

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023

(All amounts expressed in Canadian dollars, unless otherwise stated)

This management's discussion and analysis ("MD&A") of the operating results and financial position of Midasco Capital Corp. (the "Company") is for the year ended December 31, 2023. Together with the financial statements for the same year end and related notes thereto; the MD&A provides a detailed account and analysis of the Company's financial and operating performance for the period. The Company's functional and reporting currency is the Canadian dollar. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Refer to Note 2 and 3 of the aforementioned financial statements for disclosure of the Company's material accounting policies.

This MD&A is dated as at March 11, 2024.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking statements that involve risks and uncertainties. The forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Company and other factors.

Other risks facing the Company include competition which can either increase costs or reduce the number of attractive opportunities; reliance on third parties, including consultants; statutory and regulatory requirements and uncertainty of additional financing.

Except for statements of historical fact relating to the Company, certain information contained herein constitutes forward looking statements. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on forward-looking statements.

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 changed its name to Midasco Capital Corp. On March 17, 2008, the Company's incorporation was continued into the Province of British Columbia. The Company is a reporting issuer in British Columbia and Alberta and trades on the NEX board of the TSX Venture Exchange under the symbol "MGC.H". The Company was engaged primarily in the acquisition, exploration and evaluation of mineral properties. In April 2014, the Board of Directors approved the reorganization of the Company by re-evaluating its current resource assets and pursuing

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new opportunities in other industry sectors which may result in a change of business under the policies of the TSX Venture Exchange.

HIGHLIGHTS FOR THE YEAR

The Company continues its search for a new project.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2023, the Company had a working capital of \$70,230 and accumulated losses of \$16,135,793.

The financial statements have been prepared in accordance with 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.

The Company's cash resources are not sufficient to meet its working capital requirements for the next twelve months. Additional equity financing will be required to meet on-going operating expenses and review new investment opportunities.

There is no guarantee that management will be successful in securing future equity financings due to market conditions.

OUTSTANDING SHARE DATA

The following share capital data is current as of date of this MD&A:

	Balance
Shares issued and outstanding	16,468,360
Warrants	-
Fully Diluted	16,468,360

RESULTS OF OPERATIONS

Three and Twelve Months Ended December 31, 2023

The Company had net loss of \$23,838 and \$58,929 for the three and twelve months ended December 31, 2023 compared to a net loss of \$17,354 and \$50,291 for the comparable periods. In the current year year, the Company increased increased consulting, regulatory and filing fees, and slight increase in office and overhead expenses for the period.

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SELECTED QUARTERLY FINANCIAL INFORMATION

	Dec. 31 2023	Sep. 30 2023	Jun. 30 2023	Mar. 31 2023	Dec. 31 2022	Sep. 30 2022	Jun. 30 2022	Mar. 31 2022
	\$	\$	\$	\$	\$	\$	\$	\$
Financial results:								
Income (loss)	(23,838)	(11,286)	(10,676)	(13,129)	(17,354)	(10,559)	(13,675)	(8,703)
Basic earnings (loss) per share	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

SELECTED ANNUAL INFORMATION

The following is a summary of the results of the financial operations of the Company for the year ended December 31, 2023, and for the years ended December 31, 2022 and December 31, 2021.

	Year ended December 31, 2023	Year ended December 31, 2022	Year ended December 31, 2021
Net profit (loss)	(58,929)	(50,291)	(74,022)
Earnings (loss) per share (basic and diluted)	(0.00)	(0.01)	(0.01)
Working Capital (Deficiency)	70,230	129,159	179,450
Total Assets	79,819	137,159	184,808
Total Long-Term Financial Liabilities	-	-	-

FINANCIAL INSTRUMENTS

Classification of financial instruments

	Ref.	December 31, 2023	December 31, 2022
		\$	\$
FVTPL financial asset	a	77,785	135,161
Other financial liabilities	b	-	8,000

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.

Management of Industry and Financial Risk

Risk Disclosures and Fair Values

The Company's financial instruments, consisting of cash and accounts payable and accrued liabilities, approximate fair values due to the relatively short-term maturities of the instruments. 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 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. Liquidity risk has been assessed as high.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company does not have any direct exposure to foreign exchange risk.

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.

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 MATERIAL ACCOUNTING POLICIES

The material accounting policies followed by the Company are set out in Note 2 to the audited financial statements for the period ended December 31, 2023 and have been consistently followed in the preparation of the audited financial statements of the Company.

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RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. The Company has identified its directors and officers as its key management personnel.

	December 31, 2023	December 31, 2022
	\$	\$
Office and general charged by a private company owned by the CEO of the Company	9,800	9,000
Professional fees charged by a private company owned by the CFO of the Company	12,500	12,500
Consulting fees charged by a private company owned by the CEO of the Company	5,500	500

As at December 31, 2023, \$592 was owing to a private company owned by the CEO of the Company (December 31, 2022 - \$Nil). Balances owing to related parties are unsecured, did not bear interest, and had no fixed terms of payments.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not currently have any off-balance sheet arrangements.

ADDITIONAL INFORMATION

Additional information on the Company is available on SEDAR at www.sedar.com.