MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A")

For the Three Month Period Ended March 31, 2017

Basis of Presentation:

The following discussion of the financial condition and results of operations of Noble Iron Inc. ("Noble Iron," or the "Company") should be read in conjunction with the Company's unaudited interim condensed Consolidated Financial Statements for the three month period ended March 31, 2017 and March 31, 2016, which were prepared under International Financial Reporting Standards ("IFRS") using Noble Iron Inc.'s functional currency of Canadian dollars. This MD&A has been prepared as of May 30, 2017 to help investors understand the financial performance of the Company and to provide information that management believes is relevant for an assessment and understanding of the business, risks, opportunities and performance measures of the Company. We have prepared this document in conjunction with our broader responsibilities for the accuracy and reliability of the financial statements and the development and maintenance of appropriate internal controls in our efforts to ensure that the financial information is complete and reliable. The Company's Board of Directors has reviewed this document and all other publicly reported financial information for integrity, usefulness and consistency.

Additional information about Noble Iron, including copies of the Company's continuous disclosure materials, is available at www.nobleiron.com or under the Company's profile on SEDAR at www.SEDAR.com. Noble Iron maintains its registered head office in Ontario, Canada, with executive management based in California, USA. Noble Iron's Investor Relations department can be reached at 1 (310) 754-9054. The information on the Company's website is not considered to be a part of this MD&A.

Forward Looking Statements:

This document may contain forward-looking statements that reflect Noble Iron's current expectations regarding future events. The forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "estimate", "expect", "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These forward-looking statements involve risk and uncertainties, including the difficulty in predicting acceptance of and demands for new products and services, the impact of the products, services and pricing strategies of competitors, delays in developing and launching new products and services, fluctuations in operating results and other risks, any of which could cause actual results, performance, or achievements to differ materially from the results discussed or implied in the forward-looking statements. There are many inherent risks in the industries in which Noble Iron operates; some are more specific to the Company. The reader should consult Noble Iron's ongoing quarterly filings for additional information on risks and uncertainties relating to these forward-looking statements. The reader should not place undue reliance on any forward-looking statements. Management assumes no obligation to update or alter any forward-looking statements whether as a result of new information, further events or otherwise, unless required by law.

Non-IFRS Measures:

The term "Adjusted EBITDA" refers to net earnings (loss) before interest expense, income taxes, depreciation, amortization, acquisition expenses, stock-based compensation, severances, foreign exchange, lease termination payments and other extra ordinary and non-recurring items. The Company believes that Adjusted EBITDA is useful supplemental information as it provides an indication of the results generated by the Company's main business activities prior to taking into consideration how those activities are financed and taxed and also prior to taking into consideration the other items listed above. The MD&A presents non-IFRS financial measures to assist readers in understanding the Company's performance. This non-IFRS measure do not have any standardized meaning and are therefore unlikely to be comparable to similar measures presented by other issuers and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Overview:

Noble Iron (symbol "NIR") operates in equipment rental, equipment sales, and software for construction and industrial equipment users.

Noble Iron's equipment rental and dealership business operated under the name "Noble Iron", and served customers in the State of California. This division offered construction and industrial equipment and accessories for rent and for sale.

On May 1, 2017 the Company announced that it had entered into an agreement to sell the assets of its Los Angeles, California based equipment rental operations to an arm's length third party. See the Subsequent events section of this MD&A for more information.On May 5, 2017 the Company announced that the sale of its Los Angeles, California based equipment rental operations had been completed.

Noble Iron's software division operates under the name "Texada Software". Texada Software offers in-the-cloud or client-based software for equipment rental companies, equipment dealerships, construction companies, contractors, and customers who own or use construction or industrial equipment. Texada Software develops software applications to manage the equipment ownership lifecycle, including equipment purchasing, rental and sales transactions, inventory management, maintenance and depreciation tracking, as well as used equipment sales, disposal and inventory replenishment.

The Company is subject to a number of risks and uncertainties associated with the achievement of sustainable profitability. The Company has incurred net losses and used significant cash in its operating activities since incorporation. It has relied upon external financing to fund its operations and to establish its infrastructure, primarily through debt and private equity placements.

Recent Developments:

FleetLogic Software Application Launch

On August 11, 2016, the Company announced the commercial launch of FleetLogic, a mobile and desktop software application that enables users to manage inspections and work orders, track asset-specific history and parts specifications, and look up equipment availability, status and location in real-time.

Also announced was FleetLogic's first customer launch with HirePool, New Zealand's largest independent equipment rental company. FleetLogic is being deployed to equipment service professionals managing HirePool's equipment fleet at over 60 locations.

On November 9, 2016, the Company sold its Houston TX equipment rental and sales operations.

On May 1, 2017, the Company announced that it had entered into an agreement to sell the assets of its Los Angeles, California equipment rental and sales operations. This sale was completed on May 5, 2017.

Description of Noble Iron's Business:

Construction and Industrial Equipment Rental and Distribution

Established in August 2011, the Company's Southern California operations served two major Metropolitan Statistical Areas in the United States, including Los Angeles and Riverside-San Bernardino. On May 1, 2017 the Company announced that it had entered into an agreement to sell the assets of its Los Angeles, California based equipment rental operations to Sunbelt Rentals, Inc. See the Subsequent events section of this MD&A for more information. On May 5, 2017 the Company announced that the sale of its Los Angeles, California based equipment rental operations had been completed. Please see **"**Subsequent Events**"**.

In July 2012, the Company expanded its construction and industrial equipment rental operations to the market surrounding Houston, Texas. As described in the Subsequent Events section of this MD&A, the Company sold its Houston operations on November 9, 2016. As this sale took place during the fourth quarter of 2016, financial performance of the Houston operations over 2016 and 2015 is not included in the continuing operations of the Company's consolidated financial results. This MD&A commentary is focused on the continuing operations.

The Company's construction and industrial equipment rental operations offer a fleet comprised of aerial, forklift, heavy construction and light compact construction equipment. Segment revenues consist of equipment rental revenue along with other associated revenues such as, equipment protection fees, environmental fees and delivery charges. Other ancillary revenues include fuel sales, parts sales and proceeds from the disposition of rental fleet as part of the Company's capital expenditure and replenishment plan. The Company was pursuing asset-sharing opportunities that continue to generate incremental rental revenue from 3rd party equipment without requiring additional capital for equipment ownership.

Enterprise Asset Management Software

The software segment's revenues are derived from license revenues that include user license fees, server license fees, Software as a Service ("SaaS") subscription fees, contract development, and upgrade fees. In addition to these fees, the segment generates maintenance and service revenue. The products are generally licensed under single-year or multi-year terms, both of which are arranged to automatically renew. Maintenance fee arrangements generally include ongoing customer support and rights to certain product updates. Service revenue consists of professional fees charged for product training, consulting, and implementation and programming services. Contract revenue is derived from contracts for the development of custom applications. Customers typically purchase a combination of software, maintenance, and professional services.

Noble Iron's Markets:

Construction and Industrial Equipment Rental and Distribution

The equipment rental market consists of companies renting various types of construction and industrial equipment, on both short and long-term contracts in return for rental fees. The rental industry remains highly fragmented and consists of a small number of multi-location, regional or national rental houses, as well as large number of small independent businesses serving discrete local markets. Equipment rental and sales activity is impacted by a broad range of economic factors, including residential and non-residential construction trends, infrastructure investment and maintenance, as well as overall economic activity.

Construction and industrial equipment is largely provided to end users through two channels: equipment rental companies and equipment dealers. Examples of other national rental equipment companies include United Rentals, Hertz Equipment Rental and Sunbelt Rentals.

The American Rental Association projects industry revenue to reach $49.8 billion in 2017.

The Company has operated in the heavy and light construction equipment rental and distribution markets since approximately 2011 when it purchased the Los Angeles, California operations. During July 2012, the Company expanded its construction and industrial equipment rental operations to the market surrounding Houston, Texas. On May 1, 2017 the Company announced that it had entered into an agreement to sell the assets of its Los Angeles, California based equipment rental operations to an arm's length third party. The Company sold its Houston operations on November 9, 2016. On May 5, 2017 the Company announced that the sale of its Los Angeles, California based operations had been completed. See the Subsequent events section of this MD&A for more information. This MD&A includes the results of operations for the Los Angeles equipment rental operations since the sale of this business occurred after the end of the quarter but does not include the results of operations of the Houston equipment rental and sales business since the sale of that business was completed prior to the beginning of the quarter.

Equipment Asset Management Software

Customers in the North American construction equipment rental sector currently account for approximately 90% of the Company's software revenue. It is estimated there are more than 30,000 companies worldwide that rent various types of equipment, 12,000 of which conduct business in the United States and Canada.

The market for rental management software has existed for over 30 years, and management estimates there are more than 200 providers of rental management software to the three primary segments of the rental market. Most companies in this sector are private companies, making it difficult to accurately assess the market size at this time.

Seasonality and Other Factors Affecting the Variability of Results and Financial Condition:

Revenues within the Company's construction and industrial equipment rental and distribution segment is seasonal. Demand for construction and rental equipment generally increases during temperate weather months and typically slows during wet seasons. The Company's enterprise asset management software segment revenue is largely generated from recurring fees that are earned equally throughout the year; as such, seasonality is not a material factor within this segment.

Our results of operations for interim periods and for full fiscal years are also impacted by the variability of certain factors including, but not limited to: changes in demand of construction and industrial activity, our customers' decision to rent equipment rather than buy equipment (which is impacted by customers' forecasted equipment utilization rates as well as available financing and interest rates) and weather variability outside of normal seasons.

Energy costs in the Company's results of operations are also affected by fluctuations in the price of oil, which influences transportation costs. Fluctuations in commodity prices of metals, such as iron and copper, influence pricing of our parts and equipment from suppliers and, therefore, also impact the Company's purchase costs. In addition, the effect of asset write-downs, including provisions for bad debts and impairment of assets can affect the variability of our results.

Management decisions to consolidate or reorganize operations, including the closure of facilities, may result in significant restructuring costs in an interim, annual or longer term period.

2017 and 2016 Business Developments:

Company Results

On May 5, 2017, the Company's wholly owned subsidiary Noble Rents, Inc. completed an asset purchase and sale agreement with Sunbelt Rentals, Inc. to sell the assets of the Company's Los Angeles equipment rental and sales operations. See the Subsequent events section of this MD&A for more information on the asset sale.

During 2016, the Company focused on building scalable operating processes and capabilities, investing in the Company's management and operating teams, and developing and marketing new proprietary software, such as the FleetLogic application. The Company did not make significant equipment fleet investments during 2016, as management focused primarily on solidifying the Company's operating platform. Management also worked to address the impacts of the depressed Texas economy, due to the reduced price of oil in 2016.

During 2015, the Company completed a significant real estate consolidation and reorganization initiative within its construction and industrial equipment rental and distribution segment. The Company consolidated four Southern California locations (Ventura, San Diego, Riverside, and Long Beach) into a single facility in Pico Rivera, which is close to the center of Los Angeles. As a result, the Company's Southern California operations have demonstrated efficiency improvements with regards to support, maintenance, delivery and real estate expense.

The Company's operation in Texas experienced some negative impacts with regards to equipment utilization due to the continued weakness in the energy sector and a significantly depressed economy in the Houston, TX area. On November 9, 2016, the Company sold its Houston, TX equipment rental and sales operations.

Objectives of the Company's Software segment during 2017 continue to include migrating existing customers from customized software products to the current standard version; converting on premise software clients to Texada's SaaS cloud-based offering; as well as developing and marketing specific software products, mobile applications and support capabilities. These new software applications, such as FleetLogic, are intended to be developed for the Company's internal equipment operations, and also to be deployed to external existing and new software customers.

Results from Continuing Operations:

Consolidated Financial Highlights from Continuing Operations

Consolidated Financial Highlights from continuing operations (000's except EPS)	Three Months Ended	
	March 31, 2017	March 31, 2016
Revenues	$4,563	$5,244
Cost of Revenue	(2,048)	(2,293)
Expenses, interest, and taxes	(4,455)	(5,530)
Net Earnings (Loss)	(1,941)	(2,579)
Adjusted EBITDA[1]	($46)	($368)
Loss per share - basic and diluted	($0.07)	($0.09)

	March 31, 2017	December 31, 2016
Total Assets	18,541	19,383
Total Current Liabilities	28,169	27,025
Total Non-Current Liabilities	651	750
Total Shareholders Equity	(10,279)	(8,392)

[1] Adjusted EBITDA is a non-IFRS measure and is defined within the "Introduction – Non-IFRS Measures" section of the MD&A.

Comparative Financial Results (000's) - Consolidated Company from continuing operations	Three Months Ended		
	March 31, 2017	March 31, 2016	Percentage Change
Revenue	**$4,563**	**$5,244**	(13%)
Cost of Revenue	(2,048)	(2,293)	(11%)
Expenses			
Support, Maintenance and Delivery	(1,329)	(2,134)	(38%)
Research and Development	(251)	(229)	10%
Sales and Marketing	(354)	(452)	(22%)
General and Administration	(2,149)	(2,406)	(11%)
Income Tax Expense	(58)	(58)	1%
Gain on Fair Value Increment	-	-	
Interest Expense	(315)	(273)	15%
Default Judgement Reversal	-	-	
Foreign Exchange (Loss)	1	20	(95%)
Net Loss	**(1,941)**	**(2,579)**	**(25%)**
Add:			
Depreciation / Amortization	1,466	1,788	(18%)
Income Tax Expense	58	58	1%
Stock Based Compensation	57	113	(49%)
Interest Expense	315	272	16%
Severance	-	3	-
Foreign Exchange Loss	(1)	(20)	(95%)
Adjusted EBITDA	**($46)**	**($368)**	**(87%)**
Loss per share - basic and diluted from continuing operations	**($0.07)**	**($0.09)**	**(21%)**

[1] Adjusted EBITDA is a non-IFRS measure and is defined within the "Introduction – Non-IFRS Measures" section of the MD&A.

Quarterly Results (000's)	2017	2016				2015		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenue	$4,563	$5,513	$5,825	$4,911	$5,244	$5,244	$5,784	$5,536
Cost of Revenue	(2,048)	(2,117)	(2,223)	(2,012)	(2,293)	(2,293)	(2,200)	(2,194)
Net earnings (loss) from continuing operations	(1,941)	(2,156)	(974)	(2,506)	(2,579)	(2,442)	(1,989)	(1,954)
Income (loss) from discontinued operations, net of tax	-	627	(503)	(613)	(501)	(350)	(290)	(492)
Net earnings (loss)	(1,941)	(1,529)	(1,477)	(3,119)	(3,080)	(2,792)	(2,279)	(2,446)
Add Back:				0				
Depreciation/Amortization expense	1,466	1,528	1,596	1,621	1,788	1,788	1,632	1,596
Income Tax (Recovery) Expense	58	53	77	56	58	58	7	142
Stock Based Compensation	57	81	102	130	113	113	111	74
Interest Expense	315	359	364	195	272	272	185	180
Severance and Other	-	-	30	42	-	3	-	24
Foreign Exchange (Gain) / Loss	(1)	55	7	42	(20)	(21)	148	(4)
Adjusted EBITDA from continuing operations	(46)	($80)	$1,202	($420)	($368)	($231)	$94	$58
Earnings (loss) per share - basic and diluted-Continuing operations	($0.07)	($0.08)	($0.04)	($0.09)	($0.09)	($0.09)	($0.07)	($0.07)
Earnings (loss) per share - basic and diluted-for discontinued operations	-	$0.02	($0.02)	($0.02)	($0.02)	($0.01)	($0.01)	($0.02)
Weighted Avg. Shares Outstanding (Basic)	27,417,479	27,417,479	27,417,479	27,417,479	27,417,479	27,417,479	27,417,479	27,417,479
Weighted Avg. Shares Outstanding (Diluted)	27,417,479	27,417,479	27,417,479	27,417,479	27,417,479	27,417,479	27,417,479	27,417,479

[1] Adjusted EBITDA is a non-IFRS measure and is defined within the "Introduction – Non-IFRS Measures" section of the MD&A.

For the first quarter of 2017, Noble Iron recorded revenues of $4.6 million compared to $5.2 million for the three months ended March 31, 2016, resulting in a decrease of 13% or $0.6 million. This decrease can be primarily attributed to lower equipment rental and distribution revenues of $0.6 million due to atypical wet weather in Los Angeles, CA, causing a slowdown in outdoor construction equipment activity.

For the first quarter of 2017, Noble Iron recorded cost of revenues of $2.0 million compared to $2.3 million for the three months ended March 31, 2016. Variable cost of goods sold were lower in the equipment rental and distribution segment due to lower revenues.

For the first quarter of 2017, Noble Iron recorded expenses of $4.5 million compared to $5.5 million for the three months ended March 31, 2016, resulting in a decrease of 19% or $1.0 million.

For the first quarter of 2017, Noble Iron recorded a net loss of $1.9 million, compared to a net loss of $2.6 million for the three months ended December 31, 2016, resulting in an increase in profits of $0.6 million.

For the first quarter of 2017 Noble Iron recorded Adjusted EBITDA of ($0.05) million compared to ($0.4) million for the three months ended March 31, 2016, resulting in an increase in Adjusted EBITDA of $0.3 million.

Segmented Results:

Construction and Industrial Equipment Rental and Distribution

During 2016, the Company operated construction and industrial equipment rental and distribution operations in two major markets, Southern California and Southeastern Texas. Effective November 9, 2016, the Company sold its Houston, TX equipment rental and sales operations. Effective May 5, 2017, the Company sold its Los Angeles, CA equipment rental and sales operations. This MD&A does not include the results of operations of the Houston, TX equipment rentals and sales business as the sale of that operation was completed prior to the beginning of the first quarter of 2017, although the comparator period (first quarter of 2016) does include the results of operations of the Houston, TX operations. This MD&A includes the result of operations of the Los Angeles, CA equipment rental and sales business as the sale of that operation was completed after the end of the quarter.

Comparative Financial Results (000's) - Construction and Industrial Equipment Rental and Distribution from continuing operations	Three Months Ended		
	March 31, 2017	March 31, 2016	Percentage Change
Revenue			
Rental	$2,750	$3,661	(25%)
Distribution	709	442	60%
Total Revenue	3,459	4,103	(16%)
Cost of Revenue	(1,863)	(2,118)	(12%)
Expenses			
Support, Maintenance and Delivery	(952)	(1,738)	(45%)
Sales and Marketing	(304)	(378)	(20%)
General and Administration	(1,019)	(780)	31%
Income Tax Recovery (Expense)	(1)	(1)	0%
Gain on Fair Value Increment	-	-	
Interest	(174)	(254)	(32%)
Net Loss	**(854)**	**(1,166)**	**(27%)**
Add:			
Depreciation / Amortization	1,432	1,711	(16%)
Income Tax Expense	1	1	0%
Interest	174	254	(32%)
Severance	-	-	-
Lease Terminations	-	-	-
Adjusted EBITDA	**$753**	**$800**	**(6%)**

The Construction and Industrial Equipment Rental and Distribution segment recorded revenues of $3.5 million and $4.1 million for the three months ended March 31, 2017 and 2016, respectively, resulting in a decrease of 16% or $0.6 million.

For the first quarter of 2017, the Construction and Industrial Equipment Rental and Distribution segment recorded cost of revenue of $1.9 million, compared to $2.1 million for the three months ended March 31, 2017, resulting in a decrease of 12% or $0.3 million. This decrease was primarily due to reduced variable cost tied to reduced revenue.

For the first quarter of 2017, the Construction and Industrial Equipment Rental and Distribution segment recorded expenses of $2.5 million, compared to $3.2 million for the three months ended March 31, 2016, resulting in a decrease of 22% or $0.7 million. This decrease was due to a $0.8 million decrease in support, maintenance and delivery expenses and a decrease of $0.1 million in sales and marketing expense, offset by an increase in general and administrative expense of $0.2 million.

The Construction and Industrial Equipment Rental and Distribution segment recorded a net loss of $0.9 million and $1.2 million for the three months ended March 31, 2017 and 2016, respectively, resulting in a decrease in loss of 27% or $0.3 million.

For the first quarter of 2017, the Construction and Industrial Equipment Rental and Distribution segment recorded Adjusted EBITDA of $0.8 million, relatively unchanged from Adjusted EBITDA of $0.8 million for the three months ended December 31, 2015.

Enterprise Asset Management Software

Comparative Financial Results (000's) - Enterprise Asset Management Software	Three Months Ended		
	March 31, 2017	March 31, 2016	Percentage Change
Revenue	$1,104	$1,141	(3%)
Cost of Revenue	(185)	(175)	6%
Expenses			
Support, Maintenance and Delivery	(377)	(387)	(3%)
Research and Development	(251)	(229)	10%
Sales and Marketing	(49)	(70)	(30%)
General and Administration	(169)	(108)	56%
Income Tax Recovery (Expense)	(57)	(57)	0%
Interest Expense	(4)	(7)	(43%)
Foreign Exchange Gain / (Loss)	(38)	20	(288%)
Net Earnings (loss)	**(26)**	**128**	**(120%)**
Add:			
Depreciation / Amortization	34	47	(28%)
Income Tax Expense	57	57	0%
Interest Expense	4	7	(43%)
Foreign Exchange (Gain) / Loss	38	(20)	(288%)
Adjusted EBITDA	**$107**	**$219**	**(51%)**

The Enterprise Asset Management Software segment recorded revenues of $1.1 million and $1.1 million for the three month period ended March 31, 2017 and 2016, respectively, resulting in a decrease of 3% or $0.04 million.

For the first quarter of 2017, the Enterprise Asset Management Software segment recorded cost of revenues of $0.2 million, relatively unchanged from cost of revenues of $0.2 million for the three months ended March 31, 2016, resulting in an increase of cost of revenues of $0.01 million.

The Enterprise Asset Management Software segment recorded expenses of $0.9 million and $0.8 million for the three months ended March 31, 2017 and 2016, respectively, resulting in an increase of 13% or $0.1 million.

For the first quarter of 2017, the Enterprise Asset Management Software segment recorded net income of ($0.03) million compared to $0.1 million for the three months ended March 31, 2016.

For the three month period ended March 31, 2017 and 2016, the Enterprise Asset Management Software segment recorded Adjusted EBITDA of $0.1 million and $0.2 million, respectively, resulting in a decrease of $0.1 million, or 51%.

Other

In addition to expenses incurred within its two operating segments the Company incurs certain expenses that are presented in this MD&A as "Other". These expenses include costs associated with public entity and corporate level management, technology and process development, company-wide training, branding, trademark and intellectual property, and other ancillary costs required to support operating segments. "Other" was previously called RAO (Revenue Assistance Operations). A summary of these expenses follows:

Comparative Financial Results (000's) - Other	Three Months Ended		
	March 31, 2017	March 31, 2016	Percentage Change
Expenses			
Support, Maintenance and Delivery	-	(9)	(100%)
Sales and Marketing	(1)	(4)	(75%)
General and Administration	(961)	(1,518)	(37%)
Interest Expense	(137)	(12)	1,042%
Foreign Exchange (Loss)	39	-	
Total Expenses	**(1,061)**	**($1,543)**	**(31%)**

For the three months ended March 31, 2017 and 2016, "Other" recorded general and administration expenses were $1.1 million and $1.5 million, respectively resulting in a decrease of 31%, or $0.5 million. This decrease was driven by a decrease of general and administrative expenses of $0.6 million offset by an increase of interest expense of $0.1 million.

Liquidity:

Liquidity risk is the risk the Company will not be able to meet its obligations as they become due. The Company manages its liquidity risk through cash and debt management. See "Liquidity Risk" below.

The Company manages liquidity by assessing future cash flow requirements. Cash flow estimates are based upon rolling forecasts that consider cash restrictions and anticipated operating results. While the Company had a number of Asset Backed Lending and other loans outstanding during the first quarter of 2017, following the sale of the assets of the Company's Los Angeles operations the loans associated with the Los Angeles facility were paid out. Cash, which is surplus to working capital requirements is typically held as deposits, in both US and Canadian funds, with larger financial institutions. Following the sale of the Los Angeles operations, the Company repaid outstanding loans in the amount of $29.6 million.

Due to the sale of the assets of the Company's Southern California equipment operations, the Company repaid its outstanding loans due on May 31, 2017 and does not require refinancing of those loans which were outstanding at March 31, 2017.

Cash Flow:

During the first quarter ended March 31, 2017, the Company's cash balance increased by $1.1 million. This increase is due to $5.6 million received from third party and related party loans, $0.4 million from operating and investing activities, offset by $4.9 million used in financing activities for the repayment of debt. The Company optimized its fleet portfolio by balancing the purchase of new equipment with the refurbishment of existing equipment and the disposal of older fleet, while enhancing its product offering through other channels including asset sharing with third party owned equipment.

As of March 31, 2017, the Company had cash of $1.9 million and a negative working capital of ($22.7) million compared to cash of $0.7 million and working capital of $0.3 million as at March 31, 2016. The negative working capital of ($22.7) million as of March 31, 2017 is due to the maturity date of the Company's asset backed lending facilities that are due in May 2017, which consequently caused the Company's long term debt to be reclassified as short term debt.

Following the sale of the Los Angeles operations, the Company repaid outstanding loans in the amount of $29.6 million. The above mentioned credit facility paid out following the sale.

Capital Resources:

The Company's rental and distribution operations was supported by a credit facility from a lender that included a continuing first charge security interest in all of the assets of the Company's Southern California equipment operations. Availability is subject to a Borrowing Base as determined by the appraised value of equipment rental fleet, rolling stock and accounts receivable. There are no required fixed principal payments under the facility, although payments are required to be made when the outstanding advance exceeds the limit of the amount that can be drawn against the Borrowing Base. Interest is charged on a floating basis using the 1-month LIBOR rate, plus 225 basis points. The Company has provided a corporate guarantee to the lender that is also supported by a pledge of the Company’s common shares in the borrower which is a wholly owned subsidiary of the Company.

The outstanding loan balance under the facility as of March 31, 2017 was $18.5 million ($13.9 million USD). The facility contains covenants requiring Noble Rents, Inc. (the Company’ wholly-owned subsidiary through which the Los Angeles, CA equipment rental and sales business was operated), to maintain certain financial covenants, including fixed charge coverage, and certain liquidity ratios. As of March 31, 2017, Noble Rents, Inc. was in compliance with all of the loan covenants.

As of March 31, 2017, the Company had available unused approved credit facility (operating, capital, and others combined) of $14.8 million (approximately $11.1 million USD as of March 31, 2017) subject to Borrowing Base requirements. The total excess amount above the amount drawn and the Company’s available Borrowing Base was approximately $1.1 million. Borrowing Base availability is subject to additional thresholds. The net availability above the 5% Borrowing Base covenant threshold was approximately $0.1 million. In addition to the 5% minimum availability threshold, Noble Rents Inc., as of June 2016, is required to have borrowing base availability below the higher of $1.5 million USD and 7.5% for no longer than a period of 10 days.

The lender has also made available to the Company a standby letter of credit facility, subject to Borrowing Base availability, with a limit of $2.7 million ($2.0 million USD). No letter of credit was drawn by the Company as of March 31, 2017. The facility also contains covenants specifying a minimum fixed charge coverage ratio, minimum availability requirements and a restriction on dividends to shareholders.

This loan offered by this credit facility was repaid following the sale of the Company’s Los Angeles operations.

Effective November 9, 2016, the Company sold its Houston, TX equipment rental and sales operations. Effective May 5, 2017, the Company sold its Los Angeles, CA equipment rental and sales operations. This MD&A does not include the results of operations of the Houston, TX equipment rentals and sales business as the sale of that operation was completed prior to the beginning of the first quarter of 2017, although the comparator period (first quarter of 2016) does include the results of operations of the Houston, TX operations. This MD&A includes the result of operations of the Los Angeles, CA equipment rental and sales business as the sale of that operation was completed after the end of the quarter.

Off-Balance Sheet Arrangements:

During the three months ended March 31, 2017, the Company did not participate in any off-balance sheet arrangements.

Transactions Between Related Parties:

At March 31, 2017, there is a receivable outstanding from a former officer of the company which was reclassified to short-term upon his departure from the Company in the amount of $0.01 . (December 31, 2016 - $0.01 million)

As at March 31, 2017, the Company had outstanding promissory notes to related and third parties in the amount of $6.3 million; due as follows: a principal balance of $0.7 million due on February 18, 2017 with an interest rate of 10 percent per annum; and $3.6 million due on June 3, 2017, with an interest rate of 15 percent per annum. These notes may be extended one time for six months at the Company’s option. The notes due on February 18, 2017 were extended for the six month option. The notes due on June 3, 2017 include a continuing first charge security interest in all of the assets of the Company’s software operations. There is no prepayment penalty for any of the above listed promissory notes. Also at March 31, 2017, the Company had outstanding promissory notes to related and third parties in the amount of $2.0 million due on March 24, 2018 with an interest rate of 15 percent. These loans were repaid subsequent to the sale of the Company’s assets in Los Angeles, California.

Changes in Accounting Policies:

The significant accounting policies used in preparing the Consolidated Financial Statements are unchanged from those disclosed in the Company's 2016 annual consolidated financial statements except for the review, assessment, and implementation of new IFRS pronouncements prospectively adopted in its financial statements for the annual period beginning on January 1, 2017. The adoption of these pronouncements did not have a material impact on the financial statements. Further details can be found in the audited Consolidated Financial Statements for the twelve months ended December 31, 2016 available under the Company's profile on www.SEDAR.com.

Financial Instruments:

The Company is exposed to certain risks related to its financial instruments during its normal course of business including, but not limited to; liquidity risk, foreign currency risk, interest rate risk, and credit risk. Noble Iron's financial instruments are detailed below. Noble Iron manages these financial instruments to support the Company's strategy for growth and ongoing operations.

Management has determined the carrying amount of its short-term financial assets, including cash and accounts receivable, approximates fair value at the reporting date. The amortized cost related to these items as of March 31, 2017 was $4.0 million (December 31, 2016 - $3.3 million). The carrying value of the short-term loan receivable approximates fair value.

Management has determined that the carrying amount of its short-term financial liabilities, including accounts payable and accrued liabilities and other current liabilities approximate fair value at the reporting date due to the short-term maturity of these obligations. The amortized cost related to these items as of March 31, 2017 was $2.5 million (December 31, 2016 - $2.3 million).

Management has determined that the carrying amounts of its short-term debt and current portion of license obligation approximates fair value at the reporting date due to the short-term maturity of these obligations. The amortized costs related to these items as of March 31, 2017 was $25.0 million (December 31, 2016 - $24.1 million). Management asserts that there have been no significant changes to interest rates and that the fair value of the short-term debt and current portions of license obligation approximate fair value.

Management has determined that the carrying amount of the Company's long-term debt and long-term portion of license obligation approximate fair value using the present value of future principal and interest payments discounted at market based interest rates available to the Company for similar debt instruments with similar maturities. The amortized cost related to these items as of March 31, 2017 was $1.0 million (December 31, 2016 - $1.1 million).

The Company did not have any financial instruments that are measured at fair value at March 31, 2017, and December 31, 2016.

Following the sale of the Los Angeles operations, the Company repaid outstanding loans in the amount of $29.6 million.

Risks and Uncertainties:

Noble Iron's management team is responsible for the evaluation and management of risk factors affecting the Company. The following is management's assessment of the significant risks that would have the greatest impact on the Company over the ensuing 12 to 18 months given currently available information. This analysis contains forward looking statements that may differ materially from actual results

Liquidity Risk:

The Company is subject to a number of risks and uncertainties associated with the achievement of sustainable profitability and with the financing requirements of its operations. The Company has incurred net losses and used significant cash in its operating activities since incorporation. It has relied upon financing to fund its operations and to establish its infrastructure, primarily through debt and private equity placements.

If the Company is unable to obtain sufficient additional financing, either through operations or through external financing, planned operations could be delayed or scaled-back, which could affect the Company's financial condition and results of operations.

Revenue and Collection Risk:

The Company has a large number of customers with relatively small account balances and this exposes the Company to aggregate billing and collection risk. These risks can include missed billings, unwarranted credits, additional time to collect payments and greater risk of customer default. Continual process improvements are made to ensure timely collection of the Company's accounts receivable. These efforts include the positioning of resources and technology to improve the efficiency of invoicing, collections and customer credit extension.

Technology and Software Development:

The process of developing technology from concept stage, through to design and final production involves time to complete testing, redesign and adoption by customers. Unexpected testing results or performance irregularities are normal in a development process and can result in new product offerings being delayed beyond projected timeframes or slow adoption from customers. The risk of not developing and introducing reliable products, on a timely basis, presents a risk to the Company's software business.

Reliance on Key Personnel:

The success of Noble Iron depends on the abilities, experience, efforts and knowledge of their respective senior management and other key employees, including its ability to retain and attract effective management and employees. The loss of services from key personnel could have a material adverse effect on Noble Iron's business, financial condition, results of operations or future prospects, particularly since it does not enter into non-competition arrangements with senior management and other key employees in certain circumstances. In addition, the growth plans described in this MD&A may require additional employees, increase the demands on management, and produce risks in both productivity and retention levels. Noble Iron may not be able to attract and retain additional qualified management and employees as needed in the future. There can be no assurance that Noble Iron will be able to effectively manage its growth, and any failure to do so could have a material adverse effect on its business, financial condition, results of operations and future prospects.

Foreign Currency and Exchange Risk:

Foreign currency risk in the exchange rates between the Canadian dollar and foreign currencies could affect the Company's operating and financial results. The Company is exposed to foreign currency risk, as substantially all of its assets and liabilities are denominated in foreign currency, particularly the US dollar. In addition, approximately 77% of its revenues are transacted in US dollars. Future growth of the Company is expected to be primarily in US dollar denominated assets and or transactions. To date, the Company has funded its growth by issuing equity in Canadian funds and raising debt in US dollars. The Company's management monitors exchange rate fluctuations and presently does not use any derivative instruments to manage foreign currency exposure. As the Company continues to grow its US operations, exposure to foreign currency risk may increase with the likelihood of the Company employing exchange rate derivative instruments.

Outstanding Share Data:

The Company has authorized 100,000,000 preferred shares without par value, issuable in one or more series as well as an unlimited number of common shares without par value. As of the date of filing this MD&A, the Company had 27,417,479 common shares issued and outstanding. There are no preferred shares outstanding as of the date of filing.

The Board of Directors ratified, confirmed, and approved a Restricted Share Plan that was adopted effective June 10, 2014. A maximum of 1,000,000 of the Company's shares are available for grant under the Restricted Share Plan. As of the date of this filing, Noble Iron had no restricted shares issued. Further information can be found in the Company's Consolidated Financial Statements for the periods ended December 31, 2017 and 2016.

Subsequent Events:

On May 5, 2017 the Company completed an agreement to sell the assets of its Los Angeles, California based equipment rental operations to Sunbelt Rental's Inc., a third party. The sale price for the assets was approximately $46.3 million (approximately $33.8 million USD), to be paid in cash, after deduction of an escrow amount of $1.4 million (approximately $1.0 million USD) for a period of 180 days following closing for any adjustments to the purchase price. Parts of the proceeds of the sale were used to repay the credit facility and other obligations. Included in the sale were equipment rental fleet, vehicles, inventory, accounts receivable, and other tangible personal property used in the business. Certain intangible assets, including tradenames and other sundry assets were not part of the Agreement. No liabilities were included in the transaction. The Company is responsible for all liabilities, including accounts payable and bank debt, incurred prior to closing.

Following the sale of the Los Angeles operations, the Company repaid outstanding loans in the amount of $29.6 million.

Additional information relating to the Company is available under the Company's profile on SEDAR at www.SEDAR.com.