise of all the convertible promissory notes issued in September, 2014 and on November 22, 2014. The carrying amount of the promissory notes, including accrued interest, of $86,707 was exchanged at an issue price of $0.05 per share for 1,734,134 common shares of the Company and the common shares were issued to the convertible promissory note holders.

b) On January 16, 2015, pursuant to a non-brokered private placement, the Company issued 600,000 common shares at $0.05 per share for aggregate proceeds of $30,000.

c) On January 16, 2015, the President exercised 1,250,000 warrants for aggregate proceeds of $6,250 and the Company issued 1,250,000 common shares.

d) During the year ended April 30, 2014, the Company issued 6,580,000 common shares at $0.02 per share on April 30, 2014 for aggregate proceeds of $131,600 pursuant to a non-brokered private placement.

As of December 21, 2015, the Company also has 750,000 share purchase warrants outstanding which are exercisable at $0.02 into 750,000 common shares until April 25, 2016.

CAPITAL RESOURCES

At December 21, 2015, the Company's capital resources consist of its interest in the Fish property, which has been valued at $84,126 at October 31, 2015. This amount is the equivalent of the amounts recorded as exploration and evaluation assets at October 31, 2015.

OFF BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements to which the Company is committed.

TRANSACTIONS WITH RELATED PARTIES

Related party transactions are in the normal course of operations and are measured at the amount of consideration established and agreed to by the related parties.

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company, and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

As of October 31, 2015, accounts payable and accrued liabilities includes $275 (April 30, 2015 - $1,663) for expenses incurred by the President on behalf of the Company, $nil (April 30, 2015 - $2,000) for management fees charged by a director, and $8,830 (April 30, 2014 - $19,200) for services rendered to the Company a company controlled by an officer of the Company.

During the six months ended October 31, 2015 and 2014, the Company also incurred the following expenses charged by key management personnel and companies directly controlled by key management personnel.

a) Paid or accrued management fees of $18,000 (2014 - $27,000) to the Company President, David Ryan.

b) Paid or accrued management fees of $6,000 (2014 - $nil) to Bernie Hoing, a Director.

c) Paid or accrued professional fees of $11,100 (2014 - $4,500) to a company controlled by Matthew Wright, the Company CFO.

d) Recorded share-based payments expense of $nil (2014 – 31,100) as a result of the changing of terms on certain warrants held by the Company President, David Ryan.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

As at October 31, 2015, the Company's financial instruments consist of cash, deferred financing fees, accounts payable and accrued liabilities, interest payable and note payable.

The fair value of these financial instruments approximate carrying value since they are short term in nature and are receivable or payable on demand.

Risk management is carried out by the Company's management team with guidance from the Board of Directors. The Company's risk exposures and their impact on the Company's financial instruments are summarized below:

a) Credit Risk

The Company's credit risk is primarily attributable to its holdings of cash. Cash, is held with one reputable Canadian chartered bank which is closely monitored by management. Management believes that the credit risk concentration with respect to financial instruments included in cash, short-term investments and amounts receivable is minimal.

b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at October 31, 2015, the Company held cash of $30,967 (April 30, 2015 - $25,996) and had current liabilities of $45,966 (July 31, 2015 - $55,681). All of the Company's current liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

c) Market Risk

i) Interest Rate Risk

The Company has cash balances, and a note payable with a face value of $20,000. The note is unsecured and bears interest at 10% per annum which is to be paid annually on March 15, of each year. Interest charged on the note during the six months ended July 31, 2015 was $1,008 (three months ended July 31, 2014 - $nil). As at October 31, 2015, accrued interest of $1,211 (April 30, 2015 - $203) has been recorded. The note has a repayment date of June 30, 2016.

ii) Foreign Currency Risk

The Company's functional currency and the reporting currency is the Canadian dollar. The earn in agreement to acquire the Fish property is denominated in US dollars. Accordingly the Company incurs charges on its operations for settlement in currencies other than its functional currency and any gain or loss arising on such transactions is recorded in operations for the year.

The Company does not participate in any hedging activities to mitigate any gains or losses which may arise as a result of exchange rate changes.

As at October 31, 2015, the Company held no significant financial assets or liabilities which were denominated in currencies other than the Canadian dollar.

iii) Commodity Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. To mitigate price risk, the Company closely monitors commodity prices of precious metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

i) Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of expenditures is unlikely, the amounts capitalized are written off to net income in the period the new information becomes available.

ii) Impairment

At each reporting period, assets, specifically exploration and evaluation assets, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts. The assessment of the carrying amount often requires estimates and assumptions such as discount rates, exchange rates, commodity prices, future capital requirements and future operating performance.

iii) Share-based Payment Transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determining the most appropriate inputs to the valuation model, including the expected life of the share option, volatility and dividend yield, and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 8.

iv) Title to Mineral Property Interest

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers, and title may be affected by undetected defects.

v) Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision.

Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

vi) Rehabilitation Provision

The application of the Company's accounting policy for rehabilitation is based on internal estimates. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management.

Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates will result in changes to provisions from period to period. Actual rehabilitation costs will ultimately depend on future market prices for the rehabilitation costs which will reflect the market conditions at the time when the rehabilitation costs are actually incurred.

vii) Determination of Going Concern Assumption

The preparation of these financial statements requires management to make judgments regarding the going concern of the Company as previously discussed.

SUBSEQUENT EVENTS

None

OTHER INFORMATION

Outstanding Share Data

A breakdown of the Company's issued common share position is as follows:

The following details the common shares, share purchase warrants, and stock options outstanding as of the date of this MD&A.

Common Shares

	Number of Shares
Authorized	
Unlimited common shares, without par value	
Issued	
Balance at December 21, 2015	14,321,935

Share Purchase Warrants

Number of Share Purchase Warrants	Exercise Price	Expiry Date
750,000	0.02	April 25, 2016

Agents Options

Number of Shares	Exercise Price	Expiry Date
205,780	$0.10	August 4, 2018

Stock Options

No Stock Options have been granted under the Company's current stock option plan which has been approved by shareholders.

On December 22, 2014, the Company adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the requirements of the Canadian Securities Exchange, grant to directors, officers, employees and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company.

Shares held in Escrow

Upon the completion of the IPO 3,550,001 common shares and 750,000 share purchase warrants are held pursuant to an escrow arrangement.

As the Company anticipates being an "Emerging Issuer", the following automatic timed releases will apply to the Common Shares held by its principals who are subject to escrow:

On the Listing Date	1/10 of the escrow securities
6 months after the Listing Date	1/6 of the remaining escrow securities
12 months after the Listing Date	1/5 of the remaining escrow securities
18 months after the Listing Date	1/4 of the remaining escrow securities
24 months after the Listing Date	1/3 of the remaining escrow securities
30 months after the Listing Date	1/2 of the remaining escrow securities
36 months after the Listing Date	the remaining escrow securities

Assuming there are no changes to the escrow securities initially deposited and no additional escrow securities are deposited, this will result in a 10% release on the listing date with the remaining escrow securities being released in 15% tranches every 6 months thereafter.

As at December 21, 2015, 3,195,001 common shares and 675,000 share purchase warrants were held pursuant to the escrow arrangement.

There are no other potential share issuance obligations outstanding as of December 21, 2015.

INVESTOR RELATIONS CONTRACT

None

CONTRACTUAL OBLIGATIONS

None

RISKS AND UNCERTAINTIES

Limited Operating History

The Company is in the early stages of mineral property exploration and development. As a result, it is difficult to evaluate the Company's prospects, and its future success is more uncertain than if it had a longer or more proven history of operations.

History of Losses

The Company has incurred net losses every period since inception and as of October 31, 2015, had an accumulated deficit of $414,972

No History of Dividends

Since incorporation, the Company has not paid any cash or other dividends on its common stock and does not expect to pay such dividends in the foreseeable future, as all available funds will be invested primarily to finance its mineral exploration programs. The Company will need to achieve profitability prior to any dividends being declared.

Dilution

The Company does not generate any revenues from operating and does not have sufficient financial resources to undertake by itself all of its planned activities. The Company has limited financial resources and has financed its operations primarily through the sale of securities such as common shares. The Company will need to continue its reliance on the sale of such securities for future financing, resulting in dilution to the Company's existing shareholders.

Capital and Liquidity Risk

The amount of financial resources available to invest for the enhancement of shareholder value is dependent upon the size of the treasury, profitable operations, and a willingness to utilize debt and issue equity.

Due to the size of the Company, financial resources are limited and if the Company exceeds growth expectations or finds investment opportunities it may require debt or equity financing. There is no assurance that the Company will be able to obtain additional financial resources that may be required to successfully finance transactions or compete in its markets on favourable commercial terms.

Acquisition and Expansion Risk

The Company intends to expand its operations through organic growth and depending on certain conditions, by identifying a proposed qualifying transaction. There can be no assurance that the Company will be able to identify, acquire or profitably manage additional properties or businesses.

Dependence on Key Personnel

Loss of certain members of the executive team or key operational leaders of the company could have a disruptive effect on the implementation of the Company's business strategy and the efficient running of day-to-day operations until their replacement is found. Recruiting personnel is time consuming and expensive and the competition for professionals is intense.

The Company may be unable to retain its key employees or attract, assimilate, retain or train other necessary qualified employees, which may restrict its growth potential.

MD&A PREPARATION

This MD&A was prepared as of December 21, 2015. This MD&A should be read in conjunction the unaudited condensed interim financial statements for the three and six month period ended October 31, 2015 and the audited financial statements for the year ended April 30, 2015. This MD&A is intended to assist the reader's understanding of Midnight Star Ventures Corp. and its' operations, business, strategies, performance and future outlook from the perspective of management. The documents mentioned above, as well as news releases and other important information may be viewed through the SEDAR website at www.sedar.com.