

IRVING RESOURCES INC.

Management Discussions and Analysis

Period from incorporation on August 28, 2015 to November 30, 2015

The following Management Discussion and Analysis (“MD&A”) is an overview of the activities of Irving Resources Inc. (“Irving” or the “Company”), for the period from incorporation on August 28, 2015 to November 30, 2015. The MD&A is prepared as of **January 28, 2016** and should be read in conjunction with the unaudited condensed interim consolidated financial statement for the period from incorporation on August 28, 2015 to November 30, 2015. Unless otherwise cited, references to dollar amounts are Canadian Dollars and financial data has been prepared in accordance with International Financial Reporting Standards (“IFRS”).

The Company recommends that readers consult the “**Cautionary Statement and Forward Looking Statement Disclaimer**” on the last page of this report. Additional information related to the Company is available on its website at www.IRVresources.com and on SEDAR at www.sedar.com.

Description of Business

The Company was incorporated under the Business Corporation Act (British Columbia) on August 28, 2015 under the name 1047431 B.C. Ltd. and was a privately held company and wholly-owned subsidiary of Gold Canyon Resources Inc. (“Gold Canyon”). On September 23, 2015, 1047431 B.C. Ltd. changed its name to Irving Resources Inc.

On November 13, 2015, Irving, Gold Canyon and First Mining Finance Corp. (“First Mining”) completed a Plan of Arrangement (the “Arrangement”) under the Business Corporation Act (British Columbia) that resulted in Irving holding title to various exploration properties located in Africa.

Under the Arrangement, shareholders of Gold Canyon received one common share of First Mining for each Gold Canyon share held and each Gold Canyon shareholder also received 0.03333 common shares of the Company and 0.03333 warrants of the Company for each unexercised Gold Canyon warrant held.

This resulted in the issuance of 5,372,752 common shares and 376,958 warrants of the Company. The warrants are exercisable at \$0.30 until February 5, 2018. As part of the Arrangement, Gold Canyon transferred its early stage non-gold exploration properties together with \$500,000 in cash and certain other assets owned by Gold Canyon to the Company.

Pursuant to the Arrangement, the 11,310,000 unexercised Gold Canyon warrants were exchanged for a First Mining Replacement Warrant (the “Replacement Warrants”) and the 6,012,500 unexercised Gold Canyon stock options were exchanged for Replacement Options, each to purchase a number of First Mining Shares equal to the exchange ratio of one common share. Any document previously evidencing the Gold Canyon Warrants or Options shall be deemed to evidence such Replacement Warrant or Replacement Option and no certificates evidencing the Replacement Warrants or Replacement Options shall be issued.

Irving is an early exploration stage company currently focused on exploration for copper and precious metals in Tanzania and for rare earth elements (“REE”) in Malawi in Africa.

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The following table summarizes the recognizable consolidated assets and liabilities acquired and assumed by the Company as a result of the Arrangement:

	As at November 13, 2015
Assets	
Cash	\$ 500,000
Exploration and evaluation assets	1,498,786
Equipment	7,512
Total assets assumed	2,006,298
Accounts payable and accrued liabilities	(21,249)
Net assets assumed	\$ 1,985,049

Technical Disclosure in the Management Discussion and Analysis

Dr. Quinton Hennigh, Ph.D., P.Geol., a Qualified Person pursuant to NI 43-101 who is acting as a technical adviser to, and a director of, Irving, is responsible for reviewing and approving the technical information in this MD&A.

Results of Operations

The Company has five wholly owned subsidiaries: Spring Stone Limited, (“SSL”) incorporated on June 15, 2011 in Malawi, Africa; Spring Stone Mining Corporation, (“SSM”) incorporated on August 5, 2011 in the Province of British Columbia; Spring Stone Exploration Inc., (“SSE”) incorporated on August 25, 2011 in the Province of British Columbia; River Stone Limited, (“RSL”) incorporated on August 13, 2012 in Malawi, Africa; and Spring Take Limited, (“STL”) incorporated on July 10, 2014 in Tanzania, Africa.

During the period since incorporation on August 28, 2015 to November 30, 2015, the Company had a comprehensive loss of \$9,298. As at November 30, 2015, the Company’s working capital was \$454,445.

Projects

Tanzania Project

In 2015, the Company, through its wholly-owned subsidiary, STL, was granted two Prospecting Licences (“PLs”) by the Ministry of Energy and Minerals in the United Republic of Tanzania, Africa. The two PLs, Kimagai and Mlali, are located in the Mpwapwa District of the Dodoma Region in east-central Tanzania, approximately 300 km WNW of Dar es Salaam and 100 km ESE of Dodoma. Under the Joint Exploration Agreement (“JEA”), the participating interest and contributions of each of the joint venture partners is 67% Japan Oil, Gas and Metals National Corporation (“JOGMEC”) and 33% the Company.

The Mpwapwa Joint Venture was formed to explore for copper and precious metal mineralization in a poorly explored part of Tanzania. Artisanal miners currently exploit high-grade oxide copper resources in small pits scattered across the region. Several artisanal gold prospects have also been identified. Copper, gold and platinum group metals are hosted by high rank metamorphic rocks including amphibolites and localized meta-calcareous

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rock horizons. The exact origin of mineralization is poorly understood, but it may be derived from early stage syngenetic or magmatic deposits that have subsequently been metamorphosed or epigenetic deposits related to nearby intrusions. Observed mineralization takes the form of veins, vein breccias and stratabound lenses.

In November and December, 2015, JOGMEC undertook systematic laterite soil sampling, rock chip sampling and reconnaissance scale mapping at Kimagai and Mlali. Analytical results are expected in the next quarter.

Malawi Property

The Company has an interest in a REE Property in Malawi, Africa through its JEA with its joint venture participant, JOGMEC. The Company's wholly-owned subsidiary, SSL, currently holds one Exclusive Prospecting Licences ("EPL") granted by the Malawi Ministry of Natural Resources, Energy Environment for the Mulanje Project. Under the JEA, the participating interest and contributions of each of the joint venture partners is 67% JOGMEC and 33% the Company.

Exploration work was completed across the Chambe Basin of the Mulanje Project in 2012. The Company and JOGMEC evaluated the metallurgy of clay samples from these exploration holes and determined high leachability of REE's and the quality and composition of resulting REE carbonate concentrates. Although the leaching tests proved highly successful, data from drilling indicated that a potential resource at the Chambe Basin is too small to be considered economic at this time. No further exploration is anticipated at this time; however, the Company is keeping the license in good standing.

Kratz Spring Property

In December 2008, Gold Canyon acquired 53 mineral property rights located in Franklin County, Missouri, USA by paying delinquent taxes and other costs.

Gold Canyon entered into a JEA with JOGMEC on January 22, 2009, which was assigned to the Company as part of the Arrangement. Under the terms of the agreement JOGMEC earned an 80% interest in the Kratz Spring REE Project by making an initial contribution of US\$75,000 and reimbursed the Company of all property expenses incurred before March 31, 2009.

During the period, the Kratz Spring Property was quit claimed to a third party and the Company elected to legally dissolve Kratz Spring LLC in the State of Colorado, USA.

Events subsequent to the reporting period

- a) The Company commenced trading on the Canadian Securities Exchange ("CSE") under the trading symbol "IRV" on December 23, 2015.
- b) The Company received \$334,500 (\$350,000, less deduction of costs) from First Mining pursuant to the terms of the Arrangement.

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Summary of Quarterly Results

	November 30, 2015	August 31, 2015
Total assets	\$ 2,015,094	\$ 1
Mineral property costs	1,513,794	-
Working capital	454,445	-
Equity in net assets	1,975,751	1
Net loss and comprehensive loss	(9,298)	-
Earnings (loss) per share	(0.00)	-

As this is the Company's first complete quarter, there are no comparative quarters to compare. The Company had minimal activity since the Arrangement closed on November 13, 2015. Costs presented are primarily the spin-out costs which are a result of the Arrangement with Gold Canyon and First Mining.

Liquidity and Capital Resources

As at November 30, 2015, the Company had working capital of \$454,445. This consists of \$142,184 in cash, \$334,604 in accounts receivable, \$17,000 in prepaid expenses and \$39,343 in accounts payable and current liabilities.

The condensed interim consolidated financial statements have been prepared on a going concern basis 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 has not generated revenues from operations. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing in the future. The Company will seek such additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

Related Party Transactions

The Company has recorded the following amounts in related party transactions.

	Period from August 28, 2015 to November 30, 2015
Management fees	\$ 4,565
Consulting fees	1,975
Directors' fees	1,000
	\$ 7,540

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- a) Included in the management fees were fees for services provided by the President and Chief Executive Officer and Chief Financial Officer.
- b) Included in consulting fees are amounts paid to independent directors for services other than their role as directors.
- c) Directors' fees provided to the independent directors.

As at November 30, 2015, \$1,000 is due to related parties. The amounts due to related parties are unsecured, non-interest bearing and have no specific terms of repayment.

Key Management Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members.

Other than disclosed above, there was no other compensation paid to key management during the period from incorporation on August 28, 2015 to November 30, 2015.

Financial Instruments

The Company has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk and market risk. Management and the Board of Directors monitor risk management activities and review the adequacy of such activities.

Credit risk

Credit risk is the risk of potential loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is limited to the carrying amount on the statement of financial position and arises from the Company's cash and receivables.

The Company's cash is held with high-credit quality financial institutions. Receivables mainly consist of goods and services tax due from the Federal Government of Canada.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company manages its liquidity risk by forecasting cash flows from operations, and anticipating investing and financing activities. As at November 30, 2015, the Company had cash of \$142,184 to settle current liabilities of \$39,343 which have contractual maturities of less than 30 days and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market prices, such as interest rates and foreign exchange rates.

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i) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term certificates of deposits issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit rating of its banks.

ii) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. The ability of the Company to explore its mineral properties and future profitability of the Company are directly related to the market price of rare earth elements and other non-gold minerals. The Company monitors commodity prices to determine appropriate actions to be undertaken.

iii) Foreign exchange rate risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company funds certain operations, exploration and administrative expenses in the United States by using US dollars converted from its Canadian bank accounts. Management is aware of the possibility of foreign exchange risk derived from currency conversions. The Company has not entered into any agreements or purchased any instruments to hedge possible foreign exchange rate risk at this time.

Based on management's knowledge of and experience in the financial markets, management does not believe that the Company's current financial instruments will be affected by credit risk, liquidity risk or market risk.

Commitments

The Company has a five year office lease agreement expiring August 31, 2020. The minimum lease payments will be as follows:

2015	\$ 7,289
2016	29,154
2017	29,486
2018	30,149
2019	30,481
2020	<u>15,241</u>
	<u>\$ 141,800</u>

Contingency

Not applicable.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements as at November 30, 2015.

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Outstanding Share Data

The following table summarizes the Company's outstanding share data as of the date of this Management Discussion and Analysis:

	Number of shares issued or issuable
Common shares	5,372,752
Warrants	376,958

As at the date of this Management Discussion and Analysis, there are no common shares held in escrow.

Critical Accounting Policies

The financial statements have been prepared in accordance with accounting principles generally accepted in Canada and form the basis for the following discussion and analysis of critical accounting policies and estimates. The Company makes estimates and assumptions that affect the reported amounts of assets, liabilities and expenses and related disclosure of contingent assets and liabilities during the course of preparing these financial statements. On a regular basis, the Company evaluates estimates and assumptions including those related to the recognition of share-based compensation.

Estimates are based on historical experience and on various other assumptions that the Company believes to be reasonable. These estimates form the basis of judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from those estimates.

New Accounting Pronouncements for Adoption in Future Periods

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective as of November 30, 2015. The Company has not early adopted any of these standards. Adopting these standards is expected to have minimal or no impact on the Company's financial statements.

For complete details of the new accounting standards, refer to Note 4 of the condensed interim consolidated financial statements for period from incorporation on August 28, 2015 to November 30, 2015.

Accounting Standards Issued and Effective on or after December 1, 2014.

- IFRS 10, IFRS 12, IAS 27, Exception from Consolidation for "Investment Entities"
- IFRS 9, Financial Instruments

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Outlook

The Company is optimistic that results from current exploration on its Tanzanian holdings will merit additional exploration that may lead to possible development activities in the future. Near term work will be tightly budgeted and managed to minimize cash outflows. The Company continues to monitor its REE projects in Malawi with its partner, JOGMEC. The Company will also continue to examine new, high quality opportunities around the globe.

Business Risks

The Company is engaged in the exploration and development of mineral properties. These activities involve a high degree of risk which, even with a combination of experience, knowledge and careful evaluation, may not be overcome. Consequently, no assurance can be given that commercial quantities of minerals will be successfully found or produced.

The Company has no profitable operations and its present business is at an early stage. As such, the Company is subject to many common risks to new and developing enterprises, including under capitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a positive return on shareholders' investment.

The Company has no source of operating cash flow and there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

The Company's property interests are located in remote, undeveloped areas and the availability of infrastructure such as surface access, skilled labour, fuel and power at an economic cost, cannot be assured. These are integral requirements for exploration, development and production facilities on mineral properties.

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

The Company competes with other junior mineral exploration companies, some of which have greater financial resources and technical facilities. The business of mineral exploration and extraction involves a high degree of risks and few properties that are explored are ultimately developed into production. In addition to specific risks disclosed throughout this discussion, other risks facing the Company include reliance on third parties, environmental and insurance risks, statutory and regulatory requirements, metal prices and foreign currency fluctuations, share price volatility and title risks.

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Cautionary Statement and Forward Looking Statement Disclaimer

Certain information included in this discussion may constitute forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Such statements are based on a number of assumptions which may prove to be incorrect.

Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. The Company cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the Company's forward-looking statements should carefully consider the above factors as well as the ability of obtaining sufficient financial support.

Approval

The Company's Board of Directors of the Company has approved the disclosure contained in this MD&A.