Jiulian Resources Inc.

Management Discussion and Analysis
For the Year Ended February 28, 2011
(Expressed in Canadian dollars unless otherwise noted)

Date of Report: June 28, 2011

The following Management Discussion and Analysis ("MD&A") of the financial position and results of operations should be read in conjunction with the audited financial statements of Jiulian Resources Inc. (the "Company" or "JLR") for the year ended February 28, 2011 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 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 Information

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," or "continue" or the negative thereof or variations thereon or similar terminology. 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. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

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".

On July 28, 2009, the Exchange accepted for filing the Company's Qualifying Transaction.

On August 26, 2009, the Company resumed trading on the Exchange as a Tier 2 mining company under the symbol "JLR" and .the Company was no longer considered a Capital Pool Company

As a junior mineral exploration company, the Company's core assets are the exploration rights to its mineral properties. The Company's current objective is to seek out and acquire prospective mineral exploration properties in North America with the view to exploring and developing the properties.

The Company currently has no producing properties, and consequently no operating income or cash flow. The Company is dependent on the equities markets to finance all of its activities and it is anticipated that it will continue to rely on this source of funding for its exploration expenditures and to meet its ongoing working capital requirements.

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 indicated.

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.

Selected Annual Information

In CAD $	Years Ended		
	February 28 2011	February 28 2010	February 28 2009
Net Revenue	-	-	-
Administration Expenses	(263,234)	(145,621)	(151,120)
Loss Before Other Items	(263,234)	(145,621)	(151,120)
Other Income (Expenses)	(182,769)	25,085	75,525
Net Income (Loss)for the Period			
-In Total:	(446,003)	(120,536)	(75,595)
-Basic and Diluted Earnings (Loss) Per Share	(0.05)	(0.01)	(0.01)
Total Assets	1,333,334	1,700,076	1,797,282
Total Long Term Financial Liabilities	-	-	-

The Company entered into an Option Agreement dated March 31, 2009, (the "Agreement") to earn up to a 65% interest over a period of three years 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 (together, the "Property"). Under the Agreement, JLR 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.

Under the Agreement the Company agreed to make cash payments to Happy Creek as follows:
- (i) $10,000.00 CDN upon execution of the Agreement; (Paid on April 3, 2009);
- (ii) $15,000.00 CDN on the date of the Final Exchange Bulletin; (Paid on August 25, 2009);
- (iii) $20,000 CDN on or before the first anniversary of the Agreement date; (Paid on March 31, 2010)
- (iv) $45,000 CDN on or before the second anniversary of the Agreement date; and
- (v) $60,000 CDN on or before the third anniversary of the Agreement date.

The Company had also agreed to issue an aggregate of 700,000 shares to Happy Creek as follows:
- (i) 100,000 shares on the date of the Final Exchange Bulletin; (Issued on August 25, 2009);
- (ii) 100,000 shares on or before the first anniversary of the Final Exchange Bulletin; (Issued on August 25, 2009);
- (iii) 200,000 shares on or before the second anniversary of the Final Exchange Bulletin; and
- (iv) 300,000 shares on or before the third anniversary of the Final Exchange Bulletin.

Having received no encouraging results from exploration activities conducted on the Property, on January 25, 2011, the Company announced that it has decided to abandon its work on the Hawk Property and to return the property to Happy Creek Minerals Ltd., the optionor, having fulfilled all obligations there under and to identify and pursue other opportunities.

Gunpoint Properties

The Company entered into an agreement dated effective January 25, 2011, amended March 30, 2011 (the “Agreement”), pursuant to which JLR will acquire from Gunpoint a 100% interest in Gunpoint’s Big Kidd and Little Fort claims groups in the Kamloops and Nicola Mining Districts in British Columbia (the “Acquisition”). The purchase price for these two groups of claims is a cash payment to Gunpoint of $100,000 and the issuance 1,875,000 common shares of JLR. JLR’s title to the Big Kidd and Little Fort claims will be subject to a 2.5% net smelter return royalty in favor of Gunpoint and applicable Crown royalties. Gunpoint and JLR are at arm’s length to each other. Following the closing of the Acquisition, it is proposed that Dr. E. Max Baker will join the board of directors of JLR. JLR has submitted a technical report on the Big Kidd property to TSXV for reviewing and approval.

The Acquisition is subject to TSX Venture Exchange (“TSXV”) approval. Closing of the Acquisition is expected to occur within five days of TSXV approval. No finder’s fee is payable in connection with the Acquisition.

About the Big Kidd Property

The Big Kidd property comprises four contiguous mineral tenures totaling 4,055.77 hectares and is located 20 kilometers southeast of the city of Merritt, B.C. The property is centered upon latitude 49°57 north and longitude 120°37' west. The exploration target at the Big Kidd property is alkali porphyry type copper-gold deposit.

About the Little Fort Property

The Little Fort property consists of 12 mineral tenures for a total area of 8,654 hectares and is located approximately 25 kilometers to the northwest of the town of Little Fort, B.C. The property is centered upon latitude 51°29'33" north and longitude 120°23'42" west. The exploration target at the Little Fort property is skarn type copper-gold deposit.

About Gunpoint Exploration Ltd.

Gunpoint is a publicly traded mineral exploration company (TSXV: GUN). For a more complete business and financial profile of the Company, interested parties are encouraged to visit the Company's website, www.gunpointexploration.com.

(Expressed in Canadian dollars unless otherwise noted)

Results of Operations

The Company incurred a loss of $778,252 since incorporation on October 17, 2006, and a loss of $446,003 ($120,536 in year 2010) for the year ended February 28, 2011. The Company incurred accounting and legal fees of $23,560 ($34,802 in year 2010); filing and agent fees of $16,259 ($15,351 in year 2010), office and administration of $28,142 ($24,137 in year 2010); Salary & Consulting fees of $142,058 ($66,396 in year 2010) and office travel related expense of $9,004 ($329 in year 2010), and a write-off of a mineral property of $223,010 making up the majority of the loss.

Fourth Quarter 2011

The Company had a net loss for the three months ended February 28, 2011 (the "Current Quarter") of $316,128 (compare to $43,569 in the fourth quarter of 2010): $106,975 General and Administrative related expenses(compare to $47,988 in the fourth Quarter of 2010); offset by Interest income $4,759, Other income $9,300, and one time write down of mineral properties of $223,010, (compare to $3,339 of other items in the fourth Quarter of 2010). The breakdown of the General and Administrative related Expenses for the fourth quarter is listed below:

Amortization Expense	$1,719
Filing & Transfer Agent Fees	$3,889
Consulting Fee	$18,288
Employee Stock Compensation Expenses	$37,059
Office, Administration	$10,899
Professional and Legal Expenses	$15,501
Payroll Related Expenses	$13,225
Rental Expense	$1,890
Travel Expenses	$6,395
Total General & Admin. Expenses	**$106,975**

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of the Company and is derived from unaudited quarterly financial statements prepared by management. The Company's interim financial statements are prepared in accordance with Canadian GAAP.

The financial statements of the Company have been prepared in accordance with Canadian GAAP. 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.

(Expressed in Canadian dollars unless otherwise noted)

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:

Financial Results	February 28, 2011	November 30, 2010	August 31, 2010	May 31, 2010
Total Revenue	Nil	Nil	Nil	Nil
Net Loss	-$316,128	-$37,432	-$49,233	-$43,210
Loss Per Share				
Basic & Diluted	-$0.03	$0.00	-$0.01	$0.00
Financial Results	February 28, 2010	November 30, 2009	August 31, 2009	May 31, 2009
Total Revenue	Nil	Nil	Nil	Nil
Net Loss	-$43,659	-$19,663	-$24,981	-$32,233
Loss Per Share				
Basic & Diluted	$0.00	$0.00	$0.00	$0.00

Balance Sheet Data	February 28, 2011	November 30, 2010	August 31, 2010	May 31, 2010
Cash and Term Deposit	$1,291,707	$1,344,640	$1,347,182	$1,408,164
Prepaid Expenses	5,422	6,650	6,650	6,650
GST/HST Recoverable	18,454	14,396	11,683	7,954
Total Assets	1,333,334	1,606,526	1,606,758	1,647,741
Shareholders' Equity	$1,290,257	$1,569,326	1,606,758	$1,644,991
Balance Sheet Data	February 28, 2010	November 30, 2009	August 31, 2009	May 31, 2009
Cash and Term Deposit	$1,587,619	$1,638,345	$1,683,459	$1,747,892
Prepaid Expenses	2,905	1,650	1,650	14,650
GST Recoverable	8,272	6,748	4,838	1,524
Total Assets	1,700,076	1,774,938	1,689,947	1,764,938
Shareholders' Equity	$1,688,201	$1,764,860	$1,784,523	$1,746,504

Changes in Accounting Policies including Initial Adoption

International Financial Reporting Standards

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian generally accepted accounting principles ("GAAP") and IFRS over an expected five year transitional period. In February 2008 the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of March 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended February 28, 2011.

Liquidity

As at February 28, 2011, the Company had positive working capital of $1,274,146 (compared to $1,586,921 at February 28, 2010) which included cash, cheques written in excess and a redeemable term deposit of $1,293,347, (compare to $1,587,619 at February 28, 2010).

Other then the mineral property claims listed above, the Company does not currently hold an interest in any other business nor does it have an interest in any fixed assets, other than 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.

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

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, term deposit, accounts payable and accrued liabilities. 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.

Credit risk

The Company does not believe it is subject to any significant credit risk as cash and the term deposit are held with a major financial institution.

Currency risk

Foreign currency exchange rate risk is the risk that the fair value of financial instruments or future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company's functional currency is the Canadian dollar and major transactions are transacted in Canadian dollars. Management believes the foreign exchange risk derived from currency conversions is minimal and therefore does not hedge its foreign exchange risk.

Capital Management

The Company considers that its capital consists of the items included in shareholders' equity, cash, term deposit. The Company manages the capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the Company's assets.

The Company's capital management objectives are intended to safeguard the entity's ability to support the Company's normal operating requirements on an ongoing basis as well as continue the exploration of its mineral property and support and expansionary plans.

Commitments and Contractual Obligations

The following paragraph summarizes at February 28, 2011 certain contractual obligations for the periods specified, from a purchase and option agreement with Gunpoint Exploration Ltd. for the Gunpoint`s B.C. properties which was announced on January 25, 2011. This agreement was amended and restated effective as of the 30th day of March, 2011 subsequently, and is subject to TSX Venture Exchange ("TSXV") approval.

Pursuant to the Agreement, Jiulian will purchase a 100% interest in Gunpoint's Big Kidd and Little Fort claims groups (the "Acquisition"). The purchase price for these two groups of claims is a cash payment to Gunpoint of $100,000 and the issuance 1,875,000 common shares of JLR. Under the Agreement, Gunpoint has also granted to JLR the option (the "Option") to purchase Gunpoint's Brassie Creek and Craigmont claims groups. To exercise the option, JLR must, within 180 days following the closing of the Acquisition, pay to Gunpoint a further $100,000 and issue to Gunpoint an additional 125,000 common shares. JLR's title to the Big Kidd and Little Fort claims will be subject to a net smelter return royalty in favor of Gunpoint and applicable Crown royalties. Gunpoint and JLR are at arm's length to each other. Following the closing of the Acquisition, Dr. E. Max Baker will join the board of directors of JLR.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet agreements other than disclosed under Commitments and Contractual Obligations above.

(Expressed in Canadian dollars unless otherwise noted)

Related Party Transactions

During the year ended February 28, 2011, the Company paid consulting fees of $84,400 to certain directors of the Company, compared to $45,200 in the year of 2010.

The transactions with related parties are in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration established and agreed to by related parties.

Other MD&A Requirements:

Outstanding Share Data

The following table summarizes the Company's outstanding share data as of the date of this Management Discussion and Analysis:

Issued Common Shares:

	Common Shares	
	Outstanding	Amount
Seed shares	2,700,000	$135,000
IPO shares	2,000,000	200,000
Private placements	4,620,000	1,663,200
Agent option excised	200,000	30,000
New shares issued	200,000	21,000
Share issuance costs	-	(53,250)
Total	**9,720,000**	**$ 1,995,950**

As at February 28, 2011, 1,215,000 shares are subject to an escrow agreement and will be released from escrow in stages upon completion of the Company's qualifying transaction and every six months thereafter.

(Expressed in Canadian dollars unless otherwise noted)

Issued Stock Options and agents 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
Granted to Directors and officers	530,000	$ 0.15	April 21, 2013
Total	**920,000**		

Risks and Uncertainties

The Company is engaged in the exploration for and development of mineral deposits. These activities involve significant risks which careful evaluation, experience and knowledge may not, in some cases, eliminate. The commercial viability of any material deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade, proximity to infrastructure. Government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit.

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts revenues and expenses during the reporting period. Actual results could differ from those estimates.

Annual losses are expected to continue until the Company has an interest in a mineral property that produces revenues. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Company's accompanying financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

Any forward-looking information in this MD&A is based on the conclusions of management.

The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Company and other factors.

Additional Disclosure for Venture Issuers without Significant Revenues

During the period ended February 28, 2011, the Company wrote down its capitalized mineral property and deferred exploration cost totaling $223,010, related to the Hawk property. Details of the general and administration expenses are disclosed in the audited financial statements of the Company for the year end February 28, 2011.

Pursuant to an option agreement with Gunpoint Exploration Ltd. ("Gunpoint") dated January 25, 2011, the Company received conditional approved from TSX-V on March 4, 2011.

Outlook

The Company's primary focus for the foreseeable future will be on reviewing its financial position, continuing exploration activities on its mineral property and financing new business ventures in the mineral resource industry.

Approval

The board of directors of JLR has approved the disclosure contained in this Annual MD&A. A copy of this MD&A will be provided to anyone who requests it from the Company.

Additional Information

Additional disclosure of the Company's technical reports, material change reports, news release and other information can be obtained on SEDAR at www.sedar.com.

On behalf of the board

Jiulian Resources Inc.

"X. Charlie Cheng"
President, CEO