



CLEGHORN MINERALS LTD.

(A Capital Pool Company)

Management's Discussion and Analysis for the six months ended September 30, 2015.

Introduction

The following Management's Discussion and Analysis ("MD&A") reviews the financial position and results of operations of Cleghorn Minerals Ltd. (the "Company") for the second quarter ended September 30, 2015. It should be read in conjunction with the unaudited financial statements for the period ended September 30, 2015 and audited financial statements for the year ended March 31, 2015 and notes thereto, which were prepared in accordance with International Financial Reporting Standards ("IFRS"). All currency amounts herein are expressed in Canadian Dollars unless otherwise indicated.

Information related to the Company may also be found on www.sedar.com.

The following information is prepared as at November 23, 2015.

Forward-Looking Statements

Certain statements and information related to the Company's business contained in this MD&A are of a forward-looking nature. They are based on opinions, assumptions or estimates made by Company's management or on opinions, assumptions or estimates made available to or provided to and accepted by Company's management. Such statements and information are reflecting management's current views and expectations of future events or results and are subject to a variety of risks and uncertainties that are beyond management control. The readers are cautioned that these risks and uncertainties could cause actual events or results to significantly differ from those expressed, expected or implied and should therefore not be relied on any forward-looking statements.

Company Overview, Overall Performance and Nature of Business

The Company was incorporated on February 16, 2010, pursuant to the provisions of the Business Corporations Act of British Columbia and is a Capital Pool Company (“CPC”) as defined in Policy 2.4 of the TSX Venture Exchange (“Exchange”). The Company’s head office is located at 152 Chemin de la Mine École in Val-d’Or, Québec, J9P 7B6, Canada.

In March and May 2010, the Company’s four founding directors subscribed for an aggregate of 3,200,000 common shares (the “Seed Shares”) at \$0.10 per share for gross proceeds of \$320,000 (2,200,000 shares for gross proceeds of \$220,000 on March 31, 2010 and 1,000,000 shares for gross proceeds of \$100,000 on May 17, 2010), of which 1,600,000 Seed Shares have been cancelled as more particularly described below. On November 10, 2010 the Company closed its initial public offering consisting of 2,800,500 common shares at a price of \$0.20 per share for gross proceeds of \$560,100.

Raymond James Ltd. acted as agent for the offering and received a cash commission of \$56,010, a corporate finance fee of \$12,000 and warrants to acquire up to 280,050 common shares of the Company at a price of \$0.20 per share exercisable until November 16, 2012. The agent’s warrants expired on November 16, 2012 without having been exercised. Trading on the Exchange commenced on November 16, 2010 under the symbol “JZZ.P”.

The Company’s principal business activity as a CPC is to evaluate businesses and assets with a view to completing a qualifying transaction (“Qualifying Transaction”) in accordance with Exchange Policy 2.4. See “Qualifying Transaction” below.

Until completion of a Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a Qualifying Transaction.

Qualifying Transaction

Meech Lake Matachewan Prospect

On January 5, 2015, the Company entered into a Mineral Claim Purchase Agreement, as amended and restated on April 1, 2015 and further amended and restated on May 14, 2015, with 2973090 Canada Inc. (the “Vendor”) to acquire a 100% undivided interest in the Meech Lake Matachewan Prospect. The Meech Lake Matachewan Prospect consists of three (3) mining claims situated in the Argyle, McNeil and Robertson Townships, approximately 25 KM Northwest of Matachewan, in Northeastern Ontario.

As consideration for the property, the Company shall, on the closing of the acquisition, a) pay to the Vendor \$5,000 (representing staking fees with respect to the property), b) issue an aggregate of 7,888,928 common shares at a deemed price of \$0.05 per share, c) grant the Vendor a 3% net smelter royalty (“NSR”) on the property.

As at June 30, 2015, the Company has received the Exchange conditional acceptance of the proposed transaction and at the June 25, 2015 Annual General Meeting has obtained approval by its minority shareholders. The transaction is subject to other conditions which had not all been

fulfilled at September 30, 2015, one of them being the completion of the financing described below.

Concurrent with the acquisition of the Meech Lake Matachewan Prospect, the Company intends to complete a non-brokered private placement for gross proceed of \$500,000, by issuing 5,000,000 units at a price of \$0.10 per unit. Each unit will consist of one common share and one-half of one non-transferable common share warrant. Each whole warrant will entitle the holder to purchase one common share at a per share price of \$0.15 for a period of two years from the date of issuance.

For additional information on this transaction and the property being acquired, refer to the Information Circular prepared by the Company's management for the June 25, 2015 shareholder meeting and to the Technical Report on the Meech Lake Matachewan Prospect that are available for viewing through the Internet at the SEDAR website (www.sedar.com) under the Company's issuer profile.

Non-arm's length transaction

The Vendor is a privately held mineral exploration company wholly-owned and controlled by Glenn J. Mullan, who is also the president, CEO, secretary and a director of the Company. In addition, in the case of a successful closing of the transaction, other directors of the Company would receive some of the shares to be issued by the Company in payment of the property.

Total amounts spent to date to investigate and identify potential Qualifying Transactions

The amounts spent by the Company towards identifying and completing potential Qualifying Transactions, are shown in the following tables. Preliminary investigation and identification of potential Qualifying Transactions were performed by the officers and directors of the Company who do not receive any remuneration. Technical consultants are hired for more in-depth analysis of potential projects.

Table 1. Total amounts spent to date towards identifying and completing potential Qualifying Transaction by project:

	Cumulative to March 31, 2014	Year ended March 31, 2015	Current period as of the date of this report	Cumulative Amount
	\$	\$	\$	\$
Meech Lake Matachewan	49,018	47,419	61,865	158,302
Hematite Lake	192,031	-	-	192,031
Other projects	3,096	-	-	3,096
Total	244,145	47,419	61,865	353,429

Table 2. Total amount spent to date towards identifying and completing potential Qualifying Transaction by period:

	Cumulative to March 31, 2014 \$	Year ended March 31, 2015 \$	Current period as of the date of this report \$	Cumulative Amount \$
Non refundable deposits	50,000	-	-	50,000
Legal fees	26,739	29,177	59,088	115,004
Technical consultants	76,528	4,227		80,755
Other expenses	12,417	14,015	11,440	37,872
Airborne and ground survey	146,967	-	-	146,967
Tax and mining credits on exploration expenses	(68,506)	-	(8,663)	(77,169)
Total	244,145	47,419	61,865	353,429

Discussion of Operations for the six months ended September 30, 2015.

During the six month period ended September 30, 2015, the Company incurred a loss of \$97,804, compared to a loss of \$75,972 for the six month period ended September 30, 2014. Expenses incurred to identify potential Qualifying Transactions amounted to \$61,865 or 63% of the current period loss, compared to \$51,967 or 68% for the corresponding period ended on September 30, 2014. The total amount incurred to identify potential Qualifying Transactions was reduced by the \$8,663 refundable tax credit received. The current expenses are detailed in the Qualifying Transaction section above. The current loss also includes professional fees of \$34,516, which are made of audit, tax and accounting fees of \$12,646, legal fees of \$2,268 and expenses related to regulatory and transfer agent fees of \$19,608. Other items were; office expenses of \$714, travel expenses of \$743 and net interest income of \$34. For the six month period ended on September 30, 2014, professional fees amounted to \$24,194 and were comprised of audit, tax and accounting fees of \$15,600, legal fees of \$1,394 and expenses related to regulatory and transfer agent fees of \$7,200.

Review and Summary of Quarterly Results

The table below presents selected quarterly information for the last eight quarters. For all the eight quarters presented in the table below, the only significant expense categories, which

accounts for over 90% of the income or losses reported are the expenses related to potential Qualifying Transactions and professional fees. Professional fees are comprised of audit, accounting, tax and legal fees as well as regulatory and transfer agent costs. Professional fees paid to technical consultants hired to evaluate potential Qualifying Transactions or related to Qualifying Transactions, are included in the expenses related to potential Qualifying Transactions.

The details of the amounts spent by the Company to evaluate potential Qualifying Transactions are presented in two tables under the section “Qualifying Transaction” of this report.

	Quarters ended on							
	Dec 31, 2013	Mar 31, 2014	Jun 30, 2014	Sep 30, 2014	Dec 31, 2014	Mar 31, 2015	Jun 30, 2015	Sep 30, 2015
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net income (loss)	\$ (11,830)	\$ 64,328	\$ (14,081)	\$ (61,891)	\$ (29,904)	\$ 25,802	\$ (91,987)	\$ (5,817)
Net income (loss) per share, basic and diluted	\$ (0.004)	\$ 0.023	\$ (0.005)	\$ (0.022)	\$ (0.011)	\$ 0.009	\$ (0.033)	\$ (0.002)
Major expense (income) categories								
Office expenses	\$ 52	\$ 83	\$ -	\$ 38	\$ 170	\$ -	\$ 629	\$ 85
Professional fees	\$ 8,689	\$ 3,646	\$ 9,361	\$ 14,833	\$ 13,898	\$ (3,507)	\$ 22,886	\$ 11,630
Related to Qualifying Transaction	\$ 2,749	\$ (65,595)	\$ 4,662	\$ 47,305	\$ 16,015	\$ (20,563)	\$ 67,785	\$ (5,920)

Second quarter results

During the second quarter ended on September 30, 2015, the Company incurred a loss of \$5,817 composed of the following; a) a net reduction in expenses incurred to identify a potential qualifying transaction of \$5,920, composed of legal fees of \$2,743 and refundable tax credit of \$8,663, b) professional fees of \$11,630, composed of audit, tax and accounting fees of \$5,366, legal fees of \$369 and expenses related to regulatory and transfer agent fees of \$5895, c) office expenses of \$85 and d) net interest expense of \$22.

Liquidity and Capital Resources

As at September 30, 2015, the Company had cash of \$22,294 and term deposits of \$40,000 for a total of \$62,294 and working capital of \$132,464 compared to cash of \$35,834, term deposits of \$125,000 and working capital of \$230,268 as at March 31, 2015. The Company does not pay any dividends and has no plan or commitment for capital expenditures.

The Company’s objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain a flexible capital structure. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may issue new shares to improve its

financial performance and flexibility. The Company's capital is composed of its shareholders' equity. The Company is not subject to any externally imposed capital requirements.

As at September 30, 2015, the shareholders' equity amounted to \$132,464 compared to \$230,268 as at March 31, 2015, the reduction resulting from the net loss of \$97,804 incurred during the year.

The Company's investment policy is to keep its cash treasury on deposit (cash and short term deposits) in a Canadian chartered bank account.

The Company anticipates it has enough capital resources to satisfy its general working capital requirements for the next twelve-month period.

Off Balance Sheet Arrangements

The Company has no off balance sheet arrangements as at September 30, 2015, or as at the date of this report.

Commitments and Proposed Transactions

Other than the proposed transaction to acquire Meech Lake Matachewan disclosed in the Qualifying Transaction section of this report, as at September 30, 2015, and as at the date of this report, the Company did not have any commitments outstanding and has no other proposed transactions that would materially affect the performance or operation of the Company.

Related Party Transactions

The proposed acquisition of the Meech Lake Matachewan Prospect would, if realized, constitute a related party transaction. The Vendor is a privately held mineral exploration company wholly owned and controlled by Glenn J. Mullan, who is also the president, CEO, secretary and a director of the Company.

In addition, in the case of a successful closing of the transaction, other directors of the Company would receive some of the shares to be issued by the Company in payment of the property.

As at September 30, 2015, the Company had total receivables from related parties of \$68,309; \$55,554 from the Vendor, an entity wholly-owned by the Company's President, and \$12,755 from a company with common directors. The aggregate \$68,309 represents disbursements incurred by the Company on behalf of the Vendor in connection with exploration of the Meech Lake Matachewan Prospect.

The Company did not enter into any other related party transactions during the quarter ended September 30, 2015.

Capital Stock, Warrants, Options and Escrowed Shares

Authorized

Unlimited number of common shares, without par value, voting and participating.

Unlimited number of preferred shares, without par value, non-participating. The directors will define the rights, privileges, restrictions and conditions of these shares upon issuance.

Issued and fully paid

3,200,000	common shares (Seed Shares)
(1,600,000)	common shares (Seed Shares) cancelled ⁽¹⁾
<u>2,800,500</u>	common shares (Initial Public Offering November 10, 2010)
4,400,500	common shares
Nil	preferred shares
<u>350,000</u>	stock options to purchase common shares
<u>4,750,000</u>	Total Share Capital on a fully diluted basis

NOTE:

⁽¹⁾ 1,600,000 common shares representing 50% of all the seed shares issued to the founders of the Company were cancelled effective February 14, 2013, in anticipation of the transfer of the Company's common shares to NEX.

The Company issued 3,200,000 Seed Shares (of which 1,600,000 Seed Shares were cancelled as referred to above), to the founders of the Company, in consideration of \$320,000. The balance of the Seed Shares are subject to an escrow agreement pursuant to which, 10% of the Seed Shares will be released from escrow on the Exchange announcing final acceptance of a Qualifying Transaction. This initial release will be followed, every six months, by an additional release of 15% of the Seed shares.

An additional 25,000 common shares, acquired by a director and his close relatives, as part of the initial public offering, were deposited in escrow and are subject to the same escrow provisions as the Seed Shares. As of September 30, 2015, the Company has a total of 1,625,000 common shares in escrow.

The Company has adopted a stock option plan in accordance with the policies of the Exchange pursuant to which it has granted options to purchase common shares to directors, officers and technical consultants. The options will be exercisable at the price set by the board of directors and for a period of up to ten years from the date of grant. The Company has entered into stock option agreements with its directors at the completion of the offering granting them options to acquire 475,000 shares (of which 125,000 options have expired in accordance with their terms), exercisable at \$0.20 per share until November 16, 2020. Any common shares acquired pursuant to the exercise of options prior to the completion of a Qualifying Transaction must be deposited in escrow. The value of these stock options has been estimated to \$85,753 using the Black-Sholes model and expensed in stock based compensation (counterpart in Contributed surplus).

As at September 30, 2015, the weighted average number of common shares outstanding was 2,800,500. The Seed Shares are excluded from the weighted average number of shares

outstanding because they are considered as contingently issuable shares until the qualifying transaction occurs.

Financial Instruments

The Company's financial instruments consist of cash, term deposit, accounts receivable and accounts payable and accrued liabilities. The Company's management manages financial risks. The Company does not enter into financial instrument agreements including derivative financial instruments for speculative purposes. The Company's main financial risk exposure and its financial risk management policies are as follows:

Credit risk

Credit risk relates to the risk that one party to a financial instrument will not fulfill some or all of its obligations, thereby causing the Company to sustain a financial loss. The main risk related to credit risk is through cash, term deposit and receivables. The risk associated with cash is low; treasury being managed by dealing with one reputable financial institution. Receivables are from related companies and the risks associated are considered to be limited.

Liquidity risk

Liquidity risk management serves to maintain a sufficient amount of cash and cash equivalents and to ensure that the Company has financing sources such as bank loans for a sufficient authorized amount. The Company establishes budget and cash estimates to ensure it has the necessary funds to fulfill its obligations. Accounts payable and accrued liabilities are due within less than 90 days. The fair value of these financial instruments approximates their carrying value given their short-term maturity date.

It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Critical Risks Inherent to the Company's Business

Investing in the Company, at this early stage of its development, is of a highly speculative nature. The Company was only recently incorporated, has no commercial operations and has no assets other than cash. It has no history of earnings, and will not generate earnings or pay dividends until at least after the completion of a Qualifying Transaction. The directors and officers of the Company will only devote part of their time and attention to the affairs of the Company and some of them are or will be engaged in other projects or businesses that could give rise to potential conflicts of interest. There is no assurance that there will be an active and liquid market for the Company's common shares. The Company has only limited funds with which to identify and evaluate potential Qualifying Transactions. The Company's shares were transferred to NEX effective February 21, 2013. There can be no assurance that the Company will complete its Qualifying Transaction and again be listed on the Exchange.

Subsequent Events

The TSX Venture Exchange had issued its conditional acceptance of the acquisition of the Meech Lake Matachewan Prospect by the Company, the proposed private placement offering and the proposed 10% rolling stock option incentive plan, subject to the Company fulfilling all of the requirements of the Exchange on or before August 20, 2015. On August 7, 2015 the Exchange granted the Company a first extension to the required deadline for completion of the Qualifying Transaction to November 18, 2015 and on November 4, 2015, the Company was granted a second extension to February 18, 2016. See the 'Qualifying Transaction' section of this report.

Additional Information

Additional information relating to Cleghorn Minerals Ltd. is available for viewing through the Internet under the Company's issuer profile on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) website at www.sedar.com.