BONANZA BLUE CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED

DECEMBER 31, 2015

Prepared by:

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Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Bonanza Blue Corp. ("Bonanza" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended December 31, 2015. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual consolidated financial statements of the Company for the years ended December 31, 2015 and 2014, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee. Information contained herein is presented as of March 11, 2016, unless otherwise indicated.

Further information about the Company and its operations is available on SEDAR at www.sedar.com.

Cautionary Note Regarding Forward-Looking Information

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
The Company will be able to continue its business activities.	The Company has anticipated all material costs and the operating activities of the Company, and such costs and activities will be consistent with the Company's current expectations; the Company will be able to obtain shareholder loans or equity funding when required.	Unforeseen costs to the Company will arise; any particular operating cost increase or decrease from the date of the estimation; and capital markets not being favourable for funding and/or related parties discontinue funding the Company resulting in the Company not being able to obtain financing when required or on acceptable terms.
The Company will be able to carry out anticipated business plans.	The operating activities of the Company for the twelve months ending December 31, 2016, will be consistent with the Company's current expectations.	Sufficient funds not being available; increases in costs; the Company may be unable to retain key personnel.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risk Factors" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Description of Business

The Company was incorporated under the laws of the Province of Ontario on August 19, 1985, under the name of McGarry Minerals Ltd. The Company was initially formed in order to acquire an interest in and to explore mineral prospects. In 1989, the Company abandoned its mineral prospects and changed its name to Whittier Capital Inc. and later to Whittier Industries Inc. In 1991, it acquired Best Sports Distribution Ltd., which was engaged in the development and distribution of sporting equipment, and changed its name to TriplePlay Sports Group Inc. During 1994, operations of the Company ceased due to lack of funds and other factors. On August 16, 2000, the name was changed again to the current name, Bonanza Blue Corp., in connection with a corporate reorganization effected to settle indebtedness with creditors.

The Company has no operations and is currently seeking new business opportunities. Success in identifying a suitable new business for the Company is uncertain. Furthermore, the Company has limited working capital to pursue such opportunities.

The ability of the Company to continue as a going concern is dependent upon, among other things, its being able to obtain additional financing when required.

On June 8, 2011, the Company completed a non-brokered private placement of common shares. The Company issued and sold 3,000,000 units at a price of $0.10 per unit, raising gross proceeds of $300,000. Each unit consisted of one common share and one-half common share purchase warrant. Each whole warrant was exercisable to acquire one additional common share at a price of $0.12 until June 9, 2014. The net proceeds from the placement were used by the Company to satisfy existing accounts payable of approximately $200,000 with the balance for general working capital.

The Company also announced that 1418962 Ontario Inc., Belesarius Inc. and Tonbridge Financial Corp., significant shareholders of the Company, had sold an aggregate of 2,500,000 common shares of the Company, representing approximately 58.75% of the number of outstanding common shares prior to the private placement, to investors in private sale transactions. Brillco Inc. ("Brillco") and FSC Abel Financial Inc. ("FSC"), Toronto-based investment companies, acquired direct ownership of 1,550,000 and 1,650,000 common shares of the Company, respectively, representing approximately 21.4% and 22.7% of the number of outstanding common shares of the Company, respectively, at that time. These companies also each acquired 425,000 common share purchase warrants, which expired on June 9, 2014 unexercised. Neither company previously owned any securities of the Company prior to these acquisitions.

In conjunction with the private placement and share sale transactions, all directors of the Company resigned and were replaced by Eric Klein, David Brill and Vernon Nelson. All officers of the Company also resigned. Mr. Klein was appointed President and Chief Executive Officer and Carmelo Marrelli was appointed Chief Financial Officer ("CFO"). The focus of the Company continues to be the identification of prospective assets or businesses to acquire or merge with, with a view to increasing value for shareholders.

On February 25, 2014, Bonanza announced that it had completed a non-brokered private placement of common shares raising gross proceeds of $40,000. The Company issued and sold 800,000 common shares at a price of $0.05 per share. The net proceeds from the financing are intended to be used to satisfy existing accounts payable and for general working capital.

All of the participants in the placement were insiders of the Company as follows. Brillco, a greater than 20% shareholder of the Company, acquired ownership of 325,000 common shares of the Company in the private placement. Following this acquisition, Brillco owned directly 1,875,000 common shares, representing approximately 23.28% of the issued and outstanding common shares.

FSC, a greater than 20% shareholder of the Company, acquired direct ownership of 325,000 common shares of the Company in the private placement. Following this acquisition, FSC owned directly 1,975,000 common shares, representing approximately 24.52% of the issued and outstanding common shares.

C. Marrelli Services Limited ("Marrelli Services"), a company controlled by Carmelo Marrelli, the CFO of the Company, acquired direct ownership of 150,000 common shares of the Company in the private placement. Following this acquisition, Marrelli Services owned directly 250,000 common shares, representing approximately 3.1% of the issued and outstanding common shares.

Overall Performance

The Company has not conducted commercial operations and it is focused on the identification and evaluation of businesses or assets to acquire or merge with.

On July 6, 2015, Bonanza announced that it and Churchill Diamond Corporation ("Churchill") had mutually agreed to terminate their previously announced proposed business combination. Bonanza intends to continue its search for a prospective business or asset to merge with or acquire.

At December 31, 2015, the Company had assets of $6,036 and shareholders' deficit of $93,672. This compares with assets of $23,086 and shareholders' deficit of $49,382 at December 31, 2014. At December 31, 2015, the Company had $99,708 of current liabilities, compared to $72,468 of current liabilities at December 31, 2014.

At December 31, 2015, the Company had a working capital deficiency of $93,672, compared to a working capital deficiency of $49,382 at December 31, 2014. The Company had cash of $5,769 at December 31, 2015, compared to $22,875 at December 31, 2014, a decrease of $17,106, primarily due to the incurrence of professional fees in respect of the failed transaction with Churchill. The Company believes that additional financing will be required to fund its operating expenses as it searches for suitable assets or businesses to merge with or acquire and/or to pursue a transaction if an appropriate merger or acquisition opportunity is identified. See "Liquidity and Financial Position".

Trends

The Company plans to continue to search for suitable assets or businesses to acquire or merge with in order to maximize value for shareholders.

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. Apart from these and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Selected Annual Financial Information

The following is selected financial data derived from the audited consolidated financial statements of the Company at December 31, 2015, 2014 and 2013 and for the years ended December 31, 2015, 2014 and 2013.

	Year Ended December 31, 2015 $	Year Ended December 31, 2014 $	Year Ended December 31, 2013 $
Net loss and comprehensive loss	44,290	19,678	24,295
Net loss per share (basic and diluted)	0.01	0.00	0.00
	As at December 31, 2015 $	**As at December 31, 2014 $**	**As at December 31, 2013 $**
Total assets	6,036	23,086	5,518
Current liabilities	99,708	72,468	71,770
Long-term liabilities	nil	nil	nil

- The net loss for the year ended December 31, 2015, consisted of general and administrative expenses of $44,290.
- The net loss for the year ended December 31, 2014, consisted of general and administrative expenses of $19,678.
- The net loss for the year ended December 31, 2013, consisted of general and administrative expenses of $24,295.
- As the Company has no revenue, its ability to fund its operations is dependent upon securing financing. See "Trends" and "Risk Factors".

Overall Objective

The Company plans to continue to search for suitable assets or businesses to acquire or merge with in order to maximize value for shareholders. See "Risk Factors".

Off-Balance-Sheet Arrangements

The Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on its results of operations or financial condition, including, without limitation, such considerations as liquidity, capital expenditures and capital resources that would be considered material to investors.

Proposed Transactions

Although the Company has commenced the process of identifying and evaluating businesses or assets to acquire, it has not yet entered into any definitive agreements.

Capital Management

The Company includes equity, consisting of issued share capital, reserves and deficit, in the definition of capital, which as at December 31, 2015, totaled a deficit of $93,672 (December 31, 2014 – deficit of $49,382)

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund its activities relating to identifying and evaluating a business or asset acquisition. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity and completion of a business or asset acquisition.

There has been no change with respect to the overall capital risk management strategy during the year ended December 31, 2015.

The Company is not subject to any capital requirements imposed by a lending institution or any external capital requirements.

Liquidity and Financial Position

As at December 31, 2015, the Company had a working capital deficiency of $93,672. It is anticipated that further financing will be required from related party loans or an equity issue to continue corporate activities and/or to proceed with a transaction if an appropriate merger or acquisition opportunity is identified. Recently, the activities of the Company have been funded by a non-brokered private placement that was completed on February 25, 2014, raising gross proceeds of $40,000 from related parties. There can be no assurance that additional financing from related parties or others will be available at all, or on terms acceptable to the Company.

Selected Quarterly Information

Three Months Ended	Total Sales ($)	Profit or Loss Total ($)	Profit or Loss Per Share ($)
December 31, 2015	-	(3,627)	(0.01)
September 30, 2015	-	(2,716)	(0.00)
June 30, 2015	-	(28,095)	(0.00)
March 31, 2015	-	(9,852)	(0.00)
December 31, 2014	-	(6,597)	(0.00)
September 30, 2014	-	(3,072)	(0.00)
June 30, 2014	-	(3,048)	(0.00)
March 31, 2014	-	(6,961)	(0.00)

Professional fees, shareholder information and office and general were primarily responsible for fluctuations over the eight quarters.

Per share amounts are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amounts.

Discussion of Operations

Year ended December 31, 2015 compared with year ended December 31, 2014

For the year ended December 31, 2015, the Company reported a loss of $44,290 versus a loss of $19,678 in the corresponding period in 2014. No revenue was recorded in either period.

Expenses in the current period related primarily to professional fees for the failed proposed business combination transaction with Churchill and ongoing public company reporting costs and disclosure obligations.

In the comparative period, expenses related primarily to professional fees and corporate overhead charges to keep the Company compliant with its public company reporting and disclosure obligations and for the investigation and negotiation of prospective merger and acquisition opportunities.

For the year ended December 31, 2015, professional fees were $27,103 representing an increase of $15,213 compared to $11,890 for the corresponding period in 2014 relating to the failed transaction with Churchill. Office and general costs increased by $8,144, as well as other expenses relating to shareholder information, which increased to $1,595 from $340, primarily due to the timing differences in the payment of ongoing public company reporting costs and the failed transaction with Churchill.

Three months ended December 31, 2015 compared with three months ended December 31, 2014

For the three months ended December 31, 2015, the Company reported a loss of $3,627 versus a loss of $6,597 in the corresponding period in 2014. No revenue was recorded in either period.

In the current and comparative period, expenses related primarily to professional fees and corporate overhead charges to keep the Company compliant with its public company reporting and disclosure obligations and for the investigation and negotiation of prospective merger and acquisition opportunities.

For the three months ended December 31, 2015, professional fees were $1,520 representing a decrease of $3,406 compared to $4,926 for the corresponding period in 2014 relating to decreased corporate activity requiring services from consultants. Office and general costs marginally increased by $436.

New Standards and Interpretations Not Yet Adopted

IAS 1 - Presentation of Financial Statements was amended in December 2014 in order to clarify among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality consideration apply to all parts of the financial statements and that even when a standard required a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016.

IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in July 2014 and will replace IAS 39 – Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. 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. Final amendments released in July 2014 also introduce a new expected loss impairment model and limited changes to the classification and measurement requirements for financial assets. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

Related Party Transactions

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

(a) Bonanza entered into the following transactions with related parties:

Names	Year Ended December 31, 2015 $	Year Ended December 31, 2014 $
Marrelli Support Services Inc. ("Marrelli Support") (i)	12,680	6,500
Total	**12,680**	**6,500**

(i) The CFO of Bonanza is the President of Marrelli Support. Fees relate to the CFO function performed.

(b) The following summary outlines amounts owing to related parties. The amounts are unsecured, non-interest bearing and due on demand:

Names	As at December 31, 2015 $	As at December 31, 2014 $
Accounting fees payable to Marrelli Support	7,684	3,039
Advances payable to Brillco	29,930	29,930
Advances payable to FSC	32,000	32,000
Total	**69,614**	**64,969**

(c) Certain shareholders and an officer, all through companies they control, purchased common shares in the February 25, 2014 private placement:

- Brillco, a shareholder, acquired direct ownership of 325,000 common shares of the Company in the private placement;
- FSC, a shareholder, acquired direct ownership of 325,000 common shares of the Company in the private placement; and
- Marrelli Services, a company controlled by Carmelo Marrelli, the CFO of the Company, acquired direct ownership of 150,000 common shares of the Company in the private placement.

(d) To the knowledge of the directors and officers of the Company, as at December 31, 2015, no person or corporation beneficially owned or exercised control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all the common shares of the Company other than as set out below:

Names	Number of common shares	Percentage of outstanding shares
Brillco	1,875,000	23.28%
FSC	1,975,000	24.52%

As at December 31, 2015, directors and officers of the Company controlled 250,000 common shares of the Company or approximately 3.1% of the shares outstanding.

The Company is not aware of any arrangements that may at a subsequent date result in a change in control of the Company.

Additional Disclosure for Venture Issuers without Significant Revenue

Expenses	Year Ended December 31, 2015 $	Year Ended December 31, 2014 $
Professional fees	27,103	11,890
Shareholder information	1,595	340
Office and general	15,592	7,448
Total	**44,290**	**19,678**

Financial Instruments

The Company's financial instruments, consisting of cash, amounts receivable, accounts payable and other liabilities, and due to related parties, 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.

As at December 31, 2015, the Company had a working capital deficit of $93,672 (December 31, 2014 - working capital deficit of $49,382). The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity.

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company had cash of $5,769 at December 31, 2015 (December 31, 2014 - $22,875) to settle current liabilities of $99,708 at December 31, 2015 (December 31, 2014 - $72,468). The Company's liquidity and operating results may be adversely affected if its access to the capital markets is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company.

The Company generates cash flow primarily from its financing activities. Further financing will be required for working capital expenditures beyond December 31, 2015. While there is no assurance these funds can be raised, the Company believes such financing will be available as required. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity.

Outlook

The Company plans to continue to search for suitable assets or businesses to acquire or merge with to maximize value for shareholders.

Share Capital

As of the date of this MD&A, the Company has 8,055,009 common shares outstanding. In addition, the Company has 450,000 stock options outstanding, exercisable at $0.12 with an expiry date of June 24,

2016. Warrants to acquire 1,500,000 common shares at a price of $0.12 per share expired on June 9, 2014 unexercised. The Company, therefore, has 8,505,009 common shares on a fully diluted basis.

Risk Factors

At the present time, the Company does not hold any interest in an active operating business or asset. The Company's viability and potential success lie in its ability to develop, exploit and generate revenue from a future asset or business acquisition. Revenues, profitability and cash flow from any future asset or business acquisition involving the Company are difficult to predict and will be influenced by factors unknown to management at the present time. The Company has limited financial resources and there is no assurance that it will be able to obtain adequate financing in the future or that the terms of any such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of future business activities of the Company with the possible dilution or loss of such business activities.

Additionally, directors and officers of the Company may also serve as directors and/or officers of other public companies from time to time.

Consequently, such directors and officers will be dividing their time between their duties to the Company and their duties to their other reporting issuers.

The Company has not purchased "key-man" insurance, nor has it entered into non-competition and non-disclosure agreements with management and has no current plans to do so.

Disclosure of Internal Controls

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements, and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.