Jiulian Resources Inc.
Management Discussion and Analysis
For the Year Ended February 28, 2009
(expressed in Canadian dollars unless otherwise noted)

1.1 Date of Report: June 26, 2009

Background

The following Management discussion and analysis ("MD&A") of financial position and results of operation should be read in conjunction with the audited financial statements of Jiulian Resources Inc. (the "Company") for the year ended February 28, 2009, including the notes therein. Those financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars. The following discussion and analysis provides information that management believes is relevant to the assessment and understanding of the Company's results of operations and financial condition. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Forward Looking Statements

Certain statements contained in the following Management Discussion and Analysis ("MD&A") may constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

1.2 Overall Performance:

The Company was incorporated on October 17, 2006 under the laws of British Columbia as a Capital Pool Company ("CPC") as defined in CPC Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The Company completed its initial public offering ("IPO") on June 19, 2007, and its shares were listed and commenced trading on the Exchange on June 21, 2007, under the symbol "JLR.P".

The Company's principal purpose is to identify and evaluate businesses and assets with a view to completing a "Qualifying Transaction" (as defined in CPC Policy 2.4) ("QT") within twenty four months following the date of listing of the Company's shares on the Exchange as defined in the CPC Policy.

The QT must be approved by the Exchange, and in the case of a Non Arms Length Qualifying Transaction shareholder approval must be obtained in accordance with the CPC Policy. The Company has not conducted commercial operations other than activities towards completing a QT.

All financial information in this MD&A is prepared in accordance with Canadian generally accepted accounting principles and all dollar amounts are expressed in Canadian dollars unless otherwise indicted.

In the opinion of management, all adjustments consisting of normal recurring adjustments, considered necessary for a fair presentation of the Company's financial position, results of operations and cash flows, have been included. The Company has not commenced operations and therefore, no segmented information is available.

1.3 Selected Annual Information

The Company incurred a loss of $211,713 since incorporation on October 17, 2006, and a loss of $75,595 for the year ended February 28, 2009. The Company incurred legal fees of $26,859; filing and agent fees of $15,921, office and administration of $27,090; Salary & Consulting fees of $59,481 and travel related expense of $9,948 making up the majority of the loss.

1.4 Results of Operations

The Company had no revenue to date, the costs incurred relate to its listing on the Exchange as a Capital Pool Company and pursuit of a Qualifying Transaction.

1.5 Summary of Quarterly Results

Financial Results	February 28, 2009	November 30, 2008	August 31, 2008	May 31, 2008
Total Revenue	Nil	Nil	Nil	Nil
Net Loss	$(35,975)	$(10,663)	$(23,144)	$(5,813)
Loss Per Share				
Basic & Diluted	$(0.00)	$(0.00)	$(0.00)	$(0.00)
Capital Expenditure	Nil	Nil	Nil	Nil

(expressed in Canadian dollars unless otherwise noted)

Financial Results	February 29, 2008	November 30, 2007	August 31, 2007	May 31, 2007
Total Revenue	Nil	Nil	Nil	Nil
Net Loss	$(65,812)	5,797	$(36,345)	$(25,974)
Loss Per Share				
Basic & Diluted	$(0.01)	$(0.00)	$(0.01)	$(0.01)
Capital Expenditure	$2,243	Nil	Nil	Nil

Balance Sheet Data	February 28, 2009	November 30, 2008	August 31, 2008	May 31, 2008
Cash and Cash Equivalents	$1,793,793	$1,821,408	$1,831,885	$1,889,761
Prepaid Expenses	1,650	1,620	1,620	1,620
GST Recoverable	857	4,960	4,358	1,425
Total Assets	1,797,282	1,829,171	1,839,247	1,894,391
Shareholders' Equity	$1,778,737	$1,814,712	$1,825,375	$1,848,519

Balance Sheet Data	February 29, 2008	November 30, 2007	August 31, 2007	May 31, 2007
Cash and Cash Equivalents	$1,894,800	$1,914,424	$264,221	$105,615
Prepaid Expenses	1,620	2,626	-	-
GST Recoverable	4,242	3,140	2,379	1,617
Total Assets	1,902,488	1,922,254	267,620	107,232
Shareholders' Equity	$1,854,332	$1,909,143	$248,962	$95,242

The financial statements of the Company have been prepared in accordance with Canadian generally accepted accounting principles. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates, which have been made using careful judgment. Actual results may differ from these estimates.

The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

a) Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits, and highly liquid investments redeemable at any time and are stated at cost, which approximates market value. The Company minimizes its credit risk by investing in cash equivalents with a major Canadian bank. Management believes that no concentration of credit risk exists with respect to investment of its cash and cash equivalents.

b) Equipment

Equipment is stated at cost less accumulated amortization. Amortization is provided over the estimated useful lives of the assets at the following annual rates and methods:

Computer equipment	45% using the declining balance method

Equipment is tested for impairment when evidence of a decline in value exists. If it is determined that the carrying value of the equipment is not recoverable, a write-down to fair value is charged to earnings in the year that such a determination is made.

c) Stock Based Compensation

The Company accounts for stock options granted to directors, officers, employees and nonemployees using the fair value method of accounting. Accordingly, the fair value of the options at the date of the grant is determined using the Black-Scholes option pricing model and stock-based compensation is accrued and charged to operations, with an offsetting credit to contributed surplus, on a straight-line basis over the vesting periods. The fair value of stock options granted to non-employees is re-measured at the earlier of each financial reporting or vesting date, and any adjustment is charged or credited to operations upon re-measurement. If and when the stock options are exercised, the applicable amounts of contributed surplus are transferred to share capital. The Company has not incorporated an estimated forfeiture rate for stock options that will not vest; rather the Company accounts for actual forfeitures as they occur.

d) Financial Instruments

Under Section 3251, Equity, Section 3855, Financial Instruments - Recognition and Measurement and Section 3861, Financial Instruments - Disclosure and Presentation, all financial instruments are classified into one of the following five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale assets or other financial liabilities. All financial instruments, including derivatives, are included on the balance sheet and are measured at fair market value upon inception with the exception of certain related party transactions. Subsequent measurement and recognition of change in the fair value of financial instruments depends on their initial classification. Held-for-trading financial assets and liabilities are measured at fair value and all gains and losses are included in operations in the period in which they arise. Available-for-sale financial instruments are measured at fair value with revaluation gains and losses included in other comprehensive income until the asset is removed from the balance sheet. Loans and receivables, held to maturity investments and other financial liabilities are measured at amortized cost using the effective interest method. Gains and losses upon inception, de-recognition, impairment write-downs and foreign exchange translation adjustments are recognized immediately. Transaction costs related to financial instruments will be expensed in the period incurred.

As a result of the adoption of these new standards, the Company has classified its cash and term deposits as held-for-trading. Receivables are classified as loans and receivables. Accounts payable, accrued liabilities and due to related parties are classified as other financial liabilities.

e) Accounting standards newly adopted

Effective October 1, 2007, the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants ("CICA") under Section 3862, Financial Instruments Disclosures, Section 3863, Financial Instrument - Presentation and Section 1535, Capital Disclosures. Financial Instruments Section 3862 requires entities to provide disclosures in their financial statements that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the balance sheet date, and how the entity manages those risks. The principles in this section complement the principles for recognizing, measuring and presenting financial assets and financial liabilities in Section 3855, Financial Instruments - Recognition and Measurement, Section 3863 and Section 3865, Hedges. Section 3863 is to enhance financial statement users' understanding of the significance of financial instruments to an entity's financial position, performance and cash flows. This section establishes standards for presentation of financial instruments and non-financial derivatives. It deals with the classification of financial instruments, from the perspective of the issuer, between liabilities and equity, the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset.

The adoption of Sections 3862 and 3863 had no impact on the Company's financial statements. Capital Disclosures Section 1535 establishes standards for disclosing information about an entity's capital and how it is managed.

The Company has included the required disclosure in Note 6.

Section 1400, General standards for financial statement presentation
The CICA has amended Handbook Section 1400 "General standards of financial presentation, effective for periods beginning on or after January 1, 2008 to include requirements to assess and disclose the Company's ability to continue as a going concern. The adoption of this new section did not have an impact on the Company's financial results.

f) Accounting standards not yet adopted

Section 3064, Goodwill and intangible assets

In February 2008, the CICA issued Handbook Section 3064 "Goodwill and intangible assets" which is required to be adopted for fiscal years beginning on or after October 1, 2008. It establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. The Company does not expect that the adoption of this new Section will have a material impact on its financial statements.

International Financial Reporting Standards

In January 2006, the CICA Accounting Standards Board (AcSB) adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies are expected to converge with International Financial Reporting Standards ("IFRS") by the end of 2011. The impact of the transition to IFRS on the Company's financial statements has not yet been determined.

1.6) Liquidity

Jiulian Resources Inc. does not currently hold an interest in any other business nor does it have an interest in any fixed assets, other then office equipment directly or indirectly. The Company's activities have been funded through equity financing and the Company expects it will continue to be able to utilize this source of financing until it develops cash flow from future operations.

(expressed in Canadian dollars unless otherwise noted)

There can be no assurance that Jiulian Resources Inc. will be successful in its endeavors. If such funds are not available or other sources of finance can not be obtained, then the Company will be forced to curtail its activities to a level for which funding is available and can be obtained.

As at February 28, 2009, the Company had positive working capital of $1,777,755 which included cash, and a redeemable term deposit of $1,711,525.

While the Company is a CPC, no more than 30% of the gross proceeds from the sale of securities issued by the Company may be used for general and administrative purposes (including IPO related expenses) with the balance to be available for specified expenses in connection with the identification and evaluation of assets or businesses in connection with initiating and completing a Qualifying Transaction. The Company estimates that its monthly permitted general and administrative expenses going forward until the completion of a Qualifying Transaction, as ultimately anticipated, will be less than $15,000 per month on average, offset to some extent by interest income.

Management believes the Company has sufficient funds to complete its goal of completing a Qualifying Transaction. The Company does not have any long term debt or capital lease commitments.

1.7 Capital Resources

As of February 28, 2009, the Company had no commitments for capital expenditures and no off-balance sheet arrangements, other than an office lease agreement expiring on November 30, 2009 listed below:

	Year 2010
Office Lease:	$12,150

1.8 Off-Balance Sheet Arrangements

Jiulian Resources Inc. has not entered into any off balance sheet agreements.

1.9 Related Party Transactions

The Company received a loan from a director of the Company in the amount of $10,078. The loan is unsecured, non-interest bearing and has no specific date of repayment. Accordingly the fair value cannot be determined.

1.10 Fourth Quarter:

In the fourth quarter the Company's main focus was to identify and evaluate businesses and assets with a view to completing a qualified transaction. Cash disbursements have been minimal as listed in section 1.5 above**,** Summary of Quarterly Results.

1.11 Proposed Transactions

On April 9, 2009, the Company's announced that it has entered into an Option Agreement dated March 31, 2009, to earn up to a 65% interest from Happy Creek Minerals Ltd. ("Happy Creek") in the mineral properties known as the Hawk Property and the Grey Property, located in the Clinton Mining Division, in the Province of British Columbia (the "Property"). The proposed transaction described in the Agreement (the "Transaction") will serve as the Company's Qualifying Transaction pursuant to TSX Venture Exchange (the "Exchange") Policy 2.4. Upon completion of the proposed Qualifying Transaction, the Company will be involved in the mineral exploration industry sector.

The Property is located approximately 36 km northeast of 100 Mile House in the south-central Cariboo region of British Columbia. The Hawk Property is comprised of 16 contiguous mineral claims that cover 1377.6 ha on BCGS map sheet 092P.086. All of the 16 claims are 100% owned by Happy Creek. The Grey Property is comprised of 3 contiguous mineral claims that cover 589.9 ha and adjoin the Hawk Property to the south. Happy Creek entered into an Option Agreement with AL Harvey on June 11th, 2007, in which Happy Creek has been granted the right to earn a 100% interest in the Grey Property. Access to the property is provided by paved and well-maintained gravel roads.

The property is underlain by geology of the central Quesnel Trough, an island arc assemblage hosting a number of copper-gold-silver deposits and mines including Mount Polley to the northwest and Afton the southeast. Widespread outcrops and boulders containing relatively high grade copper, gold and silver values occur over an area approximately three kilometres by one kilometre in dimension. Historical drilling in the western portion of the property returned three metres grading 0.79 percent copper, 1.73 g/t gold and 9.43g/t silver, and 1.83 metres containing 0.93 percent copper, 3.1 g/t gold and 12.34 g/t silver. Surface rock samples from the property include one metre containing 3.49 percent copper, 7.29 g/t gold and 46.5 g/t silver, and subcrop and boulders have returned values up to 2.17 percent copper and 5.35 g/t gold, and 0.528 percent copper and 2.55 g/t gold. Between 2007 and 2008, a three dimensional Induced Polarization (3D IP) geophysical survey was conducted over the property that identified a compelling bulk tonnage target located south and southeast of historical surveys and drilling. This positive 3D IP anomaly remains open in extent.

The Company entered into the Agreement with Happy Creek to earn up to a 65% undivided interest in the Property over a period of three years. Under the Agreement, the Company has been granted, subject to an existing 2.5% net smelter return on the Hawk Property and an existing 2% net smelter return on the Grey Option, exclusive rights to acquire an undivided 55% legal and beneficial interest in the Property by making aggregate cash payments of $150,000, issuing an aggregate of 700,000 Shares to Happy Creek and incurring aggregate exploration Expenditures on the Property of $700,000.

In addition, the Company also has the exclusive option right to acquire an additional 10% interest in the Property (for an aggregate undivided 65% legal and beneficial interest in the Property if such option is exercised), by incurring additional exploration Expenditures of $500,000 on the Property on or before the fourth anniversary of the Final Exchange Bulletin.

Happy Creek is a British Columbia company whose common shares are listed on the TSX Venture Exchange (symbol: HPY).

No new insiders will be created as a result of the Transaction and no finder's fees are payable in regards to the Transaction. No concurrent financing is planned. The proposed Qualifying Transaction does not involve any Non-Arm's Length Parties.

There is no direct or indirect beneficial interest of any of the Non Arm's Length Parties to JRL in the proposed Significant Assets. No Non Arm's Length Parties to JRL are otherwise Insiders of Happy Creek. There is no relationship between or among the Non Arm's Length Parties to the Company and the Non Arm's Length Parties to the Qualifying Transaction.

According to the Policies of the Exchange and corporate laws, Shareholder approval of the Qualifying Transaction will not be required. A Sponsor will not been retained by JRL.

The Company has abandoned a proposed transaction that was previously announced in a news release dated December 20, 2007, with the Inner Mongolia Tuoye Mining Development Co. for an acquisition and earn-in of up to a 98% equity interest in Tuoye's nickel-copper exploration property (the "Sunite Property") in Inner Mongolia, China.

(expressed in Canadian dollars unless otherwise noted)

1.13 Changes in Accounting Policies including Initial Adoption

In Section 1.5 of this Management Discussion and Analysis, the Company's initial adoption of accounting policies is detailed. The Company seeks guidance from its accounting firm with the implementation of new accounting policies.

1.14 Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, term deposit, accounts payable and accrued liabilities and due to related party. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair values of these financial instruments approximate their carrying values.

1.15 Other MD&A Requirements:

Outstanding Share Data

Common Stock:

June 25, 2009	Common Shares	
	Outstanding	Amount
Seed shares	2,700,000	$135,000
IPO shares	2,000,000	200,000
Private placements	4,620,000	1,663,200
Option Exercised	200,000	20,000
Transfer from contributed surplus for options exercised	-	10,000
Share issuance costs	-	(53,250)
Total	**9,520,000**	**$ 1,974,950**

Options:

Options Issued	Number of Shares	Exercise Price	Expiry Period
Granted to Directors and officers	350,000	$ 0.10	June 19, 2012
Granted to Directors and officers	40,000	$ 0.36	July 15, 2012

Risks and Uncertainties

Financial risks include commodity prices, interest rates and the Canadian/United States exchange rate, all of which are beyond the Company's control.

On June 17, 2009, the Company announced that TSX Venture Exchange has granted the Company for a six month extension, up to December 22, 2009 to complete the Qualifying Transaction.

As of the date hereof, the Company has not completed a Qualifying Transaction pursuant to the policies of the TSX Venture Exchange, and there can be no assurance the Company will be able to complete a Qualifying Transaction within the time period permitted or at all.

Any Qualifying Transaction will be subject to Exchange acceptance and may be subject to shareholder approval.

"X. Charlie Cheng"
President, CEO