MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2014
(All amounts expressed in Canadian dollars, unless otherwise stated)

This Management Discussion and Analysis ("MD&A") provides a detailed analysis of the business of Midasco Capital Corp. (the "Company") and compares its financial results for the year ended December 31, 2014 to the previous year. The MD&A should be read in conjunction with the financial statements of the Company and related notes, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Refer to Note 3 of the December 31, 2014 financial statements for disclosure of the Company's significant accounting policies and a discussion of future accounting policy changes. The Company's reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in the Canadian dollar.

This MD&A contains certain statements that may constitute "forward-looking statements". Forward-looking statements include but are not limited to, statements regarding future anticipated business developments and the timing thereof, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the Company's ability to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies.

Additional information relating to the Company can be located on the SEDAR website at www.sedar.com.

This MD&A is current as at April 29, 2015.

BACKGROUND

The Company was incorporated in Ontario on May 16, 1991 under the name of "MH Resources Inc.". On May 9, 1995 the Company changed its name to Midasco Gold Corp. and on July 30, 2001, subsequently changed its name to Midasco Capital Corp. The Company is a reporting issuer in British Columbia and Alberta. The Company trades on the TSX Venture Exchange under the symbol "MGC". The Company is engaged primarily in the acquisition, exploration and evaluation of mineral properties in Colombia. In April 2014, management re-evaluated the Company's current resource assets and determined that a reorganization of the Company would be necessary. Management is pursuing new opportunities in other industry sectors such as agriculture, technology, medical and other resource sectors. Management has received and reviewed several opportunities, however at this time, no transactions are in place, nor is there any assurance that a new project will be found in the near future.

ANNUAL HIGHLIGHTS

- Reduced spending on corporate overhead costs to preserve working capital.

MINERAL PROPERTY

Bolivar, Colombia

Exploration and evaluation assets (or "E&E") relate to mineral properties located in Colombia. Exploration and evaluation assets are not subject to amortization.

Carrying value at December 31, 2014 and 2013	**$ 1**

On April 11, 2011, the Company entered into a Definitive Agreement (the “Agreement”) with two private Colombian individuals (the "Titleholders") to purchase 100% interest in seven mineral licenses covering approximately 10,000 hectares in the southern portion of the State of Bolivar, Colombia.

A formal agreement was reached with the Titleholders and the Secretary of Energy and Mines for the Government of the State of Bolivar to bring current the surface Canon arrears. To transfer 100% interest of the 7 licenses, the Company agreed to pay approximately COL$1,013,901,317 or approximately $537,415 as follows: 35% of the total cost of the surface right fees in arrears by September 23, 2011 (paid - $192,114), an additional 21% within 6 months after the first payment (paid - $121,231) and the remaining 44% within 3 months following the second payment. The remaining payment due was not accrued nor paid because the Titleholders failed to cooperate with facilitating the transfer of titles and the Secretary of Mines Bolivar also refused to transfer any of the licenses.

The Company through its legal counsel and with the assistance of the Canadian Embassy have petitioned the Colombian federal government to review the activities of the Bolivar state government accepting direct payment of monies for the transfer of the licenses and their failure to do so. Due to continued delays in registering the licenses into the name of the Company, non-cooperation of the Titleholders and the Government of the State of Bolivar, and an ongoing legal process, the carrying value of the property was written down to a nominal value of $1 as at December 31, 2012. As of the approval date of these financial statements, the Company is evaluating its legal options and costs to pursue the transfer of the mineral titles and/or recovery of funds paid to the Government of the State of Bolivar. Should management decide the financial costs to pursue this process to be prohibitive then the properties will be abandoned.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2014, the Company had a working capital deficiency of $250,837 (December 31, 2013 – ($310,942) including cash and cash equivalents of $6,150 (December 31, 2013 - $25,044).

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. During the year ended December 31, 2014, the Company incurred a net loss of $39,895 (December 31, 2013 - $122,196). The continuation of the Company as a going concern is dependent on its ability to obtain necessary equity financing for mineral property commitments in the near future.

The Company’s cash resources are insufficient to meet its working capital requirements. Additional equity financing will be required to meet mineral property obligations if the titles are transferred into the name of the Company.

Company has recognized a short-term liabilities totaling $257,228 (December 31, 2013 - $336,418). $212,161 of the balance are due to related parties (December 31, 2013 - $302,161) and there are no specific terms of repayment nor do any of the balances bear interest. As at December 31, 2014 and December 31, 2013, there are no long-term liabilities. The remaining amounts of this balance relates to amounts owing to third party vendors.

Management expects that the current cash position and future cash flows from the exercise of options and potential future financings will not be sufficient for the Company to carry out its operations through 2014. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Company to achieve its business objectives. There is no guarantee that options would be exercised due to how far out-of-the-money the options are currently. In addition, there is no guarantee that management will be successful in securing future equity financings due to current market conditions.

OUTSTANDING SHARE DATA

The following share capital data is current as of date of this document:

	Balance
Shares issued and outstanding	45,098,275
Fully Diluted	45,098,275

The Company intends to consolidate its outstanding share capital on the basis of 10 old shares for 1 new share, which consolidation is subject to regulatory approval.

Subsequent to December 31, 2014, the Company negotiated debt settlement agreements with certain creditors in the amount of $214,725 which will be settled for approximately 1,073,625 post-consolidation common shares at a price of $0.05 per share.

Subsequent to December 31, 2014, the Company announced a private placement of up to 3,000,000 common shares post-consolidation at a price of $0.05 per share.

THREE MONTHS ENDED DECEMBER 31, 2014 ANALYSIS

The Company incurred a net loss of $12,551 in the current quarter compared to a net loss $40,134 in the previous comparable quarter. The decrease is primarily attributed to an overall reduction in general and administrative expenses.

TWELVE MONTHS ENDED DECEMBER 31, 2014 ANALYSIS

The Company realized a net loss of $39,985 in the current year compared to a net loss of $122,196 in the previous comparable year. The decrease is primarily attributed to an overall reduction in general and administrative expenses.

	December 31, 2014	December 31, 2013	December 31, 2012
	$	$	$
Income Statement			
Net profit (loss)	**(39,985)**	(122,196)	(763,383)
Earnings (loss) per share (basic and diluted)	**(0.00)**	(0.00)	(0.02)
Balance Sheet			
Total E&E	**1**	1	1
Total assets	**6,392**	25,477	104,765
Total long-term liabilities	**-**	-	-

SELECTED QUARTERLY FINANCIAL INFORMATION

	Dec. 31 2014	**Sep. 30 2014**	**Jun. 30 2014**	**Mar. 31 2014**	**Dec. 31 2013**	**Sep. 30 2013**	**Jun. 30 2013**	**Mar. 31 2013**
	$	$	$	$	$	$	$	$
Financial results:								
Net loss	(12,551)	(2,322)	(7,882)	(17,230)	(40,314)	(8,369)	(19,417)	(54,096)
Basic loss per share	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

FINANCIAL AND CAPITAL RISK MANAGEMENT

	Ref.	**December 31, 2014**	December 31, 2013
		$	$
FVTPL financial asset	a	**6,391**	25,476
Other financial liabilities	b	**257,228**	336,418

a. Comprises cash and sales tax receivable
b. Comprises accounts payable, accrued liabilities and due to related parties.

The fair value of the Company’s financial assets and liabilities approximates the carrying amount.

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies; however, considerable judgment is required to develop these estimates. The fair values of the Company’s financial instruments are not materially different from their carrying values.

Available-for-sale financial assets

	December 31, 2014	December 31, 2013
	$	$
Balance, beginning of year	-	3,750
Derecognition on sale of asset	-	(3,750)
Balance, end of year	-	-

Available-for-sale financial assets consist of shares of Canadian companies listed on the TSX-V. The valuation of the shares has been determined by reference to the closing price of the shares on the TSX-V.

Management of Industry and Financial Risk

The Company is engaged primarily in mineral exploration and manages related industry risk issues directly. The Company may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations.

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk
Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash and other receivables. Risk associated with cash is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies. Other receivables comprise refundable sales tax credits from the Canadian federal government.

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company ensures that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's holdings of cash and short term investment. The Company's cash are held in corporate bank accounts available on demand.

Market Risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

Currency Risk
The Company is subject to normal market risks including fluctuations in foreign exchange rates and interest rates. While the Company manages its operations in order to minimize exposure to these risks, the Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure. The Company is exposed to interest rates fluctuations on its short-term interest bearing instruments as they are based on floating rates of interest.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

Price Risk

The Company is exposed to price risk with respect to equity prices. Price risk as it relates to the Company is defined as the potential adverse impact on the Company's ability to finance due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, net of cash and cash equivalents. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

Changes in Accounting Policies

Accounting standards issued but not yet effective

New standard IFRS 9 "Financial Instruments"

This new standard is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets.

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. The Company is currently assessing the impact this new standard will have on its 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 financial statements.

RELATED PARTY TRANSACTIONS AND BALANCES

The value of transactions and outstanding balances relating to key officers and directors and entities over which they have control or significant influence were as follows:

During the year ended December 31, 2014, the Company has taken steps to settle $149,786 of related party debt through the issuance of 2,995,720 common shares of the Company. In addition, $64,939 due to former directors and officers of the Company are to be settled through the issuance of 1,298,780 common shares of the Company. All debt settlement through the issuance of common shares is subject to regulatory approval. As at the date of the financial statements, the debt settlement arrangement had not been executed yet, nor has regulatory approval been received.

$50,000 of related party debt and $50,000 of debt belonging to a former officer and director are to be settled through the transfer of a portion of the Company's previously impaired investments in Keyedin Solutions Holdings, Inc. (formerly Datacom International Inc.)

The Company has a cost-sharing agreement for rent and telecommunication costs with a company that has common directors and officers. As at December 31, 2014, $61,161 (December 31, 2013 - $61,161) remains unpaid and is included in the due to related party balance.

The Company incurred $10,000 (December 31, 2013 – $45,000) of management fees from companies controlled by directors and officers. As at December 31, 2014 $214,750 (December 31, 2013 - $204,750) relating to unpaid fees are included in the due to related party balances.

The Company incurred $2,684 $2013-$NIL) of consulting fees from a company controlled by a current director and officer. As at December 31, 2014, $2,684 (2013 - $NIL) is included in accounts payable.

The Company incurred $2,500 (December 31, 2013 - $30,000) of bookkeeping, and administrative fees from a Company controlled by a director for accounting services performed. As at December 31, 2014, $36,250 (December 31, 2013, $36,250) relating to unpaid fees are included in the due to related party balance.

Amounts due to related parties are unsecured, non-interest bearing and without specified repayment terms.

Other Information

Additional information on the Company is available at the Company's website www.midascocapital.com or on SEDAR at www.sedar.com.

Corporate Information

Head Office:	12216 Boundary Drive North Surrey, BC V3X 1Z5
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Officers:	William Pettigrew, CEO and President Ryan Cheung, CFO Donna M. Moroney – Corporate Secretary
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