



MANAGEMENT'S DISCUSSION & ANALYSIS

SEPTEMBER 30, 2015

Iberian Minerals Ltd.
Management's Discussion & Analysis
Nine months ended September 30, 2015

Introduction and Background

The Management's Discussion & Analysis is a discussion and assessment of the results to date and future prospects of Iberian Minerals Ltd. and its subsidiaries ("Iberian" or the "Company"). The information provided herein should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and the notes thereto for the nine months ended September 30, 2015, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures in this report are stated in Canadian dollars. The effective date of this report is November 30, 2015.

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements. See "Forward-Looking Information and Statements" herein.

Iberian Minerals is listed on the TSX Venture Exchange under the symbol "IML" and on the OTCQB Exchange under the symbol "SLDRF". The Company is engaged in the exploration, acquisition and development of mineral properties in the Iberian Peninsula.

Following the sale of Alberta-1 property, the consequential inflow of significant funds and due to the very depressed situation that many other resource companies find themselves in with their inability to raise capital for project development, the Company continues to be in a position to grow through the acquisition of good quality projects.

The Company will be looking to develop a series of new projects within the Iberian Peninsula by applying a business strategy to actively engage its Spanish contacts and technical team towards the further accumulation of high interest assets throughout the mineral rich Iberian Peninsula. The Company will move these new projects, together with those projects already under the company's control, through initial development stages either through to production or to disposal to medium sized producers.

Applying this business strategy, Iberian Minerals has made two recent Spanish minerals asset acquisitions:

1) On July 29, 2015, Iberian Minerals announced an option to acquire the Caurio gold-copper-silver concessions. The nine concessions, totalling 3,413 Ha, are located in the Rio Narcea Gold Belt between the El Valle-Boinás and Carles gold mines in the northern province of Asturias, which are the only two operating gold mines in Spain.

2) On November 10, 2015, Iberian Minerals announced an option to acquire the advanced-stage Acroche Wollastonite Concession. Consisting of five (5) mining grids totaling approximately 150 hectares or 370 acres, Aroche is located 2 kms south of the town of Aroche in the province of Huelva, south western Spain.

Management at Iberian Minerals are also very cognisant that the downturn trend in the mining sector has resulted in the elimination of exploration teams, resulting in very little exploration being done by the major mining companies. With almost no access to capital for most of the last four years the junior explorers are not able to advance their projects. This has resulted in a failed exploration model, with many experts in the industry commenting that only the production and royalty companies are poised to survive in this environment.

Management has carefully studied a new paradigm being created in this sector and has investigated one particular technology that has the potential to be a source of innovation to transform and compliment the current Iberian Minerals business model. On November 17, 2015 the Company announced a conditional amalgamation agreement with the private company Mineworx Technologies Inc., who have developed a unique, patent-pending heavy mineral extraction process and an innovative new business model for the gold mining sector.

Additional information related to the Company is available for view on SEDAR at www.sedar.com.

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Overall Performance

During 2015 and up to the date of this report, Iberian Minerals has realized major key objectives which have significantly improved the Company's working capital position, expanded its Spanish resource assets to include gold, copper, silver and wollastonite for development and introduced a new cash-flow model with the acquisition of the Mineworx gold processing technology and unique business model.

Highlights

- **July 2015 – IML received final approval from the TSX Venture on the sale of its 100% interest in the Alberta-1 project**
- **July 2015 – IML options to acquire the Caurio gold-copper-silver concessions in the Rio Narcea Gold Belt of Asturias, northern Spain**
- **August 2015 - IML announces results of the aeromagnetic survey which identified additional magnetic targets on the Cehegin Iron Ore Project**
- **September 2015 – IML regains 100% ownership of the Cehegin Iron Ore Project from Glencore, while retaining Glencore's marketing and sales expertise through an off-take agreement**
- **October 2015 – IML re-negotiates a significant reduction on the option agreement for the Caurio Gold Concessions**
- **November 2015 – IML options to acquire the advanced Aroche wollastonite concession in the province of Huelva, south western Spain**
- **November 2015 – IML and Mineworx Technologies Inc. announce a conditional agreement to amalgamate**

July 2015 – Iberian Minerals received final approval from the TSX Venture on July 9, 2015 on the sale its 100% interest in the Alberta-1 Project 5 and received the final installment of €2,000,000 for a total cash price of €5,000,000 or approximately Cdn. \$7,000,000.

July 2015 – Iberian Minerals 100% wholly-owned subsidiary, Solid Mines España, S.A.U. ("SME"), acquired 100% of Compañía Minera Sierra de Caurío, S.L., ("Sierra de Caurío") which held an option to purchase nine gold-copper-silver Caurio concessions owned by Carolines del Narcea, S.L. (the "Optionor"). The nine concessions, totalling 3,413 Ha, are located between the El Valle-Boinás and Carles gold mines in the Rio Narcea Gold Belt in the northern province of Asturias, which are the only two operating gold mines in Spain.

SME made a cash payment of €190,000 to Sierra de Caurío to purchase the company and assume the binding option agreement.

Under the terms of the option agreement, SME now has the right to option a 95% interest in the property during a three-year term ending June 30, 2018 by paying the Optionor € 50,000 every eight months. After completing its due diligence, SME can exercise the option agreement and proceed to purchase a 95% interest in the concessions for a total price of €7M, less payments made.

August 2015 – Iberian Minerals reported on the multi-stage Work Program on the Cehegin Iron Ore Project regarding the high-resolution airborne magnetic survey completed in May 2015. The results have provided excellent resolution of near-surface magnetic sources, representing a major improvement over prior regional aeromagnetic data. In particular, many of the stronger, better defined, discrete magnetic anomalies correspond to known iron ore (Fe) mines and prospects, such as the important Soledad and Colossus prospects. Most magnetic sources are judged to be quite shallow, or at least have a very shallow, sub-cropping portion. Some of these anomalies are inferred to have a significant gently dipping down-dip or down-plunge extension. A number of anomalies are inferred to lie at a moderate depth (25-100m). Significant magnetic anomalies are located outside of the current Cehegin claim, which the Company is in the process of acquiring.

September 2015 – Iberian Minerals regained a 100% interest in Cehegin Iron Ore Holdings, S.L. ("CIOH") the Spanish holding company formed under the terms of the Joint Venture Agreement ("the JVA") with Glencore International AG. ("Glencore"), which was announced on June 26, 2014. By mutual agreement, Iberian Minerals 100% wholly owned Spanish subsidiary Solid Mines Espana ("SME") has acquired Glencore's 20% interest in CIOH for nominal consideration and now

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maintains 100% ownership in the Cehegin Iron Ore Project located in the Province of Murcia, south-eastern Spain. In connection with the acquisition of Glencore's 20% interest in CIOH, each of the parties have agreed to terminate all agreements related to the JVA, with the exception of Glencore's exclusive off-take agreement, which will remain in effect.

October 2015 – IML successfully re-negotiated the payment terms for an option to purchase nine gold-copper-silver Caurio concessions owned by Carolines del Narcea, S.L. (the "Optionor").

Under the terms of the original option agreement, which was announced on July 29, 2015, SME had the right to option a 95% interest in the property during a three-year term ending June 30, 2018 by paying the Optionor € 50,000 every eight months. After completing its due diligence, SME could exercise the option agreement and proceed to purchase a 95% interest in the concessions for a total price of €7M, less payments made.

Under the terms of the new option agreement, SME has the right to option a 95% interest in the property during a three-year term ending June 30, 2018 by paying the Optionor 50% of the original € 50,000 for a total of €25,000 for the next eight months, effective November 1, 2015 to June 30, 2016 and thereafter payment will be €25,000 every six (6) months until the expiry of the option agreement. The terms of the new option agreement will see the exercise price of for the property reduced by 50% of the original amount of of €7M to of €3.5M, less amounts paid.

All of the re-negotiated payments in the new option agreement will be adjusted upwards if the price of gold, determined by the London Bullion Market Association exceeds US\$1,350 per ounce and is based on the following gold price multiplier index:

London Gold Quote (US\$/oz)	Multiplier
Up to \$1,350	0
Between \$1,351 and \$1,475	1.25
Between \$1,476 and \$1,600	1.50
Between \$1,601 and \$1,725	1.75
Over \$1,725	2.00

The gold price referenced will be the be the first price of gold determined by the London Bullion Market Association on the first day of the month before the beginning of every period, specifically, this will be the price of gold on June 1, 2016, December 1, 2016, June 1, 2017 and December 1, 2017, regardless of price fluctuations during the months following on each of the specific dates.

November 2015 – Iberian Minerals' 100% wholly owned Spanish subsidiary Solid Mines Espana, S.A. ("SME") has entered into a binding option agreement with Explotaciones Aroche, S.L. (the "Optionor") pursuant to which it acquired the option to purchase the mining rights of the Aroche Wollastonite Concession ("Aroche") consisting of five (5) mining grids totaling approximately 150 hectares or 370 acres, located 2 kms south of the town of Aroche in the province of Huelva, south western Spain.

Under the terms of the three-year option agreement, ending November 6, 2018, Iberian Minerals will be responsible to pay all exploration, G&A plus capital expenditures and governmental fees on Aroche. The Company will make a onetime cash payment of €100,000 to the Optionor once the exploitation permit for Aroche has been obtained. Iberian Minerals has the right to terminate the agreement at its discretion at any time with no penalties. The Optionor will maintain a 10% interest in Aroche. The option agreement allows for an extension of the three-year term in the event of unintentional causes of delay relating to Iberian completing its due diligence, investigation of mineral extensions, confirmation of historical estimates and exploitation permitting of the wollastonite.

November 2015 – Iberian Minerals has entered into an amalgamation agreement dated November 16, 2015 (the "Amalgamation Agreement") with Mineworx Technologies Inc., a private arms' length mining and technology company ("Mineworx") and a newly incorporated subsidiary of Iberian ("SubCo"), pursuant to which Iberian has agreed to acquire all of the outstanding shares of Mineworx by way of a three-cornered amalgamation (the "Transaction"). Under the terms of the Amalgamation Agreement, Mineworx and Subco will amalgamate under the *Business Corporations Act* (British

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Columbia) and continue as one corporation, which is a wholly-owned subsidiary of Iberian and will carry on the business of Mineworx following the completion of the Transaction.

Under the terms of the Amalgamation Agreement, Mineworx shareholders will receive approximately 2,536,466 common shares of Iberian ("Iberian Shares") for every one (1) Mineworx common share. In connection with the Transaction, Iberian will issue approximately 83,999,941 Iberian Shares to the Mineworx shareholders. Upon completion of the Transaction, Iberian expects to have approximately 243,380,078 Iberian Shares issued and outstanding, of which the former holders of Mineworx will hold approximately 34.5%.

The Amalgamation Agreement provides that completion of the Transaction is subject to certain conditions, including completion of due diligence, the cancellation of all outstanding options to purchase Mineworx common shares, receipt of all regulatory approvals, including approval of the TSX Venture Exchange, and the approval of the shareholders of Mineworx. A meeting of the shareholders of Mineworx is currently anticipated to be held by November 30, 2015, for the purpose of approving the Transaction. Provided that shareholder approval is obtained and all other conditions to close are satisfied, the Transaction is expected to close before the end of December, 2015.

Exploration and Evaluation Assets

Management has worked diligently to identify mineral resource properties that indicated potential for commercial ore bodies. Exploration programs and technical studies aimed at determining the existence, grade, and economic feasibility of mineral deposits are being carried out. Mining activities are generally required to comply with varying levels of regulatory and environmental requirements that vary by jurisdiction. Sufficient capital has now been raised to carry out the programs. The accompanying discussions below address the status of each project and management's current beliefs with respect to each project.

Alberta-1: Doade-Presqueira Property, Spain

The Company held a 100% interest in this concession which is located in northwestern Spain and is 3,690 hectares in size. This property is under exploration for lithium, tantalum, tin, rubidium and cesium. During 2011, 31 holes (3500 metres) were drilled, sampled, and assayed were completed and the results were filed on SEDAR and portions of it are posted on the Company's website (www.iberianminerals.ca).

As discussed earlier, on March 2, 2015, the Company entered into a definitive purchase and sale agreement with an arm's length third party with respect to the Company's 100% interest in the Alberta-1 Project for approximately \$6,992,500 CAD.

The Cehegín Iron Ore Concessions, Spain

Iberian Minerals wholly-owned subsidiary, Solid Mines Espana, S.A.U. ("SME"), holds all of the rights and interests associated with the Cehegín 62 iron ore concessions in south-eastern Spain. In total the Cehegín iron ore property represents 62 exploitation concessions representing a surface area of 1,030 hectares. The Company has applied for an expansion of the local area creating a continuous area of 6,900 hectares.

On September 2015, Iberian Minerals regained a 100% interest in Cehegín Iron Ore Holdings, S.L. ("CIOH") the Spanish holding company formed under the terms of the Joint Venture Agreement ("the JVA") with Glencore International AG. ("Glencore"), which was announced on June 26, 2014. By mutual agreement, Iberian Minerals 100% wholly owned Spanish subsidiary Solid Mines Espana ("SME") has acquired Glencore's 20% interest in CIOH for nominal consideration and now maintains 100% ownership in the Cehegín Iron Ore Project located in the Province of Murcia, south-eastern Spain. In connection with the acquisition of Glencore's 20% interest in CIOH, each of the parties have agreed to terminate all agreements related to the JVA, with the exception of Glencore's exclusive off-take agreement, which will remain in effect.

SME will be required to pay an additional amount of up to EUR2,700,000 once a mining permit is submitted and granted for all 62 concessions, an improvement over the previously announced cost of EUR3,000,000. If SME proceeds with the new magnetite mining project, this additional payment would be made within four months from the decision notice date on which

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the permits or licenses are issued. This additional amount will be reduced to EUR1,800,000 if SME proceeds with the project, but does not obtain all mining permits for the total 62 concessions in its initial submission for permitting. No net royalties will be due on any proceeds from commercialization of the project.

The magnetite concessions are located in the province of Murcia, region of Cehegín, in the triangle formed by the towns of Calasparra, Cehegín and Mula in south eastern Spain. The geological formation where the magnetite mineralization is located in the various fields is a Triassic Keuper facies associated with ophitic sub volcanic rock. The concessions were formally owned by the Spanish ironworks company, Altos Hornos de Vizcaya, which was the largest industrial company in Spain for much of the twentieth century. In 1975, all 62 concessions were grouped together in one single subsidiary of Altos Hornos de Vizcaya called Agrupacion Minera, SA who exploited one of the open pit mines – Mina Maria, for its own needs until 1985.

The 62 separate concessions, which were mined for iron ore during the 20th century, offer excellent infrastructure, including hydro, water and a railway, approximately 12 km away, connecting at the rail station in the municipality of Calasparra, to the deep sea port of Cartagena, 100 km away.

Production can commence on the existing permitted concessions upon the Company updating the viability and environmental studies to the satisfaction of the local mining and environmental authorities and upon suitable financing being available.

The Company's Spanish Geological team has analysed the 38,000 meters of historical drilling on the Cehegin Iron Ore concessions. 100% of the drill holes on three of the 62 concessions have been digitized allowing for the completion of 3D modelling. The Company's analysis confirms a vast expansion of the ore bodies which are open in all directions including depth.

The Company will continue its policy of continuous contact with local and regional authorities of all levels to ensure an alliance of mutual benefit. Politically, there is a strong commitment for the economic development of this region.

The Cehegín iron ore concession has a good infrastructure and access by rail to the deep sea Port of Cartagena, 104 Km away from the property. The concession is located in the south eastern area of the mineral rich Iberian Peninsula; this region has a long history of iron ore production that was once the dominant supplier to all of Europe. The Company was able to obtain all of the detailed historical mining and exploration data, compiled by the previous operational owner, Altos Hornos de Vizcaya. This valuable data will result in significant savings in exploration costs and advance the timeline to production.

The Company has received a technical report (NI 43-101) for the Cehegín property, prepared by Stanley C. Bartlett M.Sc., PGeo of Micon International Co Limited, in the United Kingdom, dated April 28, 2014, which has been filed on SEDAR at www.sedar.com on May 20, 2014.

Peru Gold & Copper Property

Due to the Company's focus on further expanding its focus on exploring and developing Spanish assets, no further work or significant expenditures are being allocated towards the Peru property at this time. By mutual consent the agreement for the right to purchase the license has remained in force.

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Selected Annual Financial Information

	December 31, 2014	December 31, 2013	December 31, 2012
Revenues from continuing operations	\$ -	\$ -	\$ -
Loss and comprehensive loss	(2,426,889)	(2,376,538)	(834,995)
Loss per share - basic and diluted	(0.02)	(0.02)	(0.01)
Exploration and evaluation assets	5,490,204	4,701,565	4,096,713
Total assets	5,644,370	5,369,699	4,139,838
Total liabilities	1,086,476	170,956	91,116
Total cash dividend paid	-	-	-
Working capital (deficiency)	(997,121)	497,178	(47,991)

Summary of Quarterly Results

The following financial data is selected information for the Company for the eight most recently completed financial quarters:

	Sept 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sept 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013
Total revenue	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ Nil
Income (loss) for the period	(53,093)	(895,037)	1,202,720	(366,692)	(537,788)	(734,291)	(788,117)	(1,329,584)
Income (loss) per share (basic & diluted)	(0.00)	(0.01)	0.01	(0.00)	(0.00)	(0.01)	(0.01)	(0.01)

Fluctuations in the Company's expenditures reflect the variations in the timing of exploration activities and general corporate operations, and the timing of share-based payments and write-down of certain exploration and evaluation assets.

Results of Operations

This review of the results of operations should be read in conjunction with the condensed interim consolidated financial statements for the nine months ended September 30, 2015:

Financial results

The Company had no operating revenue for the nine months ended September 30, 2015 and 2014. For the nine months ended September 30, 2015, the Company incurred a net income of \$254,590 (\$nil income per share) compared to a net loss of \$2,060,197 (\$0.01 loss per share) for the nine months ended September 30, 2014. The net income is comprised of general and administrative expenses of \$1,629,839 (2014 - \$2,036,002) and a gain of \$1,593,983 (2014 - \$nil) on the sale of exploration and evaluation asset, known as the Alberta-1 property in Spain. The overall decrease in general and administrative expense for the current year is primarily attributable to significant professional fees paid in regards to the Company's investigation and evaluation of the European and U.S. capital markets and a decrease in the share-based payments in the prior year

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During the nine months ended September 30, 2015, consulting fees of \$569,239 (2014 - \$140,344), investor relations of \$107,442 (2014 - \$24,703), office and general costs of \$146,036 (2014 - \$107,265), and travel of \$101,185 (2014 - \$65,675) were higher than the prior year to support the increased corporate activity during the period as compared to 2014.

Share-based payments of \$371,466 (2014 - \$440,052) decreased as the number of stock options granted during the current period was lower than those granted or vested during the same period in 2014.

Foreign exchange gain was \$290,446 for the nine months ended September 30, 2015 from a foreign exchange loss of \$15,412 for the nine months ended September 30, 2014. The exchange rate loss is due to fluctuations in the foreign exchange rate between the Canadian dollar and the Euro.

Exploration and Evaluation Assets

For the nine months ended September 30, 2014, the Cehegin total expenditures were \$282,870 (2014 - \$393,360), comprised of geological fees and expenses of \$244,990, mining rights and taxes of \$6,075, drilling, sampling and assay of \$31,875.

The Sierra de Caurío project's total expenditures were \$214,495 (2014 - \$nil), primarily comprised of mining rights and taxes \$214,495 (2014 - \$nil).

Liquidity and Capital Resources

At September 30, 2015, the Company's cash position was \$4,946,410 (December 31, 2014 - \$52,824) and the working capital was \$4,796,316 as compared to working capital deficiency of \$997,121 at December 31, 2014.

Net cash used in operating activities for the nine months ended September 30, 2015 was \$1,250,758 (2014 - \$1,481,011) which relates primarily to general and administrative expenses and the gain on sale of exploration and evaluation assets which occurred during the period.

Net cash used in investing activities for the nine months ended September 30, 2015 was \$6,319,713 (2014 – used \$663,009), which relates primarily to proceeds from the sale of expenditure on exploration and evaluation assets (Alberta-1 property discussed earlier).

Net used in financing activities for the nine months ended September 30, 2015 was \$31,755 (2014 – provided \$1,630,430) was primarily the result of issuance of shares on private placement of \$600,000 (2014 - \$908,289), net of share issuance costs of \$6,755 (2014 - \$92,839), a debenture repayment of \$625,000 (2014 - \$nil).

The Company is in an exploration phase and is not generating revenue as yet, it is expected that the working capital balance will follow a cycle of reduction and replenishment. Management currently follows a policy of raising only sufficient capital to carry out its near term plans. This policy is meant to minimize dilution of shareholders' positions by raising capital when the stock price is at higher levels.

Effective October 31, 2014, the Company began trading on the U.S. OTCQB venture marketplace, which is the premier marketplace for entrepreneurial and development-stage companies for U.S. investors. This will provide U.S. based shareholders with a readily accessible platform to buy or sell Iberian Minerals Shares. The Company will also undertake an investor awareness program throughout the U.S. to compliment this listing.

As explained in the "Highlights" section earlier, on March 2, 2015, the Company sold its 100% interest in the Alberta-1 project, for a total purchase price of EUR5 million (CAD - \$6,992,500) in cash and thus has the sufficient cash (working capital) to be considered one of the well financed companies listed on the TSX Venture Exchange.

In addition, on March 3, 2015, the Company delivered notice for the early redemption of the non-convertible debentures, retiring the aggregate principle amount of \$625,000 plus interest. This resulted in an immediate cost savings on debt service.

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Transactions with Related Parties

The Company entered into the following transactions with related parties:

Key management personnel compensation

	Nine months ended	
	September 30, 2015	September 30, 2014
Employee benefits- management	\$ 224,000	\$ 228,000
Employee benefits - directors	35,427	41,606
Share-based payments - officers	127,756	171,764
Share-based payments - directors	99,256	85,266
Total	\$ 486,439	\$ 526,636

These transactions were in the normal course of operations and were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Related party balances

The amounts due to officers of the Company are as follows:

	September 30, 2015	December 31, 2014
Included in accounts payables and accrued liabilities ⁽ⁱ⁾	\$ 5,060	\$ 107,937
	\$ 5,060	\$ 107,937

⁽ⁱ⁾ These amounts are for advances expenses and consulting fees. They are unsecured, non-interest bearing and have no fixed terms of repayment.

Changes in Accounting Policies Including Initial Adoption

Future Accounting Pronouncements

A number of new standards, amendments to standards and interpretations, described in the notes to the condensed interim consolidated financial statements, are not yet effective as of the date of this report, and were not applied in preparing the condensed interim consolidated financial statements. The Company is currently assessing the impact that these standards will have on the condensed interim consolidated financial statements.

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Financial Risk Management

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

At September 30, 2015, the carrying values of cash, receivables and accounts payable and accrued liabilities approximate their fair values due to their short terms to maturity.

Financial risks

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Credit risk

The Company's credit risk is primarily attributable to cash and receivables. The Company has no significant concentration of credit risk arising from operations. Cash consists of chequing account at reputable financial institution, from which management believes the risk of loss to be remote. Federal deposit insurance covers balances up to \$100,000 in Canada. Financial instruments included in receivables consist of amounts due from government agencies. The Company limits its exposure to credit loss for cash by placing its cash with high quality financial institution and for receivables by standard credit checks. At September 30, 2015, the Company's exposure to credit risk is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis.

As at September 30, 2015, the Company had a cash balance of \$4,946,410 (December 31, 2014 - \$52,824) to settle current liabilities of \$248,645 (December 31, 2014 - \$1,086,476). The Company has sufficient working capital to meet its operating and planned exploration program requirements for the current and next fiscal year.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements and loans from related and other parties. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding

Market risk

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

a) Interest and foreign exchange risk

The Company is subject to normal risks including fluctuations in foreign exchange rates and interest rates. While the Company manages its operations in order to minimize exposure to these risks, it has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure. At September 30, 2015, the Company was not exposed to significant interest rate risk.

The Company has significant operating expenditures which are denominated in Euro ("EUR"). The Company's exposure to exchange rate fluctuations arises mainly on foreign currencies against the Canadian dollar functional currency of the

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relevant business entities. The Company is principally engaged in the acquisition, exploration and development of mineral properties in Spain and Peru.

Financial assets

The Canadian dollar equivalent of the amounts denominated in foreign currencies as at September 30, 2015 and December 31, 2014 are as follows:

September 30, 2015	EUR
Cash	\$ 4,883,428
December 31, 2014	EUR
Cash	\$ 15,821

Financial liabilities

The exposure of the Company's financial liabilities to currency risk are as follows:

September 30, 2015	EUR
Accounts payable and accrued liabilities	\$ 51,629
December 31, 2014	EUR
Accounts payable and accrued liabilities	\$ 54,006

Sensitivity analysis

The Company is exposed to foreign currency risk on fluctuations related to cash, and accounts payable and accrued liabilities that are denominated in Euro. As at September 30, 2015, net financial assets totalling \$4,831,799 were held in Euro.

Based on the above net exposure as at September 30, 2015 and assuming all other variables remain constant, a 2% depreciation or appreciation of the Euro against the Canadian dollar would result in an increase or decrease of approximately \$96,636 in the Company's income and comprehensive income.

b) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

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Capital Commitments

The Company had no commitments for property and equipment expenditures for fiscal 2015. The Company expects that any property and equipment expenditures incurred, based on future needs, will be funded from working capital and/or from operating or capital leases.

Proposed Transactions

At the date of this MD&A, there are no disclosable transactions that the board of directors or senior management are aware of.

Critical Accounting Estimates

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments and share-based payments and other equity-based payments, and the recoverability and measurement of deferred tax assets and liabilities. Actual results may differ from those estimates and judgments.

Outstanding Share Data

Authorized share capital

Unlimited number of common shares without par value.

Common shares

At September 30, 2015, there were 159,380,137 issued and fully paid common shares.

Stock options

At September 30, 2015 there were 18,150,000 stock options outstanding; of which 17,200,000 are exercisable at weighted average price of \$0.11.

Warrants

At September 30, 2015 there were 35,541,667 warrants outstanding and 29,441,667 exercisable at weighted average exercise price of \$0.15.

Agent's warrants

At September 30, 2015, there were 218,050 finders' warrants outstanding and exercisable at weighted average exercise price of \$0.26.

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Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet arrangements.

Forward-Looking Information and Statements

This MD&A contains certain forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of applicable Canadian securities laws. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking information is often, but not always, identified by the use of words such as "could", "should", "can", "anticipate", "expect", "believe", "will", "may", "projected", "sustain", "continues", "strategy", "potential", "projects", "grow", "take advantage", "estimate", "well positioned" or similar words suggesting future outcomes. In particular, this MD&A contains forward-looking statements relating to: the future opportunities for the Company; the business strategy of the Company; and the competitive advantage of the Company.

In addition, forward looking statements regarding the Company are based on certain key expectations and assumptions of the Company concerning anticipated financial performance, business prospects, strategies, the sufficiency of budgeted capital expenditures in carrying out planned activities, the availability and cost of services, the ability to obtain financing on acceptable terms, the actual results of exploration projects being equivalent to or better than estimated results in technical reports or prior exploration results, and future costs and expenses being based on historical costs and expenses, adjusted for inflation, all of which are subject to change based on market conditions and potential timing delays. Although management of the Company consider these assumptions to be reasonable based on information currently available to them, these assumptions may prove to be incorrect.

By their very nature, forward looking statements involve inherent risks and uncertainties (both general and specific) and risks that forward looking statements will not be achieved. Undue reliance should not be placed on forward looking statements, as a number of important factors could cause the actual results to differ materially from the Company's beliefs, plans, objectives and expectations, including, among other things: general economic and market factors, including business competition, changes in government regulations or in tax laws; the early stage development of the Company and its projects; general political and social uncertainties; commodity prices; the actual results of current exploration and development or operational activities; changes in project parameters as plans continue to be refined; accidents and other risks inherent in the mining industry; lack of insurance; delay or failure to receive board or regulatory approvals; changes in legislation, including environmental legislation, affecting the Company; timing and availability of external financing on acceptable terms; conclusions of economic evaluations; and lack of qualified, skilled labour or loss of key individuals. These factors should not be considered exhaustive. Many of these risk factors are beyond the Company's control and each contributes to the possibility that the forward-looking statements will not occur or that actual results, performance or achievements may differ materially from those expressed or implied by such statements. The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these risks, uncertainties and factors are interdependent and management's future course of action depends upon the Company's assessment of all information available at that time.

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this MD&A are made as of the date of this MD&A and the Company does not undertake and is not obligated to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless so required by applicable securities laws.

Iberian Minerals Ltd.
Management's Discussion & Analysis
Nine months ended September 30, 2015

Risk and Uncertainties

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, fluctuating metal prices, social, political, financial and economics. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable.

The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not listed in order of importance nor are they inclusive of all the risks and uncertainties the Company may be subject to as other risks may apply: the risks associated with our dependence on the Sierra de Caurio and the Cehegín Iron Ore Concessions in Spain; geological exploration and development; changes in law, unrest and political instability; environmental permits for development of the Company's properties cannot be obtained or renewed on terms satisfactory to the Company and other land title permitting and licensing risks; continued negative operating cash flow and the availability of additional funding as and when required; infrastructure; inflation; governmental regulation; environmental; hazards, insurance; uninsured risks; competition; currency fluctuations; labour and employment; joint ventures; contract repudiation; dependence on key management personnel and executives; and litigation risks..

Additional Information

The Company's publicly filed documents are available on SEDAR at www.sedar.com and more information is also available on Company's website at www.iberianminerals.ca.