ARIZONA MINING INC. (formerly AZ Mining Inc.)

Management's Discussion and Analysis

For the Three and Nine Months Ended September 30, 2015

Introduction

This management's discussion and analysis ("MD&A") of Arizona Mining Inc. (formerly AZ Mining Inc., the "*Company*", "*Arizona Mining*", "*we*", "*us*", or "*our*") covers the three and nine months ended September 30, 2015. This MD&A takes into account information available up to and including November 12, 2015. This MD&A should be read in conjunction with the accompanying condensed consolidated interim financial statements and notes ("financial statements") for the three and nine months ended September 30, 2015, and MD&A for the year ended December 31, 2014, which are available on the Company's website at www.arizonamining.com and on the SEDAR website at www.sedar.com.

The Company has prepared the condensed consolidated interim financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements including IAS 34, *Interim Financial Reporting*.

All dollar amounts reported herein are in US dollars unless indicated otherwise.

Cautionary Note Regarding Forward-Looking Information

Certain information contained in this document constitutes forward-looking statements. All statements, other than statements of historical facts, are forward looking statements, including without limitation, statements with respect to the Company's expectations for obtaining additional future funding, closing the acquisition of approximately 300 acres of patented mining claims, future drilling on the Hermosa North West project, the amount of mineral resources, and statements with respect to the Company's pre-feasibility study on the Hermosa Central project including without limitation, expected future mineral production, expected metal grades and metal recoveries, expected future capital and operating costs, expected realizable metal prices, expected markets for EMM and the statements under "Summary, Objectives and Outlook" later in this document. Forward-looking statements are often, but not always, identified by the use of words such as *may*, *will*, *seek*, *anticipate*, *believe*, *plan*, *estimate*, *budget*, *schedule*, *forecast*, *project*, *expect, intend*, or similar expressions.

The forward-looking statements are based on a number of assumptions which, while considered reasonable by the Company, are subject to risks and uncertainties. The Company cautions readers that forward-looking statements involve and are subject to known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to differ materially from those expressed in or implied by such forward-looking statements and forward-looking statements are not guarantees of future results, performance or achievement. These risks, uncertainties and factors include general business, economic, competitive, political, regulatory and social uncertainties; actual results of exploration activities and economic evaluations; fluctuations in currency exchange rates; changes in project parameters; changes in costs, including labour, infrastructure, operating and production costs; future prices of silver and other minerals; variations of mineral grade or recovery rates; operating or technical difficulties in connection with exploration, development or mining activities, including the failure of plant, equipment or processes to operate as anticipated; delays in completion of exploration, development or construction activities; changes in government legislation and regulation; the ability to maintain and renew existing licenses and permits or obtain required licenses and permits in a timely manner; the ability to obtain financing on acceptable terms in a timely manner; contests over title to properties; employee relations and shortages of skilled personnel and contractors; the speculative nature of, and the risks involved in, the exploration, development and mining business; and the factors discussed in the section entitled "Risks and Uncertainties" in the MD&A for the year ended December 31, 2014.

Although the Company has attempted to identify important risks, uncertainties and other factors that could cause actual performance, achievements, actions, events, results or conditions to differ materially from those expressed in or implied by the forward-looking information, there may be other risks, uncertainties and other factors that cause performance, achievements, actions, events, results or conditions to differ from those anticipated, estimated or intended. Unless otherwise indicated, forward-looking statements contained herein are as of the date hereof and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable law.

About Reserves and Resources

This MD&A uses the terms measured, indicated and inferred resources as a relative measure of the level of confidence in the resource estimate. Readers are cautioned that: (a) mineral resources are not economic mineral reserves; (b) the economic viability of resources that are not mineral reserves has not been demonstrated; and (c) it should not be assumed that further work on the stated resources will lead to mineral reserves that can be mined economically. In addition, inferred resources are considered too geologically speculative to have any economic considerations applied to them. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies or economic studies except for preliminary economic assessments as defined under NI 43-101. Readers should also refer to the Company's Annual Information Form for the year ended December 31, 2014 and other continuous disclosure documents available at www.sedar.com, which is subject to the qualifications and notes set forth therein.

Description of Business

Arizona Mining is a mineral exploration company engaged in the exploration of the Hermosa property, which is located in Santa Cruz County, Arizona. The Company is incorporated in British Columbia, Canada with one primary operating subsidiary: Arizona Minerals Inc. ("Arizona Minerals"), of which it owns 80% of the common shares and approximately 90% of the preference shares. As a result of a private transaction subsequent to the period end, the remaining 20% interest in the common shares and approximately 10% of the preference shares are held by 5348 Investments Ltd. ("5348 Investments"), an indirect wholly owned subsidiary of a private British Columbia company controlled by Richard W. Warke, the Company's Chairman and CEO. The same private company also indirectly holds a 2% net smelter royalty interest in the approximately 152 acres of patented claims and approximately 478 acres of the total 13,516 acres of unpatented mining claims held by the Company. The Company's common shares trade under the symbol AZ on the Toronto Stock Exchange.

The Hermosa property is a polymetallic mineral exploration project located approximately 100 kilometres southeast of Tucson, Arizona and about 15 kilometres north of the US – Mexico border. The Hermosa property currently has two distinct projects: Hermosa North West ("North West"), a carbonate replacement type (CRD) sulfide zinc-lead-silver mineral exploration project; and Hermosa Central ("Central"), a silver-manganese manto oxide development project. North West has a resource calculated in accordance with NI 43-101 and is being drilled to test the limits of that resource. The Company released the results of the first seven holes of the current drill program on North West in May and September, 2015 that indicated high grade zinc, lead and silver intercepts over significant thicknesses. Central's December 2013 prefeasibility study indicates it is expected to be one of the largest primary silver producers as well as the only electrolytic manganese metal producer in the USA at industry low cash costs. The pre-feasibility study estimates annual production of 5.7 million ounces of silver and 110 million pounds of electrolytic manganese metal (EMM) at average cash costs of $4.41 per silver ounce and $0.74 per EMM pound over an 18 year mine life. The technical documents are available on the Company's website at www.arizonamining.com or on SEDAR at www.sedar.com

Summary, Objectives and Outlook

Since the Company started its most recent drill program on Hermosa North West in 2014 it has completed and released the results of the first seven holes. These results confirm that North West is an extensive carbonate replacement sulfide zone containing high grades of zinc, lead and silver over significant widths. The Company resumed drilling subsequent to the quarter end and has also initiated metallurgical test-work to determine the recoveries expected to be achieved from the processing of the ores.

As discussed in more detail later in this MD&A, during the quarter the Company made significant advances in furthering its Hermosa North West Project including: releasing the results of two drill holes; executing an agreement to acquire approximately 300 acres of patented mining claims ("Additional Patented Claims") that lie adjacent to its existing patented mining claims (see "Land Position", below); and negotiating an option agreement to acquire a further 16 unpatented mining claims adjacent to the

Additional Patented Claims. Subsequent to the quarter end, the Company announced the appointment of Mr. James Gowans as its President and CEO effective January 1, 2016 and a financing for C$2.7 million, which will be used for working capital and project advancement.

The Company's immediate priority is to continue its drill program to test the extension of the mineralization on Hermosa North West, complete initial metallurgical test-work and update the July 2014 resource statement. The Company will also be working on securing financing for the acquisition of the Additional Patented Claims and to enable the advancement of its Hermosa projects over the longer term. The Company will continue to evaluate other opportunities and strategies to increase shareholder value including potentially extending exploration to existing and new targets outside the resource area as well as potential strategic transactions.

Going Concern

At September 30, 2015 the Company had cash and cash equivalents of $89,910, negative working capital of $995,895 excluding the loan from the Company's Chairman and CEO, a net loss for the nine months ended September 30, 2015 of $1,174,439, and a deficit of $28,462,990. On November 5, 2015 the Company announced it had secured financing comprising a private placement and a further loan from the Company's Chairman and CEO for a total of C$2.7 million. The financing closed on November 10, 2015. See "Liquidity and Capital Resources" later in this MD&A for further information.

The Company will require funding to complete the acquisition of the Additional Patented Claims, which it estimates at up to $3.0 million prior to closing. The Company will also require funding to continue drilling and other work on its Hermosa North West Project in addition to the work that will be funded from the financing discussed above. The Company has historically raised funds principally through the sale of securities and more recently, through advances from Company insiders. The Company expects that it will continue to obtain funding through similar or other means depending on market conditions and other relevant factors at the time. However, there can be no assurance that the Company will be able to obtain such additional funding or obtain it on acceptable terms. This material uncertainty casts significant doubt about the Company's ability to continue as a going concern.

The Company's financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of operations. These financial statements do not reflect the adjustments to carrying values of assets and liabilities that would be necessary should the going concern assumption prove to be inappropriate, and these adjustments could be material.

Management Changes and Corporate Matters Subsequent to September 30, 2015

On November 5, 2015 the Company announced that Mr. James (Jim) K. Gowans will be appointed as President and Chief Executive Officer and a Director of the Company effective January 1, 2016. Mr. Gowans was formerly Co-President of Barrick Gold Corporation from July 2014 to August 2015 and Executive Vice President and Chief Operating Officer from January to July 2014. Recent prior roles include Managing Director of Debswana Diamond Company (Pty) Ltd., President and Chief Executive Officer of De Beers Canada Inc., Chief Operating Officer and Senior Vice President of International Nickel Indonesia tbk PT and Executive Vice President at Placer Dome Inc. Mr. Gowans has more than 30 years of experience in mineral exploration, mine feasibility studies, opening new mines, commissioning mine expansions and in the development of best practices in mine safety, mine operations and economic performance improvement.

Mr. Gowans is currently a director of Cameco Corp and was recently appointed a director of Gedex Inc., an innovative geophysics systems company. He previously served as the President of the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) and as a Director of the Conference Board of Canada. Mr. Gowans is a Professional Engineer and received a bachelor of applied science degree in mineral engineering from the University of British Columbia and attended the Banff School of Advanced Management.

Following Mr. Gowans appointment, Mr. Warke will become Executive Chairman of the Company and Mr. Taylor will be Chief Operating Officer and a Director.

In other corporate developments, effective October 26, 2015 the Company expanded its name from AZ Mining Inc. to Arizona Mining Inc.

Hermosa North West Drilling

In September, 2015 the Company announced the results of two additional drill holes on its Hermosa North West discovery. Diamond drill holes HDS-335 and HDS-336 were completed to explore the northwest extension of the currently recognized mineralization. HDS-335 is an angle hole (-85 degrees 230 degrees azimuth) drilled from the HDS-334 site location. HDS-336 is a vertical drill hole that stepped out to the north/northwest from HDS-333 approximately 260 feet.

HDS-335 was successful in testing the full section of mineralized stratigraphy currently recognized at Hermosa NW. HDS-336 was successful in testing the upper mineralized stratigraphic horizons but encountered a pyritic intrusive dike in the lower portions of the hole which removed the lower carbonate horizons.

The more significant mineralized intercepts from the recent drilling are as follows (all intervals reported are down-the-hole drill intervals and not represented as true thickness of the mineralized zones):

Hole		From (feet)	To (feet)	Interval (feet)	Ag opt	Pb%	Zn%	Cu%
HDS-335		2665.5	2882	216.5	1.35	4.48	5.09	0.03
HDS-335	Including	2670	2690	20	3.68	12.92	17.3	0.08
HDS-335	Including	2772	2807	35	1.89	6.22	7.53	0.07
HDS-335	Including	2847	2857	10	2.69	8.67	11.48	0.05
HDS-335		2907	2947	40	1.54	4.53	4.23	0.03
HDS-335		3167	3203.5	27.5	2.61	5.35	3.25	0.06
HDS-335		3270.5	3274	3.5	6.53	14.55	8.48	2.31
HDS-335		3371	3382	11	0.89	2.22	4.55	0.02
HDS-335		3397	3400	3	5.72	1.3	3.03	0.036
HDS-336		1857	1907	50	3.28	2.25	2.94	0.23
HDS-336		2106	2137	31	1.03	3.05	4.38	0.06
HDS-336		2502	2579	77	2.07	6.39	5.75	0.03
HDS-336	Including	2542	2557	15	3.51	11.94	11.09	0.06
HDS-336		2672	2677	5	2.89	5.23	3.87	0.42

A full listing of the mineralized intervals from this drilling and the complete list of all drill intercepts is available on the Company's website www.arizonamining.com.

The North West zinc-lead-silver mineralization encountered in this and prior drilling represents significant thicknesses of coarse grained, sulfide minerals of sphalerite, galena and chalcopyrite which occur as strata-bound replacements in the Paleozoic carbonate section. The up dip portion of the mineralization is situated approximately 800 feet below the current ground surface and dips northwest at approximately 20 - 25 degrees. Of significance, the mineralization located to date for North West has been drilled from the patented claims owned by the Company, which do not require additional drill permits for continued drilling. The Company continues to drill test the extensions of the mineralization.

Hermosa North West Resource

The North West project mineral resource that was completed and released in July, 2014 prior to the 2014/2015 drill program is provided below. The Company anticipates updating this resource estimate later in Q4 of 2015. It should be noted that mineral resources that are not mineral reserves do not have demonstrated economic viability.

Hermosa North West Mineral Resource					
	Tons (000s)	**Lead (%)**	**Zinc (%)**	**Silver (opt)**	**Copper (%)**
Measured	896	2.66	4.94	1.28	0.12
Indicated	803	2.38	3.97	1.07	0.11
Measured & Indicated	**1,699**	**2.53**	**4.48**	**1.18**	**0.11**
	Tons (000s)	**Lead (%)**	**Zinc (%)**	**Silver (opt)**	**Copper (%)**
Inferred	**4,836**	**3.66**	**5.25**	**1.47**	**0.16**

Assumptions: Cut-off of $70 per ton; Metal Prices of Pb $0.94/lb, Zn $0.84/lb, Ag $20/oz, Cu $3.20/lb; Contained metal recovery of 95%.

Land Position

On July 24, 2015, the Company disclosed that it had reached agreement to acquire approximately 300 acres of patented mining claims from the Asarco Multi-State Environmental Custodial Trust. The patented mining claims are adjacent to the Company's Hermosa North West Project. Consideration for the acquisition will be the assumption of the environmental liabilities relating to the site that resulted from historic mining activity. The Company is continuing to work with the Arizona Department of Environmental Quality ("ADEQ") as it reviews the remediation work plan submitted by the Company that addresses the environmental liabilities. The work plan calls for the construction of a passive water treatment system estimated to cost $2.9 million, excluding contingency, of which the Company's share would be $1.9 million. In addition, the Company will be required to post bonds for a total estimated at $2.0 million that will provide a contingency to ensure the system operates as required and for the long-term operation and maintenance of the treatment system. The Company will be required to fund its share of the cost of the water treatment system and obtain the bonds prior to closing, which is to occur within 90 days of the ADEQ approving the work plan and associated budget and in any event no later than March 31, 2016.

Subsequent to the quarter end the Company entered into an option agreement with Bronco Creek Exploration, Inc. to acquire sixteen unpatented mining claims, which total approximately 279 acres. The mining claims are located approximately three quarters of a mile south west of the Company's Hermosa North West exploration project and adjacent to the additional patented claims that the Company is also acquiring as discussed above. The agreement calls for a payment of US$25,000 on execution followed by three annual option payments of US$20,000. In the event the option agreement is exercised and the claims acquired Bronco Creek retains a 2% NSR royalty from any future commercial production.

The addition of the Bronco Creek mining claims together with the patented mining claims being acquired will greatly expand Arizona Mining's surface lands available for further exploration on the Hermosa North West Project and potential mining operations.

Project Costs Capitalized

During the three and nine months ended September 30, 2015 the Company capitalized expenditures of $448,368 and 2,332,587, respectively on its Hermosa property compared to $1,275,349 and $2,702,942, respectively in the same periods of 2014. The costs for 2015 and the third quarter of 2014 primarily relate to the Company's drill program on the North West Project. The costs for the first six months of 2014 primarily reflect work to finish the NI 43-101 Technical Report and associated reports for the Company's pre-feasibility study on the Central project together with permitting costs for the Company's proposed drilling program on United States Federal lands, normal ongoing site maintenance work and personnel costs. The decrease in costs capitalized for the three months ended September 30, 2015 compared to the prior year is due to the lower level of drilling activity during the quarter.

The following shows total costs deferred on the Company's Hermosa property during the three and nine months ended September 30, 2015 and 2014:

	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Mineral properties	$ 24,811	$ -	$ 167,680	$ 19,618
Drilling	(39,112)	489,019	793,497	489,019
Property access, restoration and maintenance	58,620	123,763	248,108	235,013
Assay and analysis	-	22,670	139,969	23,231
Salaries, benefits and stock based compensation	219,531	345,912	581,545	741,260
Geologic consulting and support	5,333	65,137	111,126	168,220
Engineering and metallurgy	27,320	-	27,320	409,238
Environmental baseline studies & permitting	-	55,302	-	307,144
Claims maintenance	113,731	112,250	113,731	119,040
Other	38,134	61,296	149,611	191,159
	$ 448,368	$ 1,275,349	$ 2,332,587	$ 2,702,942

Costs Expensed, Net Loss and Comprehensive Loss

	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Expenses:				
Stock based compensation	$ 202,486	$ 40,258	$ 366,803	$ 169,239
Salaries and benefits	149,394	215,722	443,357	512,714
Office and administrative	35,016	56,833	89,017	212,256
Directors' fees	11,555	18,480	37,973	57,455
Professional services	10,243	18,108	41,086	157,498
Insurance	8,399	13,065	26,251	36,718
Investor relations	7,726	4,305	39,398	38,009
Fiscal and advisory services	7,445	18,111	21,513	21,317
Filing and regulatory	6,747	4,384	35,274	29,604
Legal	4,385	2,677	6,791	10,678
Travel	2,591	(115)	6,215	9,235
Depreciation	1,417	2,277	5,675	6,827
Loss from operations	(447,404)	(394,105)	(1,119,353)	(1,261,550)
Interest and finance charges	(12,811)	(7,509)	(92,559)	(14,491)
Foreign exchange loss	(4,554)	(641)	(12,409)	(9,330)
Interest and other income	20,633	407	49,882	533
Net loss	(444,136)	(401,848)	(1,174,439)	(1,284,838)
Other comprehensive loss (income): Items that may be reclassified to profit or loss:				
Foreign currency translation (gain) loss	(61,411)	(11,709)	(122,505)	20,508
	61,411	11,709	122,505	(20,508)
Comprehensive loss	$ (382,725)	$ (390,139)	$ (1,051,934)	$ (1,305,346)

For the three and nine months ended September 30, 2015, the Company reported a net loss of $444,136 ($0.003 per common share) and $1,174,439 ($0.008 per common share) and a comprehensive loss of $382,725 and $1,051,934 compared to a net loss of $401,848 ($0.003 per common share) and

$1,284,838 ($0.009 per common share) and a comprehensive loss of $390,139 and $1,305,346 for the same periods in 2014.

The increase in stock based compensation expense, which is a non-cash expense, for both periods of 2015 compared to 2014 is a result of the grant in late May, 2015 of 9,515,000 stock options with an exercise price of C$0.40 per share to directors, officers and employees of the Company. Included in the grant are 1,964,798 stock options that replace an equivalent number of options with exercise prices of between C$0.46 to C$2.35 that were cancelled on the same date. The Company uses the Black-Scholes option pricing model to determine the value of stock options, which is then amortized as an expense over the vesting period, which in the case of a grant to directors is 50% at the time of grant and 50% one year thereafter, and for all others generally over three years.

Salary and benefits costs decreased for both the three and nine months ended September 30, 2015 compared to the prior year due to the weakening of the Canadian dollar as most of the salary costs are paid in Canadian dollars. In addition, the prior periods included a severance payment.

Office and administrative, professional services, and insurance all decreased as the Company focussed its efforts on its North West drill program and restricted other activities to conserve cash. In addition, as most of the Company's expenses are denominated in Canadian dollars the weakening of the Canadian dollar over the year has resulted in a decrease in the amounts reported in US dollars. The Company's office and administrative expense and interest and other income also benefitted from contributions to rent expense from other related and non-related companies.

The increase in interest and finance charges for both periods of 2015 compared to the same periods in 2014 reflect the increased borrowing from insiders to support the Company's operations.

Other comprehensive income represents the gain on the translation of the parent company's Canadian dollar financial statements into US dollars for presentation purposes of $122,505 for the nine months ended September 30, 2015 compared to a loss of $20,508 in the same period of 2014. The gain arises as a result of the impact of the weakening of the Canadian dollar in the nine months (US$1=C$1.1601 at December 31, 2014 to US$1=C$1.3394 at September 30, 2015) on the Company's net liabilities denominated in Canadian dollars.

Liquidity and Capital Resources

At September 30, 2015, the Company had cash and cash equivalents of $89,910 compared to $46,910 at December 31, 2014.

Cash outflow from operating activities before the change in non-cash working capital was $254,115 in the three months and $819,649 in the nine months ended September 30, 2015 compared to a use of cash of $375,792 and $1,129,323, respectively in the same periods of 2014. The decreased use of cash in both periods is attributable to the reduction in the cash portion of corporate costs previously noted. After taking account of the movements in working capital, there was a decreased use of cash by operating activities in both periods of 2015 compared to 2014.

Cash inflow from financing activities of $1,102,215 for the three months and $2,814,675 for the nine months ended September 30, 2015 primarily relates to loans from insiders totalling $1,113,868 and $2,649,713, respectively. The amounts advanced in the nine months to September 30, 2015 include $1,313,565 of loans that were unsecured, bore interest at 12% per annum and were subject to a fee of 2% of the principal amount. To strengthen its balance sheet as it sought additional financing, on June 12, 2015 the loans, which then totalled $1,911,462 (C$2,320,000) including the amounts advanced in late 2014, together with accrued interest and fees were converted into 6,008,499 units of the Company at a price of C$0.40 per unit. Each unit is comprised of one common share and one common share purchase warrant with each warrant entitling the holder to purchase one common share at a price of C$0.60 per common share until June 12, 2017.

The balance of the loans from insiders received in the nine months ended September 30, 2015 of $1,336,149 (C$1,737,500) were received from the Company's Chairman and CEO subsequent to June 12, 2015. The loans are unsecured, bear interest at 8% per annum and are repayable on the earlier of (i) one year from the date of advance, (ii) a change of control of the Company, or (iii) the completion of a financing of C$4.0 million or more by way of sale of securities from treasury of the Company or through the issuance of debt or other form of financing.

Cash inflow from financing activities also includes contributions from the non-controlling interest of $nil in the three months and $202,028 in the nine months ended September 30, 2015 compared to $86,641 and $208,594, respectively in the comparable periods of 2014. The Company has a receivable from the non-controlling interest of $36,717 at September 30, 2015.

Investing activities used cash of $769,915 in the three months and $2,052,863 in the nine months ended September 30, 2015 compared to $1,168,334 and $2,008,329, respectively in the same periods of 2014, all in connection with the Company's Hermosa property. These amounts differ from the amounts disclosed previously under "Project Costs Capitalized" as a result of changes in accounts payable and accruals associated with these activities, which is not included in the statement of cash flows.

At September 30, 2015 the Company had cash flow commitments as follows ($000's):

	< 1 Year	1-3 Years	3-5 Years	> 5 Years	Total
Accounts payable and accrued liabilities	$ 1,180	$ -	$ -	$ -	$ 1,180
Due to related parties	1,336	-	-	-	1,336
Operating lease obligations	169	324	27	-	466
	$ 2,685	$ 324	$ 27	$ -	$ 2,982

On November 5, 2015 the company announced a financing comprising a private placement and a loan for a total of C$2.7 million. The private placement is for 2,000,000 units at a price of C$0.35 per unit with each unit consisting of one common share and one common share purchase warrant for total proceeds of C$700,000. Each common share purchase warrant is convertible into one common share of the Company at a price of C$0.45 for a period of five years from closing. Insiders of the Company subscribed for 1,300,000 units of the private placement. In addition, the Company has secured a further loan from its Chairman and CEO for C$2,044,000 in addition to the C$2.0 million advanced since June, 2015. The new loan will be unsecured, bear interest at 10% compounded monthly and will be repayable on the earlier of the Company completing a private placement of C$2,044,000 or more and one year. Proceeds from the financing are expected to be used for general working capital purposes and to further the Hermosa North West Project. The private placement and loan closed on November 10, 2015.

See "Going Concern" at the beginning of this MD&A.

Quarterly Review of Financial Information

The following table is a summary of the Company's results for the eight most recently completed quarters ended September 30, 2015:

Unaudited	2015			2014				2013
($000s, unless otherwise stated)	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Net income (loss)	$ (444)	$ (429)	$ (302)	$ (325)	$ (402)	$ (475)	$ (408)	$ 986
Exploration and evaluation assets additions	$ 448	$ 1,078	$ 806	$ 584	$ 1,275	$ 464	$ 964	$ 1,037
US$ to C$ Exchange rate - period end	$ 1.3394	$ 1.2474	$ 1.2683	$ 1.1601	$ 1.1208	$ 1.0676	$ 1.1033	$ 1.0636
Basic and diluted net income (loss) per share	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 0.01

The most significant factors influencing the Company's quarterly results over the last eight quarters are:

- The gain of $1,459,151 recorded in the fourth quarter of 2013 with respect to 117,246 common shares of Ventana Gold Corp. held by the Company.
- The impact of the timing of stock option grants on stock based compensation expense including the higher expense where a portion of the grant vests immediately.
- Additions to exploration and evaluation assets for the fourth quarter of 2013 primarily reflect engineering and metallurgical work with respect to the pre-feasibility study on the Hermosa Central project that was released in December, 2013 and ongoing environmental base-line studies. Additions in the first and second quarters of 2014 primarily reflect work associated with the Central project's pre-feasibility technical report that was completed in the first quarter, and permitting and ongoing property maintenance. Additions from the third quarter of 2014 onwards reflect the drill program on the Hermosa North West project and ongoing property maintenance costs with the variation in expenditures by quarter dependent on the level of drilling and associated activity in the quarter.

Share Capital Information

As at November 12, 2015, the Company had an unlimited number of common shares authorized for issuance with 156,049,392 issued and outstanding and an unlimited number of preferred shares authorized with nil outstanding. Also at November 12, 2015, the Company had 11,074,000 stock options outstanding held by directors, officers, and employees and 12,508,499 warrants issued in connection with the August 20, 2014 and November 10, 2015 private placements and the June 12, 2015 conversion of loans from insiders.

Proposed Transactions

There are no undisclosed proposed transactions that will materially affect the performance of the Company.

Off-Balance Sheet Arrangements

The Company does not have any material off-balance sheet arrangements.

Related Party Transactions

In addition to the related party transactions or balances disclosed elsewhere in this MD&A, the Company had the following related party transactions.

The Company shares office space, equipment, personnel and various administrative services with other companies related by virtue of certain common directors and management. These services have been mainly provided through a management company equally owned by the related companies. Costs incurred by the management company are allocated between the related companies based on time incurred and use of services and are charged at cost. In addition, certain other professional administrative services have been provided by other related companies and charged at cost. The Company was charged for the following with respect to these arrangements:

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
Salaries and benefits	$ 129,710	$ 148,120	$ 382,903	$ 391,907
Office and administrative	67,688	95,060	229,137	217,745
	$ 197,398	$ 243,180	$ 612,040	$ 609,652

In addition, for the three and nine months ended September 30, 2015, the Company charged out $nil and $6,062, respectively, (September 30, 2015 – $nil and $nil) and at September 30, 2015, amounts receivable includes $4,681 (December 31, 2015 – $92), prepaids and other includes $nil (December 31, 2014 – $70,577) and there is an amount due to related companies of $26,456 (December 31, 2014 – $nil) with respect to these arrangements.

Other assets of $225,140 (December 31, 2014 – $259,937) relate to the Company's share of jointly owned assets (primarily security deposits, leasehold improvements, and furniture and equipment) held by the management company.

Critical Accounting Policies and Estimates

The Company's accounting policies are described in its consolidated financial statements for the year ended December 31, 2014. The preparation of its consolidated financial statements requires management to make judgements, estimates and assumptions in the process of applying the Company's accounting policies that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are continually evaluated. However, actual outcomes could materially differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected. Information about critical judgements and estimates in applying accounting policies that have the most significant effect on amounts recognized in the consolidated financial statements are as follows:

- Exploration and evaluation assets impairment estimation – The Company assesses its exploration and evaluation assets on a periodic basis to determine whether any indication of impairment exists. Where an indicator of impairment exists, an estimate is made of the recoverable amount, which is the higher of the fair market value less costs to sell and its value in use. In determining the value in use the Company will develop an estimated cash flow for the mineral property, which will be based on the Company's estimates of ore reserves and mineral resources. The Company estimates its ore reserves and mineral resources based on information compiled by qualified persons as defined in accordance with Canadian Securities Administrators' National Instrument 43-101 Standards of Disclosure for Mineral Projects requirements. The estimation of mineral reserves and resources is based upon the results, assumptions and interpretation of various exploration techniques and information and includes additional factors such as metallurgical assumptions, expected commodity prices, capital requirements and operating costs that will also be used to develop the cash flow model. The Company must also determine an appropriate discount rate at which to discount the cash flows to determine the net present value. Changes in any of these assumptions, interpretations and estimates may have a significant impact on the net present value and therefore may impact the carrying value of the exploration and evaluation assets.

- Stock based compensation – In determining the fair value of stock based compensation, which the Company both expenses and capitalizes to exploration and evaluation assets, the Company uses the Black-Scholes option pricing model. The Black-Scholes option pricing model requires the input of highly subjective assumptions such as the expected life of the options, estimates of interest rates and share price volatility that can materially affect the fair value estimate.

Changes in Accounting Policies

a) New accounting standards, amendments and interpretations

   Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC. Some updates that are not applicable or are not consequential to the Company may have been excluded.

   IFRS 9, *Financial Instruments: Classification and Measurement* is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, *Financial Instruments: Recognition and Measurement*. IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is measured at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is measured at fair value through profit or loss. The standard was initially effective for annual periods beginning on or after January 1, 2013, but the complete version of IFRS 9, issued in July 2014, moved the mandatory effective date to January 1, 2018. The Company expects to adopt this standard effective January 1, 2018 and has not yet assessed the impact on its financial reporting.

Financial Instruments

The Company's financial instruments are classified into the following categories of financial assets and liabilities (shown at carrying value):

Category	Measurement		September 30, 2015		December 31, 2014
Cash and cash equivalents	Loans and receivables	$	89,910	$	46,910
Amounts receivable	Loans and receivables	$	61,586	$	19,588
Accounts payable and accrued liabilities	Other financial liabilities	$	1,179,662	$	1,003,943
Due to related parties	Other financial liabilities	$	1,335,811	$	608,251

The carrying values of the Company's financial instruments in the table above approximate their fair values as a result of their short-term nature.

Financial risk management

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure and attempts to manage the risk, where possible. These risks include market risk, liquidity risk and credit risk.

a) Market risk

Market risk represents the risk that the fair value of cash flows of a financial instrument will fluctuate because of changes in market prices. In particular:

Foreign exchange risk

Foreign exchange risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.

The Company incurs expenditures in Canadian and US dollars with the majority of the expenditures being incurred in US dollars exploring on its Hermosa property. The parent company has adopted a policy of converting the majority of its cash balances into US dollars, except to the extent Canadian dollars are required to fund corporate operations. As the functional currency of the parent company is Canadian dollars, foreign exchange risk arises because the amount of the US dollar cash and cash equivalents will vary in Canadian dollar terms due to changes in exchange rates. However, to the extent the US dollar balances will be used to fund future exploration expenditures on the Hermosa property the risk is mitigated and provides more certainty in terms of the funds available for that purpose.

At September 30, 2015, the Company is exposed to currency risk through the following assets and liabilities denominated in US dollars held by the Canadian parent company:

		September 30, 2015		December 31, 2014
Cash and cash equivalents	US$	3,085	US$	197
Amounts receivable		664		434
Due from (to) related party		36,717		11,136
Accounts payable and accrued liabilities		(7,951)		(22,293)
	US$	32,515	US$	(10,526)

As at September 30, 2015, based on the above net exposures a 10% change in the Canadian-US dollar exchange rate would impact the Company's earnings by approximately $3,000 (December 31, 2014 –

$1,000). As the Company reports in US dollars this amount would be offset by an approximately equivalent amount as part of other comprehensive income.

Price and Interest rate risk

Price risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices other than those arising from interest rate and currency risk. The Company is not materially exposed to price risk at this time.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not materially exposed to interest rate risk at this time.

b) Liquidity risk

Liquidity risk represents the risk that the Company will be unable to meet its obligations associated with its financial liabilities. The Company endeavours to manage its liquidity risk by maintaining sufficient readily available cash in order to meet its liquidity requirements at any point in time (see discussion on going concern in "Going Concern").

c) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. Credit risk arises for the Company from cash and cash equivalents held with banks and financial institutions, as well as credit exposure on outstanding amounts receivable and amounts due from a related party. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

The Company manages its exposure to credit risk by holding its cash and cash equivalents through Canadian or US chartered banks, with short-term investments held in high-interest bank accounts and GIC's.

Risks and Uncertainties

An investment in the Company's common shares is highly speculative and subject to a number of risks and uncertainties. Only those persons who can bear the risk of the entire loss of their investment should invest in the Company's common shares. An investor should carefully consider the risks referred to below and the other information filed with the Canadian securities regulators before investing in the Company's common shares. Arizona Mining's business is subject to a number of risks and uncertainties including those described in the Company's Annual Information Form and Management's Discussion and Analysis for the year ended December 31, 2014, which are available on the Company's website at www.arizonamining.com and SEDAR at www.sedar.com. Any of the risks and uncertainties described in the above-noted documents could have a material adverse effect on the Company's business and financial condition and accordingly, should be carefully considered in evaluating the Company's business.

Disclosure Controls and Procedures and Internal Control over Financial Reporting

The Company's management, under the supervision of the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), have designed disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in National Instrument 52-109, *Certification of Disclosure in Issuers' Annual and Interim Filings*, based on the 2013 control framework developed by the Committee of Sponsoring Organizations of the Treadway Commission.

The DC&P have been designed to provide reasonable assurance that material information relating to the Company is made known to the CEO and CFO, particularly during the period in which the interim filings are prepared and the information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified. The ICFR have been designed to provide reasonable assurance regarding the reliability of financial reporting for external purposes in accordance with international financial reporting standards. Due to the inherent limitations associated with any such controls and procedures, management recognizes that, no matter how well designed and operated, they may not prevent or detect misstatements on a timely basis.

Changes in Internal Control over Financial Reporting

NI 52-109 also requires Canadian public companies to disclose any changes in ICFR during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, ICFR. No material changes were made to internal controls in the three months ended September 30, 2015.

Assays and Quality Assurance/Quality Control

To ensure reliable sample results, the Company has a rigorous QA/QC program in place that monitors the chain-of-custody of samples and includes the insertion of blanks, duplicates, and certified reference standards in each batch of samples. Core is photographed and split in half with one-half retained in a secured facility for verification purposes.

Post March 2014, sample preparation (crushing and pulverizing) is performed at ALS Minerals Laboratories, an ISO/IEC accredited lab located in Tucson, Arizona. ALS Minerals Laboratories prepares a pulp of all samples and sends the pulps to their analytical laboratory in Vancouver, B.C. Canada for analysis. ALS analyzes the pulp sample by ICP following a 4-acid digestion (ME-ICP61 for 33 elements) including Cu (copper), Pb (lead), and Zn (zinc). All samples in which Cu (copper), Pb (lead), or Zn (zinc) are greater than 10,000 ppm are rerun using four acid digestion with an ICP – AES finish (Cu-OG62;Pb-OG62; and Zn-OG62) with the elements reported in percentage (%). Silver values are determined by ICP ((ME-ICP61) with all samples with silver values greater than 100 ppm repeated using four acid digestion with an ICP-AES finish (Ag-OG62) calibrated for higher levels of silver contained. Any values over 1,500 ppm Ag triggers a fire assay with gravimetric finish analysis. Gold values are determined by a 30 gm fire assay with an ICP-AES finish (Au-ICP21).

Pre-March 2014, sample preparation (crushing and pulverizing) was performed at Skyline Laboratories, an ISO/IEC accredited lab located in Tucson, Arizona. Skyline Laboratories prepared two pulps of all samples and completed analysis of one pulp sample by ICP for Cu% (copper), Pb% (lead), Zn% (zinc) and Mn% (manganese). The second pulp was shipped to Inspectorate Labs, an ISO: 9001-2008 accredited laboratory in Reno, Nevada, where the duplicate pulp was analyzed for Au (gold) and Ag (silver). Silver values were determined by gravimetric fire assay (1 AT) with gold values determined by an AA finish from the same dore bead: Final silver value is the weight of the dore bead minus the AA gold value. In certain drill holes Skyline completed analyses of pulps for gold (FA-1AT/AA) and silver was determined by multi-acid digestion/AA finish. If the silver value was greater than 150 gpt the sample was redone by gravimetric FA (1AT) with the gravimetric gold value subtracted. At both labs if the FA/AA Au value was greater than 3 gpt the Au assay was repeated by FA gravimetric methods. Certain duplicate pulps had gold-silver QA/QC checks run at Skyline by the above methods. Also certain duplicate pulps also had Cu, Pb, Zn, Mn QA/QC checks using ICP/AA methods and 30 element spectral ICP determined at Inspectorate after 4-acid digestion.

Hermosa North West Drill Results Qualified Person

The results of Arizona Mining's drilling results have been reviewed, verified and compiled by Donald Taylor, MSc., PG, President and Chief Operating Officer for Arizona Mining, a qualified person as defined by National Instrument 43-101 (NI 43-101). Mr. Taylor has more than 25 years of mineral exploration and mining experience, and is a Registered Professional Geologist through the SME (registered member #4029597). Mr. Taylor is also a Licensed Professional Geologist in several US states.

Updated Hermosa North West Resource Qualified Person

Scott Wilson, President of Metal Mining Consultants, is an independent qualified person as defined by National Instrument 43-101 and approved and verified the information in relation to the July 2014, updated Hermosa North West resource estimate. Mr. Wilson is a Certified Professional Geologist and member of the American Institute of Professional Geologists (CPG #10965) and a Registered Member (#4025107) of the Society of Mining, Metallurgy and Exploration, Inc., a professional association and designation recognized by the Canadian regulatory authorities.

ARIZONA MINING INC.
Corporate Information

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