IGC

IGC RESOURCES INC.

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE PERIOD ENDED APRIL 30, 2015

INTRODUCTION

This Management Discussion and Analysis ("MD&A") of IGC Resources Inc. ("IGC") has been prepared by management as of May 15, 2015 and should be read in conjunction with the consolidated financial statements and related notes thereto of the Company for the period ended April 30, 2015 and 2014 and the year ended July 31, 2014. The consolidated financial statements of the Company comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All dollar amounts included therein and in the following management discussion and analysis are expressed in Canadian dollars except where noted.

This MD&A may contain "forward-looking statements" which reflect the Company's current expectations regarding the future results of operations, performance and achievements of the Issuer. The Issuer has tried, wherever possible, to identify these forward-looking statements by, among other things, using words such as "anticipate," "believe," "estimate," "expect" and similar expressions. The statements reflect the current beliefs of management of the Company, and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors, which could cause the actual results, performance, or achievements of the Issuer to differ materially from those expressed in, or implied by, these statements.

The Company undertakes no obligation to publicly update or review the forward-looking statements whether as a result of new information, future events or otherwise.

Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

DESCRIPTION OF THE BUSINESS

The Company was incorporated under the laws of British Columbia in 1992 and continued into the Yukon Territory under the *Business Corporations Act* (Yukon) on March 3, 2000. Effective July 21, 2004, the Company was continued out of the Yukon Territory back into British Columbia and changed its name from "International Green Ice Inc." to "IGC Resources Inc.".

The Company was a reporting issuer in British Columbia and Alberta trading on the TSX Venture Exchange (the "Exchange") under the symbol **IGC**. On July 10, 2014, the Company was moved from the TSX Venture Exchange to the NEX and now trades under the symbol IGC.H. IGC was engaged in the acquisition, exploration and development of mineral resource properties as funds allow.

OVERVIEW

The Company's principal business activities were the exploration, development and, if warranted, mining of mineral projects.

IGC owned 0.00% (April 30, 2014 – 3.5%) (1,225,390 common shares) of the issued and outstanding shares of Intra Energy Corporation Limited ("Intra Energy"), a coal-focused Australian company listed on the Australian Securities Exchange

The mining industry was hit very hard with the global economic downturn and investor confidence. The Company, along with most other juniors, saw limited access to capital to either fund its mineral property or acquire new properties during the period ended April 30, 2015.

With the advent of the TSX transferring the company to the NEX the company is considering its options

RESULTS OF OPERATIONS

During the period ended April 30, 2015, the Company reported a net loss of $134,862 (($0.00) per share) versus net loss of $631,475 (($0.02)) per share) during the same period in 2014. The primary factor driving net income or loss from one period to the next was the change in market values of the Company's investment in Intra Energy shares, resulting in significant unrealized losses on its securities held for trading. The valuation of the Company's securities held for trading and resulting unrealized gains and losses thereon, were highly volatile, and subject to wide swings. All shares in Intra Energy shares have been sold in the current period. During the period, IGC disposed of all IEC shares.

During the current period, the Australian dollar weakened in relation to the Canadian dollar resulting in a foreign exchange loss. At April 30, 2015, the Company has minimal cash, receivables, payables and related party debt denominated in Australian dollars, and therefore has little exposure to foreign exchange gains and losses in these accounts.

The Company has continued to make a concerted effort to conserve its cash resources, and as a result, most other expenses incurred during the period ended April 30, 2015 were minimal and consistent with, or lower than, those incurred during the same period of the prior year.

Interest income increased from $102 during the period ended April 30, 2014 to $234 for the period ended April 30, 2015. Excess proceeds from the sale of the securities which were previously invested have all been used in operations.

Selected Annual Information

The following table provides a brief summary of the Company's financial operations. For more detailed information, refer to the consolidated financial statements and the overall performance section.

SELECTED ANNUAL INFORMATION		(IFRS) July 31, 2014		(IFRS) July 31, 2013		(IFRS) July 31, 2012
Interest income	$	456	$	8,157	$	18,077
Net income (loss) for the year		(747,493)		(667,474)		(1,492,520)
Net income (loss) per share		(0.03)		(0.03)		(0.06)
Total assets		139,911		999,307		1,621,282

General administrative expenses for the period ending April 30, 2015 were reduced from $127,690 in 2014 to $82,584 in 2015.

SUMMARY OF QUARTERLY RESULTS

		(IFRS) April 30, 2015		(IFRS) January 31, 2015		(IFRS) October 31, 2014		(IFRS) July 31, 2014
Total assets	$	2,546	$	32,263	$	89,133	$	139,911
Exploration and evaluation assets		-		-		-		-
Working capital		(21,679)		10,037		57,096		113,183
Shareholders' equity		(21,679)		10,037		57,096		113,183
Net and comprehensive income (loss)		(134,862)		(47,059)		(56,087)		(118,854)
Basic and diluted loss per share		0.00		(0.00)		0.00		(0.01)

		(IFRS) April 30, 2014		(IFRS) January 31, 2014		(IFRS) October 31, 2013		(IFRS) July 31, 2013
Total assets	$	356,231	$	591,093	$	801,207	$	999,307
Exploration and evaluation assets		-		-		-		-
Working capital		232,037		518,737		771,762		863,512
Shareholders' equity		232,037		518,737		771,762		863,512
Net and comprehensive income (loss)		(286,700)		(253,025)		(91,750)		(210,386)
Basic and diluted loss per share		(0.01)		(0.01)		0.00		(0.01)

As the Company is not in exploration or production stages, variances in its quarterly losses are not affected by sales or production-related factors. Changes in net income (loss) in each of the quarters of 2015 over net income (loss) in each quarter of 2014 and 2013 are generally attributed to gains and losses on securities held for trading and foreign exchange fluctuations between the Australian and Canadian dollars

LIQUIDITY AND CAPITAL RESOURCES

The Company is in the development stage and, therefore, has no regular cash inflow. At April 30, 2015, the Company had working capital of $(21,679), inclusive of cash on hand of $1,809. This compares to a working capital of $113,183 at July 31, 2014, inclusive of cash on hand of $8,254 and amounts due from a related party of $28,915.

The carrying value of the Company's investment in Intra Energy is represented as follows:

	Number of Common Shares (a)	Common Shares	Total $
Securities held for trading, July 31, 2013	8,361,111	$ 847,616	$ 847,616
Net trading activities	(5,500,000)	(746,195)	(746,195)
Securities held for trading, July 31, 2014	2,861,111	101,421	101,421
Net trading activities	(2,861,111)	(101,421)	(101,421)
Securities held for trading, April 30, 2015	-	$ -	$ -

The cash balance of $1,809, and the receivables balance of $737 at April 30, 2015 is insufficient to allow the Company to maintain its current minimal level of operations. The Company is dependent upon the continuing financial support of shareholders and selling its securities held for trading to fund its mineral exploration activity.

The consolidated financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realization of assets and discharge of liabilities in the normal course of business. The Company is considered to be in the development stage as it has not generated any income to date. As at April 30, 2015, the Company has an accumulated deficit of $12,147,110 and incurred a loss of $134,862 for the period ended April 30, 2015.

The Company's ability to continue as a going concern is dependent on management's ability to raise the necessary funding through the sale of securities held-for-trading and/or capital raising. While these consolidated condensed interim financial statements have been prepared on the assumption that the Company is a going concern and will be able to realize its assets and meet its obligations in the normal course of operations. There is no assurance that such financing will be sufficient to sustain operations in the foreseeable future.

Management has reduced overhead and has made a concerted effort to maintain routine expenditures at a minimum; however, management recognizes that the Company may require more cash for working capital purposes and is hoping to procure further funds in order to continue with its planned operations should a mineral exploration project be acquired. This financing will likely be in the form of a private equity financing. No firm commitments are in place as at the date of this report.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

Due from a related party is as follows:

	April 30 2015	July 31, 2014
Principal	**$ -**	$ 28,865
Interest receivable	**-**	50
	$ -	$ 28,915

The Company had funds on deposit of $nil (July 31, 2014 - $28,915)

Payable to related parties is as follows:

	April 30 2015	July 31 2014
Amount payable to a company controlled by a director of the Company for unpaid management fees	**$ 2,080**	$ 5,474
	$ 2,080	$ 5,474

Amounts payable to Commercial Holding Pty Ltd ("CHPL") for advances of $2,080 (July 31, 2014 – 5,474) bears interest at nine percent per annum. Interest expense for the period ended April 30, 2015 on this payable to related parties was $52 (2013 - $nil).

During the period ended April 30, 2015, the Company incurred management fees of $35,000 (2014 - $45,000) to CHPL.

CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

1.13 Changes in Accounting Policies including Initial Adoption

The Company has prepared its consolidated financial statements in accordance with IFRS as issued by the International Accounting Standards Board ("IASB"). IFRS represents standards and Interpretations approved by the IASB and are comprised of IFRS, International Accounting Standards ("IAS's"), and interpretations issued by the IFRS Interpretations Committee ("IFRIC's") and the former Standing Interpretations Committee ("SIC's"). The consolidated financial statements have been prepared in accordance with IFRS standards and interpretations effective as of the date of this report.

There were no significant changes to the accounting policies applied by the Company to the consolidated condensed interim financial statements for the period ended April 30, 2015 from those applied to the audited consolidated financial statements for the year ended July 31, 2014.

OUTSTANDING SHARE DATA

The Company has one class of common shares. As at April 30, 2015 and the date of this report there were 26,164,428 common shares outstanding.

The Company has no stock option plan.

RISKS AND UNCERTAINTIES

These accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The continuation of the Company is dependent upon the continuing financial support of stockholders and obtaining long-term financing to undertake any exploration and development.

While the Company attempts to achieve the above plans, there is no assurance that any such activity will generate sufficient funds that will be available for operations. These condensed consolidated interim financial statements do not include adjustments related to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that may be necessary should the Company be unable to continue in existence.

The Company's business operations are subject to risks and hazards inherent in the mining industry, including but not limited to unanticipated variations in resource grade and other geological problems, water conditions, surface or underground conditions, metallurgical and other processing problems, mechanical equipment performance problems, the unavailability of materials and equipment, accidents, labour force disruptions, force majeure factors, unanticipated transportation costs and weather conditions, any of which can materially and adversely affect, among other things, the development of properties, production quantities and rates, costs and expenditures and production commencement dates. No assurance can be given that the Company will achieve any commercial viability through the successful exploration and/or mining. If the Company implements exploration programs, additional financing will need to be raised for the exploration and any subsequent development of an economically mineable deposit and to place it into commercial production.

Some of the directors and officers are engaged, and will continue to be engaged, in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Company. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the *British Columbia Business Corporations Act*, as applicable.

See the "Risks and Uncertainties" section of *Management's Proxy Circular* dated June 7, 2004, as filed on SEDAR, for a complete discussion of risks and uncertainties.

Additional information about the Company may be found on and on the Company's website at www.igcresources.ca

CAUTIONARY NOTE REAGARDING FORWARD LOOKING INFORMATION

Certain information set forth in this MD&A includes management's assessment of the Company's future plans and contains forward-looking statements within the meaning of securities laws. In some cases, forward-looking information can be identified by the use of terms such as "may", "will", "should", "expect", "believe", "plan", "scheduled", "intend", "estimate", "forecast", "predict", "potential", "continue", "anticipate" or other similar expressions concerning matters that are not historical facts. Forward-looking information may relate to management's future outlook and anticipated events or results, and may include statements or information regarding the future plans or prospects of the Company. Forward looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Although the Company believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Although this information is based on the Company's current internal expectations, assumptions and estimates, it may prove to be incorrect. These forward-looking statements are not guarantees of future performance and undue reliance should not be placed on them. They are subject to unknown risks and uncertainties which may include, among other things, changes in economic and market conditions; inherent uncertainties associated with estimating reserves; changes to legislation; commodity prices; ability to renew licenses and actions by governmental or regulatory authorities.

Additionally, statements related to securities held for trading, which are all denominated in Australian dollars, and realized and unrealized gains and losses thereon can be affected by uncertainties related to volatility of both market price of the securities and the foreign exchange fluctuations between the Canadian and Australian dollar. The Company is unlikely to generate any cash flows from operations in the coming year. Cash flows are strictly dependent on the continuing financial support of shareholders and selling its securities of Intra Energy, or the ability of the Company to raise funds from external sources.

Furthermore, estimated costs to bring properties to production and quantities or magnitude of mineral deposits are considered to be forward-looking statements. Such statements can be affected by uncertainties associated with estimates of production costs, size, geology or composition of mineral deposits and capital expenditures; changes in exploration and development projects; risks associated with environmental or health and safety issues; and the Company's ability to raise capital. By its very nature, such information involves assumptions and uncertainties, therefore readers are cautioned not to place undue dependence on forward-looking information.

ADDITIONAL INFORMATION

Additional information on the Company is available for viewing on the *System for Electronic Data Retrieval* ("SEDAR") at www.sedar.com.