The following Management Discussion and Analysis ("MD&A") is an overview of the activities of Irving Resources Inc. ("Irving" or the "Company"), for the six months ended August 31, 2022. The MD&A is prepared as of October 26, 2022 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the six months ended August 31, 2022. The reader should also refer to the Company's audited consolidated financial statements for the year ended February 28, 2022. 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

Irving is a junior exploration company with a focus on gold in Japan. Irving also holds, through a subsidiary, a Joint Exploration Agreement with Japan Oil, Gas and Metals National Corporation.

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.

As of the date of this report, the Company has five wholly-owned subsidiaries: Irving Resources GK ("Irving GK") in Japan; NIRV Resources GK ("NIRV") in Japan; Spring Stone Mining Corporation, ("SSM") and Spring Stone Exploration Inc., ("SSE") in the Province of British Columbia; and Spring Take Limited, ("STL") in Tanzania.

Technical Disclosure in the Management Discussion and Analysis

Dr. Quinton Hennigh, Ph.D., P.Geo., 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.

Overall Performance

During the six months ended August 31, 2022, the Company recorded a comprehensive loss of $749,354. As at August 31, 2022, the Company has total assets of $49,731,995 and working capital of $16,043,113. The Company completed three private placements raising gross proceeds of $11,932,439 by issuance of 10,257,384 common shares.

Projects Update

Japan Properties

Omu Gold-Silver Project

The Company, through its wholly-owned Japan subsidiary, Irving GK, entered into an agreement to purchase a 100% interest in a mining right for the Omui Property located in Hokkaido, Japan. The total purchase price for the mining right is JPY40,000,000 cash (CAD $477,000) and JPY10,000,000 (CAD $118,100) worth of the Company's common shares. During 2016, the Company paid JPY20,000,000 cash (CAD $245,000) towards the acquisition of this agreement. In August, 2017, the Company paid the balance of JPY20,000,000 cash (CAD $232,000) as the definitive registration procedure of the transfer of the mining right was completed. In February, 2018, the Company completed the acquisition when it issued 135,747 common shares upon completion of the registration of the transfer of the mining right. The mining right encompasses an area of roughly 2.98 sq km covering a young, Miocene-aged hot spring center hosted by Tertiary-aged intermediate and felsic volcanic rocks.

To augment this land position, Irving GK has filed a total of 57 prospecting licenses (including alluvial claims) covering an additional 173.93 sq km of prospective ground in the vicinity of the Omui Mine and including another past producing Au-Ag mine, Hokuryu, situated about seven km west of Omui. Acceptance of all prospecting and alluvial applications was granted by the Ministry of Economy, Trade and Industry ("METI") and a multi-step review started for final approval. Mitsui Mineral Development Engineering Co, Ltd ("MINDECO") is assisting the Company throughout the process.

In November, 2018, the Company voluntarily filed a technical report prepared pursuant to NI 43-101 for the Omu gold-silver project. The independent technical report, entitled "Independent Technical Report on the Omu Property, Hokkaido, Japan" (the "**Omu Technical Report**"), with an effective date of November 6, 2018, was prepared for the Company by Christopher Mark Barrett, (MSc., CGeol) of SRK Exploration Services Ltd, in London, UK, and others. Mr. Barrett is a "qualified person" as defined under NI 43-101.

In October, 2018, the Company received approval from METI of its Omui Mine Plan covering mining and exploration related activities at its Omui Mining Licence. With this approval, the Omui Mine Safety Regulation has been submitted and accepted.

In January, 2019, the Company announced it received approval from METI of its Otoineppu Prospecting Plan covering drilling activities at the Omu Sinter. With the approval, the Otoineppu Mine Safety Regulation has been submitted and accepted.

In March, 2019, the Company began drilling and by early August had completed drilling of the first eight holes. These eight holes, collectively totaling approximately 3,388.5 m, test approximately one kilometer of strike from north to south along the very large zone of alteration and mineralization underlying the Omu Sinter terrace. All eight drill holes intersected long intervals of highly altered volcanic and sedimentary rocks. Notable vein intervals have been intersected in all holes.

At Omu Sinter, the most significant drill intercept to date is a high-grade vein interval in hole 19OMS-002 between 184.93-185.72 m grading 48.96 gpt Au and 945.4 gpt Ag and discussed in the Company's news release dated May 6, 2019**.** Sixteen additional veins and vein breccia zones were encountered in hole 19OMS-002, but of low Au grades and variable Ag grades. Assays from the remaining six holes were reported in a press release dated November 5, 2019. All eight widely spaced diamond drill holes at Omu Sinter encountered significant gold-silver mineralization including notable vein intercepts in seven of eight holes. Further drilling at Omu Sinter was conducted from January to April, 2020.

The Company has undertaken two geophysical surveys to help evaluate subsurface structure to better design its drill program. MINDECO completed a loop electromagnetic ("EM") survey at the Omu Sinter which revealed further evidence that basement rocks may underlie the target area as well as providing a very clear picture of the underlying structural architecture that hosts the Omu hydrothermal "plumbing" system.

In addition, with technical assistance from Newmont Corporation and help from MINDECO, Irving undertook a controlled-source audio-frequency magnetotellurics ("CSAMT") survey at each of its three main target areas, Omu Sinter, Omui Mine and Hokuryu Mine and these results have provided more refined phase two drilling targets. A detailed gravity survey was also completed to complement the CSAMT survey.

Three north-south oriented trenches totaling approximately 200 m length were dug across the Honpi target area at Omui Mine site. The weathering profile proved to be thicker than anticipated being over three meters deep in places and this has made gaining exposure of bedrock challenging in certain areas. Where vein material was encountered, it was stockpiled on site and will comprise part of the upcoming bulk sample being collected at Omui.

In October 2019, the Company announced that drilling resumed at the Omu Gold-Silver Project with a phase one drill campaign at the Omui Mine site. Further to press releases dated December 17, 2019 and January 17, 2020, ten drill holes were completed with six of them encountering significant vein mineralization.

In February, 2020 the Company announced that diamond drill hole 19OMI-010, at the Omui Mine site, encountered 21 significant Au-Ag veins. Hole 19OMI-010 was the first hole testing the interpreted boiling level of the paleo-hot spring system at this important target.

Vein intercepts in hole 19OMI-010 include 3.00 m grading 27.0 gpt Au and 40.5 gpt Ag, 1.10 m grading 29.6 gpt Au and 36.5 gpt Ag, 3.77 m grading 12.3 gpt Au and 84.5 gpt Ag, and 1.20 m grading 7.8 gpt Au and 887.5 gpt Ag. Hole 19OMI-009, situated appropriately 100 m east of hole 19OMI-010 and oriented south at an inclination of -60 degrees, was also intended to be a deep drill test but was lost at 292.4 m in bad ground. Nonetheless, this hole encountered five significant veins including one of 0.80 m grading 46.3 gpt Au and 22.1 gpt Ag.

Given the success of hole 19OMI-010, Irving believes the large, deep-rooted resistive feature defined by CSAMT surveys at Omui is indeed the silicified core of the system and has potential to host a significant number of undiscovered mineralized veins.

Between mid-January and early April 2020, the Company completed four diamond drill holes at Omu Sinter to follow up on encouraging vein mineralization encountered in its 2019 phase one drill campaign as well as newly defined CSAMT anomalies as discussed in a press release dated April 21, 2020.

Following review of the COVID-19 situation in the Omu region, an area where very few COVID-19 cases have been reported, and after developing strict operational guidelines, the Company continued exploration at the Omu project.

During 2020, the Company completed nine holes at the Omui Mine Site. In June 2020, the Company announced that its drilling at Omui Mine Site has encountered multiple epithermal vein intercepts in holes 20OMI-002 and 20OMI-003. And in August 2020, the Company announced that assay results confirm the presence of multiple gold-silver veins. Results include 12.59 gpt Au and 91.36 gpt Ag (13.81 gpt Au eq) over 2.01 m within 2.90 gpt Au and 29.5 gpt Ag (3.29 gpt Au eq) over 14.50 m in hole 20OMI-002. Hole 20OMI-003 yield one vein intercept of 8.15 gpt Au and 147.29 gpt Ag (10.11 gpt Au eq) over 1.76 m within 3.55 gpt Au and 69.24 gpt Ag (4.47 gpt Au eq) over 14.24 m and a second of 21.65 gpt Au and 538.75 gpt Ag (28.83 gpt Au eq) over 1.72 m including 56.10 gpt Au and 1,435.00 gpt Ag (75.23 gpt Au eq) over 0.60 m.

In November 2020, the Company announced that its drilling at Omui Mine Site encountered a very long intercept of of 81.73 m grading 1.44 gpt Au eq (1.02 gpt Au and 31.29 gpt Ag) beginning at a down hole depth of 27.45 m. Included within this are several higher grade vein intercepts including 8.42 gpt Au eq (7.05 gpt Au and 102.50 gpt Ag) over 1.60 m, 3.33 gpt Au eq (3.09 gpt Au and 17.89 gpt Ag) over 3.35 m, 7.30 gpt Au eq (5.05 gpt Au and 168.96 gpt Ag) over 1.41 m and 4.85 gpt Au eq (0.84 gpt Au and 300.72 gpt Ag) over 0.65 m. Hole 20OMI-004, with an inclination of -55 degrees, encountered 55.44 m grading 0.72 gpt Au eq (0.52 gpt Au and 15.24 gpt Ag) as well as several narrow higher grade vein intercepts.

In February 2021, the Company announced the drill results from the Nanko target where each hole drilled encountered multiple vein intercepts. Some of these results include:

- 2.39 m grading 6.77 gpt Au eq (5.22 gpt Au and 103.6 gpt Ag) in hole 20OMI-006
- 2.99 m grading 4.74 gpt Au eq (4.34 gpt Au and 26.8 gpt Ag) in hole 20OMI-007
- 2.00 m grading 4.37 gpt Au eq (3.98 gpt Au and 26.1 gpt Ag) in hole 20OMI-008
- 1.87 m grading 10.27 gpt Au eq (8.88 gpt Au and 93.1 gpt Ag) and a second interval of 6.50 m grading 4.73 gpt Au eq (4.37 gpt Au and 24.4 gpt Ag) including 2.51 m grading 9.74 gpt Au eq (9.21 gpt Au and 35.2 gpt Ag) in hole 20OMI-009.

In May 2021, the Company announced it had completed four drill holes at the Sinter target. Two of these holes at the Sinter were testing two new zones of high resistivity, the first to the west and the second to the east of the main N-S-trending mineralized/resistive trend, the subject of drilling the past two seasons.

In August 2021, the Company announced these drill results. Holes 21OMS-002 and 21OMS-004 tested an area underlain by a broad expanse of silica sinter terrace in the southern part of this project area and both holes encountered multiple long intervals of low grade gold and silver mineralization in bedded silica sinter and highly silicified, often hydrothermally brecciated, rocks beneath. Holes 21OMS-001 and 21OMS-003 tested CSAMT anomalies to the west and east of the main Omu Sinter trend, respectively. Although each hole encountered hydrothermally altered volcanic rocks, only anomalous Au and Ag values were encountered. Therefore, Irving believes all mineralization at Omu Sinter occurs within the 1.2 km long north-south corridor now tested by multiple holes.

In September 2021, the Company commenced its maiden drill program at Hokuryu, which is being undertaken using a Japanese-based drill contracted from Sumiko Resources Exploration & Development Co., Ltd., a wholly-owned subsidiary of Sumitomo Metal Mining Co., Ltd. Up to four holes are designed as a drill test of the Hokuryu vein system. Irving's recent controlled source audio-magnetotellurics geophysical program (CSAMT) identified a large corridor of resistive, presumably silicified, rock extending well beyond the historic mine area. The initial holes will test select areas along this corridor for vein extensions and new veins. One diamond drill hole was completed to a depth of 294.7m; however, the additional holes were postponed due to inclement weather. In March 2022, the Company announced assays results for this partially completed first drill hole. Although the hole was temporarily terminated and did not fully test the sub-vertical electrically resistive zone being targeted, the two veins encountered graded 3.12 gpt Au and 469 gpt Ag (9.13 gpt Au eq) over 0.41m and 14.05 gpt Au and 13.35 gpt Ag (14.22 gpt Au eq) over 0.33m within 4.27 gpt Au and 7.55 gpt Ag (4.37 gpt Au eq) over 1.67m, respectively.

During the fall, the Company also completed a two-hole follow up drill program at the Omui Mine Site. In December 2021, the Company announced it has discovered a new, buried hot spring system immediately beneath areas previously targeted with shallow drilling at the Omui Mine Site. Hole 21OMI-002, the second diamond drill hole of the two-hole program, encountered an approximately 100 m long intercept of beds of siliceous hot spring sinter interbedded with various clastic rocks at a depth of approximately 200 vertical meters beneath the historic Honpi mine area. The presence of this new sinter horizon suggests the presence of an older, extensive hot spring system buried underneath Honpi. In March 2022, the Company announced that the 2022 diamond drill program had commenced with three holes designed to test the anticipated deep system at Honpi.

In June 2022, the Company reported that geophysical crews were granted visas to enter Japan and phase II of the CSAMT surveys at the Omu project had begun.

In July 2022, the Company announced drill results from the first two holes of the 2022 exploration season. Both diamond drill holes at the Omui mine site encountered high-grade veins and are thought to belong to the same network of high-grade veins encountered in this area by holes completed in 2019.

Over the past three years, the Company has purchased a total of 1.35 sq km of surface rights covering an area over the Omu Property for the total purchase price of JPY38,145,974 (CAD$458,279).

In addition, the Company entered into long-term leases of surface rights covering a total area of 1.06 sq km in an area over the Omui Property. The total costs for the initial five-year period is JPY10,637,140, (CAD$129,613). The leases are for a five-year term and can be extended for up to three additional five-year periods.

Securing ownership and long-term lease agreements of these key properties puts the Company in a strong position to advance the Omu gold-silver project. These surface rights are considered critical for Irving to proceed with mining work.

In June 2022, the Company announced it has purchased two new diamond drills for its exploration programs in Japan. A new Zinex A5 diamond drill has been secured through a Canadian company and is expected to arrive in Japan in mid-July. In addition, a new LF90DT diamond drill has been secured through Boart Longyear and is anticipated to be delivered in the third quarter of 2022. The Company is continuing to drill at the Hokuryu mine site.

Yamagano Property

In September 2020, the Company announced that it signed a binding option agreement with Shimadzu Limited to acquire the 5.2 sq km Yamagano mining license, site of extensive historic high-grade gold vein mining, in southern Kyushu. The Yamagano mining district, situated approximately 11 km southwest of the large, high-grade Hishikari gold mine, is host to innumerable historic gold mine workings, some dating back to 1640 AD during the early Edo Period in Japan. Mining focused on a multitude high-grade epithermal gold veins hosted by volcanic rocks blanketing this region. Irving also holds four important new mineral prospecting licenses immediately east of the Yamagano mining tenement. As discussed in the Company's news release dated June 23, 2020, Irving controls five key property positions in Kyushu. This includes Yamagano, Satsuma A, Satsuma B, Satsuma C and Satsuma D projects. All of these projects encompass gravity highs that Irving considers highly prospective for blind epithermal vein mineralization.

In December 2021, the Company provided an update at the Yamagano and Satsuma Projects. In preparation of exploration activities, Irving has secured an office near Kagoshima airport, appointed Kagoshima Mine Manager and engaged in consultations with local government offices, communities and universities. In response to positive stream sediment analyses, the Company has expanded its Satsuma B block of tenements. Each of Irving's claim blocks, Yamagano, Satsuma A, Satsuma B, Satsuma C and Satsuma D, is centered over an anomalously high gravity anomaly considered highly prospective for blind epithermal vein mineralization. In addition, the Company has engaged a local geotechnical firm to undertake the geologic mapping over the entirety of the Yamagano claim holdings. Detailed gravity and drone magnetics surveys were also conducted across the property.

Noto Property

In March 2021, the announced that it had conducted stream sediment surveys over much of the Noto Peninsula, in Honshu, Japan and upon review of the stream sediment analyses and recognition of several significant gold and multi-element anomalies, the Company applied for 99 prospecting licenses covering approximately 337.37 sq km on the Noto Peninsula. These prospecting licenses cover four discrete target areas displaying strong stream sediment gold, silver, arsenic, antimony, mercury and/or copper anomalism. The mineral prospecting licenses have been accepted by METI and a multi-step review has started for the final approval.

Shimokawa Property

During the year ended February 28, 2019, the Company filed 15 mineral prospecting licenses covering 48.50 sq km of the Shimokawa area. The mineral prospecting licenses have been accepted by the METI and a multi-step review has started for the final approval. At Shimokawa, multiple hot spring silica sinter terraces have been identified by Irving geologists. Follow up prospecting and mapping are being planned.

Engaru Property

During the year ended February 28, 2019, the Company filed 25 mineral prospecting licenses totaling 84.42 sq km covering an area a few km south of the historic Konomai gold field. All applications were accepted by METI and a multi-step review has started for final approval. Reconnaissance prospecting near Engaru by Irving geologists in November, 2018, led to discovery of several areas of epithermal quartz vein float within a sub-basin of Miocene intermediate and felsic volcanic rocks. Hot spring silica sinter deposits, some with fossilized wood, are also present at Engaru.

Eniwa Project

In May, 2017, the Company announced that Irving GK filed applications for 20 mineral prospecting licenses totaling 56.15 sq km covering a prospective area approximately 20 km south of Sapporo, Hokkaido, Japan. All applications have been accepted by the METI and a multi-step review has started for the final approval.

Utanobori Property

In December, 2016, the Company filed 26 mineral prospecting licenses covering 88.14 sq km of the Utanobori mining centre and in February, 2017, a further 12 prospecting licenses covering 33.41 sq km were filed. A total of 38 mineral prospecting licenses totaling 121.55 sq km have been accepted by the METI and a multi-step review has started for the final approval.

Utanobori is approximately 30 km northwest of the Omui project. Geologically, Utanobori is similar to Omui, a classic volcanic rock-hosted epithermal vein system. Irving is particularly interested in a remote area near the town of Utanobori where historic surface samples taken from veins reportedly contain very high-grade silver and lesser gold. Irving geologists also collected one vein sample from this area that carries 231 gpt Ag and 0.4 gpt Au. Irving conducted reconnaissance work including sampling in 2017 and BLEG work in summer, 2020.

Tanzania Project

The Company, through its wholly-owned Tanzanian subsidiary, and with its joint venture participant, JOGMEC, had exploration prospecting licenses in Tanzania, Africa. During the year ended February 28, 2019, the Company elected to surrender the final license. The Company is in the process of winding up the subsidiary in Tanzania.

Results of Operations

For the six months ended August 31, 2022

During the six months ended August 31, 2022, the Company's operating expenses were $803,961 before other item of interest income of $54,607, for a total comprehensive loss of $749,354.

Key items included $70,779 in depreciation, $93,069 in consulting fees, $13,930 in insurance expense, $8,584 in interest expense on lease liabilities, $30,572 in investor relations, $36,000 in management fees, $46,388 in office and miscellaneous expenses, $107,680 in professional fees, $13,667 in property investigations, $35,007 in regulatory fees, $65,710 in salaries and benefits, $16,922 in shareholder costs, $597,364 in share-based compensation expense, $9,962 in telephone expense, $40,089 in travel and promotion, all offset with a gain in foreign exchange of $388,014.

The Company's operating expenses remain relatively consistent from the prior period except for significant variances in foreign exchange and share-based compensation. The prior periods costs include: depreciation of $60,563, consulting fees of $69,256, investor relations of $48,320, management fees of $36,000, office and miscellaneous of $54,963, professional fees of $109,475, property investigation of $19,927, regulatory fees of $47,105, salaries and benefits of $64,407, shareholder costs of $17,362, share-based compensation of $1,107,117, travel and promotion of $26,752, and a foreign exchange loss of $71,019, all offset with interest income of $15,434 resulting in a total comprehensive loss of $1,752,431.

Removing the significant variances of the loss in foreign exchange and share-based compensation expenses, the variance for the comparative period is a decrease in total comprehensive loss of $34,291. Otherwise, with these costs included, the comparative period is a decrease in total comprehensive loss of $1,003,077.

For the three months ended August 31, 2022

During the three months ended August 31, 2022, the Company's operating expenses were $134,616 before other item of interest income of $44,890, for a total comprehensive loss of $89,726.

Key items included $38,977 in depreciation, $57,195 in consulting fees, $6,965 in insurance expense, $5,916 in interest expense on lease liabilities, $21,966 in investor relations, $18,000 in management fees, $15,273 in office and miscellaneous expenses, $40,436 in professional fees, $13,667 in property investigations, $23,746 in regulatory fees, $32,017 in salaries and benefits, $16,922 in shareholder costs, $217,866 in share-based compensation expense, $4,805 in telephone expense, $27,897 in travel and promotion, all offset with a gain in foreign exchange of $410,244.

The Company's operating expenses remain relatively consistent from the prior period except for significant variances in foreign exchange and share-based compensation. The prior periods costs include: depreciation of $25,939, consulting fees of $37,617, investor relations of $20,503, management fees of $18,000, office and miscellaneous of $31,835, professional fees of $42,359, property investigation of $12,665, regulatory fees of $34,978, salaries and benefits of $31,245, share-based compensation of $525,921, travel and promotion of $5,650, all offset by a gain in foreign exchange of $569,635 and interest income of $8,719, resulting in a total comprehensive loss of $244,328.

Removing the significant variances of the loss in foreign exchange and share-based compensation expenses, the variance for the comparative period is a decrease in total comprehensive loss of $5,938. Otherwise, with these costs included, the comparative period is a decrease in total comprehensive loss of $154,602.

Events and transactions during the six months ended August 31, 2022

a) During the six months ended August 31, 2022, the Company committed to the purchase of two new diamond drill rigs. The first one was delivered in the second quarter and the second rig is expected in the third quarter. As part of the terms of one of the drill rigs, a 30% deposit was made during the year ended February 28, 2022, with the balance due prior to delivery. This 30% deposit is reflected in the non-current prepaids.

b) On July 12, 2022, the Company completed a private placement, issuing 4,577,788 common shares for gross proceeds of $5,630,680 at a price of $1.23 per common share.

c) On July 12, 2022, the Company completed a private placement, issuing 2,974,540 units at a price of $1.00 per unit for gross proceeds of $2,974,540. Each unit consists of one common share and one-half of a share purchase warrant. Each whole warrant is exercisable into one common share until July 12, 2025 at a price of $1.60 per share.

d) On August 4, 2022, the Company completed a private placement, issuing 2,705,056 common shares for gross proceeds of $3,327,220 at a price of $1.23 per common share.

e) The Company held an Annual General Meeting of shareholders on August 24, 2022. All the incumbent directors of the Company standing for re-election, being Akiko Levinson, Quinton Hennigh, Kevin Box, Douglas Buchanan and Haruo Harada, were all re-elected as directors of Irving.

Subsequent Events

a) Subsequent to August 31, 2022, there were 1,795,000 stock options granted to the Company's directors, officers, employees and consultants at an exercise price of $1.00. The stock options have a term of three years, subject to one-third of the grant vesting every six months from grant day with full vesting in the first 18 months of the term.

b) Subsequent to August 31, 2022, the Company issued 87,500 common shares as part of a mining option agreement.

Summary of Quarterly Results

The following financial information is for the eight most recently completed quarters of the Company.

	August 31, 2022	May 31, 2022	February 28, 2022	November 30, 2021
Total assets	$49,731,995	$38,435,935	$38,393,129	$39,063,845
Exploration and evaluation assets	31,966,549	29,634,137	28,073,873	26,769,489
Working capital	16,043,113	6,562,167	8,933,301	10,821,608
Equity in net assets	49,228,919	37,249,353	37,529,483	37,864,080
Total comprehensive loss	(89,726)	(659,628)	(811,588)	(258,823)
Loss per share	(0.00)	(0.01)	(0.01)	(0.00)
	August 31, 2021	**May 31, 2021**	**February 28, 2021**	**November 30, 2020**
Total assets	$38,654,501	$38,531,311	$31,600,587	$32,590,171
Exploration and evaluation assets	25,213,193	24,369,731	22,427,076	21,159,506
Working capital	12,005,766	12,816,200	8,053,603	9,901,066
Equity in net assets	37,717,994	37,436,401	30,752,664	31,315,002
Total comprehensive loss	(244,328)	(1,508,103)	(1,763,951)	(1,637,361)
Loss per share	(0.00)	(0.03)	(0.03)	(0.03)

The Company has experienced a substantial amount of growth since inception in August, 2015. During the previous fiscal year, the Company completed a private placement raising gross proceeds of $7,544,400 and also received $168,000 from the exercise of stock options and in the current year, the company has raised a further $11,932,439. The majority of these funds are directed towards the Company's deferred exploration costs resulting in the continued increase in total assets, now nearly $50M. The Company's general and administration costs have been increasing with increased activity, primarily as a result of the growth in Japan also as well as the issuance of incentive stock options. Some of the key costs that have increased as a result of the growth in Japan include consulting fees, office and miscellaneous, professional fees, and travel. Foreign exchange has also fluctuated substantially over the last few years, at times contributing to a larger than normal comprehensive loss or gain, such as in the current quarter where the Company reported a large gain, primarily attributed to the US cash on hand. Whereas in the prior fiscal year, foreign exchange was fairly stable, and the Company didn't have material swings that resulted in large gains and losses.

Liquidity and Capital Resources

As at August 31, 2022, the Company had working capital of $16,043,113. This consists of $16,381,067 in cash, $12,776 in accounts receivable, $51,923 in prepaid expenses less $402,653 in accounts payable and other current liabilities.

The 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:

	Six months ended August 31, 2022	Six months ended August 31, 2021
Management fees	$ 95,570	$ 94,625
Consulting fees	153,142	159,780
	$ 248,712	**$ 254,405**

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) During the six months ended August 31, 2022, Nil (2021 – Nil) stock options were granted to directors and officers. The total vested share-based compensation allocated to directors and officers is $317,591 (2021 - $617,548).

As of August 31, 2022, $Nil (February 28, 2022 – $Nil) is due to related parties. The amounts due to related parties are unsecured, non-interest bearing, and have no specific terms of payment.

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 periods ended August 31, 2022 and 2021.

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 and amounts due from joint venture partner.

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 August 31, 2022, the Company had cash of $16,381,067 to settle current liabilities of $402,653.

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.

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 by using US Dollars and Japanese Yen converted from its Canadian bank accounts. Management is aware of the possibility of foreign exchange risk derived from currency conversions. Based on the net US dollar and Japanese Yen asset and liability exposure as at August 31, 2022, a 10% fluctuation in the CAD/US and CAD/YEN exchange rates would impact the Company's earnings by approximately $1,555,000. The Company has not entered into any agreements or purchased any instruments to hedge possible foreign exchange rate risk at this time.

Contingency

The Company entered into a contract for the purchase of one Boart Longyear drill rig. Irving paid an initial deposit of 30% in Q4. The balance of 70% (US$475,695) will be due prior to shipment of the rig which is expected in Q3 of the current fiscal year.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements as at August 31, 2022.

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 reserved for issuance
Common shares	72,366,900
Stock options	5,420,000
Warrants	1,487,270

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 and amended IFRS Accounting Standards effective for the current year

The Company has applied the accounting policies disclosed in Note 3 of its audited consolidated financial statements for the year ended February 28, 2022. The following standard was adopted during the current period and did not have a material impact on the Company's condensed interim consolidated financial statements.

***IAS 16, Property, Plant and Equipment – Proceeds before Intended Use*.** The amendment prohibits deducting from the cost of property, plant and equipment amounts received from selling items produced while preparing the asset for its intended use. Instead, a company will recognize such sale proceeds and related cost in the condensed interim statement of loss and comprehensive loss.

New and amended IFRS Accounting Standards not yet adopted

***IAS 12, Income Taxes The amendments* –** The amendment will require companies to recognize deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The amendments will typically apply to transactions such as leases for the lessee and decommissioning and restoration obligations related to assets in operation. This amendment is effective for financial statements beginning on or after January 1, 2023, with early adoption permitted.

Outlook

The Company is optimistic that exploration at the Omu Property in Japan, as well as the multiple prospecting licenses acquired at other properties around Japan, will merit positive results over the course of the year. The Company is maintaining a watchful eye on the markets, its budgets and managing to minimize cash outflows.

Business Risks

The Company is engaged in the exploration and evaluation 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 evaluation 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.

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 have approved the disclosure contained in this MD&A.