TOACHI MINING INC.
(formerly Ferrum Americas Mining Inc.)

Interim MD&A -

Quarterly Highlights

Three months ended January 31, 2016

March 29, 2016

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(Formerly Ferrum Americas Mining Inc.)

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This interim management discussion and analysis - quarterly highlights ("Interim MD&A") has been prepared based on information available to Toachi Mining Inc. (formerly Ferrum Americas Mining Inc.) ("Toachi" or the "Company") as at March 29, 2016. This Interim MD&A updates disclosure previously provided in the Company's Annual MD&A and its first quarter MD&A quarterly highlights, up to the date of this Interim MD&A and should be read in conjunction with the Company's unaudited interim consolidated financial statements and the related notes as at and for the three and six months ended January 31, 2016 and 2015, the Company's audited consolidated financial statements for the years ended July 31, 2015 and 2014 (the "Financial Statements"), and the Company's Annual MD&A for the year ended July 31, 2015. The Financial Statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") and all amounts are expressed in Canadian dollars unless otherwise noted. Other information contained in this Interim MD&A has also been prepared by management and is consistent with the data contained in the Financial Statements. Additional information relating to the Company may be found under its profile on SEDAR at www.sedar.com.

MANAGEMENT'S ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING ("ICFR")

Management is responsible for establishing and maintaining adequate internal control over the Company's financial reporting. The internal control system was designed to provide reasonable assurance to the Company's management regarding the preparation and presentation of the financial statements.

The inherent limitations in all control systems are such that they can provide only reasonable, not absolute, assurance that all control issues and instances of fraud or error, if any have been detected. Therefore, no matter how well designed, ICFR has inherent limitations and can provide only reasonable assurance with respect to financial statement preparation and may not prevent and detect all misstatements.

As the Company is a Venture Issuer (as defined under under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*) ("NI 52-109"), the Company and Management are not required to include representations relating to the establishment and/or maintenance of disclosure controls and procedures ("DC&P) and/or ICFR, as defined in NI 52-109.

CAUTIONARY NOTE

This document may contain or may refer to forward-looking information. Such forward-looking information includes, among other things, statements regarding targets, estimates and/or assumptions in respect of future production, capital costs and future economic, market and other conditions, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to: the grade and recovery of ore which is mined varying from estimates; exploration and development costs varying significantly from estimates; inflation; fluctuations in commodity prices; delays in the development of the any project caused by unavailability of equipment, labour or supplies, climatic conditions or otherwise; termination or revision of any debt financing; failure to raise additional funds required to finance the completion of a project; and other factors. Forward-looking statements are subject to significant risks and uncertainties and other factors that could cause actual results to differ materially from expected results. Readers should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and we assume no responsibility to update them or revise them to reflect new events or circumstances, except as required by law.

Financial condition and performance

Financial condition

During the quarter ended January 31, 2016, the Company's net assets increased by $212,461, the result of an increase in assets of $387,464 offset by an increase in liabilities of $175,003.

The increase in assets was the result of a decrease in cash of $1,518 offset by increases in the HST recoverable of $13,982 and funds held in trust of $375,000 (see Private Placement, below). The decrease in the Company's cash position resulted from the issuance of common shares (see Private Placement, below) of $96,000 and further advances from a related party both in the form of demand loans equal to $19,539 and promissory notes equal to $25,935. These increases were offset by cash used for operations in the amount of $144,123.

The increase is liabilities of $175,003, resulted mainly from one-time legal and regulatory costs incurred to complete both the private placement (see below) as well as the option agreement (see La Plata Project, below).

Performance

The Company's operations are not generally subject to seasonal variations. The timing of exploration activities is influenced primarily by the availability of funds and the identification of suitable exploration targets, however, due to either their location or nature the exploration of some properties may be restricted during certain times of the year due to climatic conditions.

Until February 18, 2016, when the Tranche 2 Subscription Receipts (as defined below) were converted and funds held in trust released to the Company, due to its cash position, the Company continued with its austerity measures to preserve its financial position. Other than the one-time legal and regulatory costs noted above and the initial option payment on Company's new La Plata Project, the operating expenditures for the quarter have been limited to the minimum amount necessary to maintain its projects in good standing and meet all of its reporting and disclosure requirements. Loss for the quarter totalled $258,539, the result of exploration expenditures totalling $134,644 (of which $114,000 were related to the La Plata Project) together with general and administrative expenditures totalling $12,004 and consulting and professional fees of $112,391, comprised mainly of the above-noted one-time costs.

If the costs associated with the Private Placement and the La Plata Project are ignored, the loss for the quarter is $33,987, which compared to the comparative period of approximately $117,000, is a decreased loss of approximately $83,000, a direct reflection of the austerity measures put in place by the Company.

Commitments, liquidity and capital resources

The Company does not currently have any space-rental commitments. Its head office and administration is provided by RG Mining Investments Inc. ("RGMI") as disclosed in its Annual

MD&A (see "Related-party transaction and balances" section of this Interim MD&A). As of the completion of the option agreement, the Company does have exploration work commitments and option payments to be made over the next 4 years, as detailed in the La Plata Project section of this Interim MD&A, below.

As at January 31, 2016, the Company had a cash balance of $1,174 and a working capital deficiency of $112,154. However, on February 18, 2015, funds totalling $375,000 from the Tranche 2 Subscription Receipts were transferred to the Company upon satisfaction of the conditions regarding the purchase of the La Plata Project.

Proceeds from the Subscription Receipts were used to make the Company's remaining option payment on its La Plata Project of $172,000 (see sub-section B of the Option Agreement section, below), repay the Promissory Note and amounts due to related parties ($45,474) and general working capital purposes.

Private Placement

As noted in its previous Interim MD&A – Quarterly Highlights, on November 6, 2015, the Company announced that it had closed a two-tranche non-brokered private placement offering of 9.6 million first tranche subscription receipts (the "Tranche 1 Subscription Receipts") and 37.5 million second tranche subscription receipts (the "Tranche 2 Subscription Receipts), for a total of 47.1 million subscription receipts (the "Subscription Receipts") of the Company, for aggregate gross proceeds of $471,000, representing a price of $0.01 per Subscription Receipt (altogether, the "Offering").

The Tranche 1 Subscription Receipts were subject to certain conditions that were all met upon closing of the Offering, thereby immediately being exchanged into 9.6 million common shares of the Company. Subsequent to the exchange, the Company had 56,749,684 common shares issued and outstanding and had $375,000 (representing the gross proceeds from the Tranche 2 Subscription Receipts) on deposit with the escrow agent.

The Tranche 2 Subscription Receipts were subject to certain conditions that were met with the completion of the La Plata Project option agreement. As such, on February 18, 2016, the Tranche 2 Subscription Receipts were converted into 37,500,000 common shares of the Company. Subsequent to the issuance, the Company had 94,249,684 common shares issued and outstanding. Contemporaneously, the escrow agent released $375,000 of proceeds to the Company.

The Tranche 2 Subscription Receipts were held by Metaform Investments Mining Limited Partnership ("Metaform") and upon conversion, Metaform became an insider of the Company as it will hold an aggregate of 43,100,000 common shares, representing approximately 45% of the Company's issued and outstanding common shares. Metaform's representative, Mr. Jonathan Goodman, was elected to the Company's Board of Directors at the Special Meeting of Shareholders held on January 28, 2016.

La Plata Project

On March 17, 2016, the Company filed a National Instrument 43-101 ("NI 43-101") report on SEDAR.

The NI 43-101 report, titled "La Plata VMS Project, Cotopaxi Province, Ecuador", provides a comprehensive project description and summary of historic resource estimates completed by pervious project operators. A copy of the NI 43-101 report can be found under Toachi's profile on www.SEDAR.com.

On February 11, 2016, Toachi entered into an option agreement (see Option Agreement, below) with a private Ecuadorean company to earn between a 60% to 75% interest in the La Plata gold-copper-silver-zinc volcanogenic-massive-sulphide ("VMS") project, located 85 km south of Quito, Ecuador.

La Plata is a gold-rich VMS deposit which was the subject of small-scale mining from both an open pit and underground workings from 1975-1981.

From 1996 to 2000, Cambior Inc., a Canadian mining company, completed 8,628 metres of drilling and a preliminary resource estimate totaling 840,000 tonnes grading 4.8 grams gold per tonne, 4.1% copper, 54.4 grams silver per tonne and 0.7% lead and 4.2% zinc per tonne in 1999, according to a report completed by AMEC Foster Wheeler, a mining consulting firm, in March 2015.

Following a drill program by Cornerstone Capital Resources Inc., which included 5,933 metres of drilling from 2006-2007, a revised mineral resource estimate totaling 913,977 tonnes grading 8.01 grams gold per tonne, 88.3 grams silver per tonne, 5.01% copper, 6.71% zinc and 0.78% lead per tonne in the inferred category was completed.

The resource estimates described above are historical estimates as defined by National Instrument 43-101 – *Standards of Disclosure for Mineral Projects S.2.4* ("NI 43-101"). Toachi has not completed the work required to independently analyze and verify the results of the previous operators nor has a qualified person completed sufficient work to classify the estimates as current mineral resources or mineral reserves. With respect to the Cambior estimate, the Company is also not aware of what categories were used in the estimate. As a result, Toachi is not treating these estimates as current mineral resources or mineral reserves.

The Company believes these historic results provide an indication of the potential of the property and are relevant from an on-going exploration perspective.

Alain Vachon, P. Eng., a Qualified Person as defined by NI 43-101, has reviewed and approved the contents of this MD&A – Quarterly Highlights disclosure.

Option Agreement

The Option Agreement between the Company and Compania Minera La Plata S.A. ("CMLP") and the shareholders thereof, grants the Company an option to acquire a minimum 60% interest and a maximum 75% interest in CMLP, the owner of the La Plata project.

Payment obligations pursuant to the Option Agreement, are as follows:

A. US$75,000 non-refundable payment (made on November 6, 2015), which granted the Company exclusivity rights over a period that terminated on February 10, 2016.
B. US$125,000 payment when the Company confirmed its continuation with the Option (payment made on February 18, 2016).
C. Cash payments totalling US$2.0 million (including amounts in A. and B., above) made to CMLP over a four-year period and incur project expenditures of US$4.0 million over the same period.

Completion of the above-noted payments, earns the Company a 60% interest in the La Plata Project (the "First Interest"). If the Company earns the First Interest, it has the right to finance the cost of a feasibility study over a two-year period and acquire an additional 5% interest. If the Company further arranges capital-expenditure financing of less than US$60 million to build a mine at the project, it will earn an additional 5% interest for a total of 70% interest and if capital-expenditure financing exceeds US$60 million, it will earn an additional 10% interest for a total of 75% interest in the project.

Name Change and Share Consolidation

On March 14, 2016, the Company changed its name from Ferrum Americas Mining Inc. to Toachi Mining Inc. and on March 29, 2016, started trading on the TSX Venture Exchange under its new symbol, "TIM".

Contemporaneously, the Company completed a 1-for-5 share consolidation (the "Consolidation"). After the consolidation, Toachi has 18,849,935 issued and outstanding common shares. The Consolidation also had the effect of adjusting the Company's outstanding options and warrants together with the associated exercise prices.

The tables below reflect the changes to the options and warrants outstanding together with the amended exercise prices:

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Options

Expiry Date	Amended Number exercisable	Amended Number outstanding	Amended Weighted average exercise price	Weighted average years remaining
			$	
27-Oct-19	355,500	355,500	0.250	4.24
6-Jan-19	266,666	320,000	0.250	3.44
4-Apr-17	50,000	50,000	1.385	1.68
29-Mar-17	40,000	40,000	1.385	1.66
	712,166	765,500	0.383	3.35

Warrants

Date of Expiry	Type	Amended Number	Amended Exercise Price
			$
May 6, 2016	Warrant	353,333	1.000
November 29, 2016	Warrant	1,546,569	1.000
		1,899,902	1.000

Related-party transactions and balances

During the quarter, the Company did not incur any related-party management fees as the amounts due under the agreement with RGMI, have been suspended until the Company's cash and financial position has improved.

As at January 31, 2016, the Promissory Note totalling $25,935, was due to a director and officer of the Company. In addition to the Promissory Note, a demand loan in the amount of $19,539 was due to the same director and officer, or a company controlled by him and the Company's CFO. These amounts were repaid in full, in March, 2016.