Jiulian Resources Inc.
Management Discussion and Analysis
For the Year Ended February 28, 2010
(expressed in Canadian dollars unless otherwise noted)

Date of Report: June 25 2010

Background

The following Management Discussion and Analysis ("MD&A") of the financial position and results of operation should be read in conjunction with the audited financial statements of Jiulian Resources Inc. (the "Company" or "JLR") for the year ended February 28, 2010 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 Statements

Certain statements contained in the following 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.

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 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 as a Tier 2 mining company under the symbol "JLR" and .the Company was no longer considered a CPC.

The Company is now pursuing opportunities in the acquisition, exploration and development of mineral resource properties.

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 one project currently; therefore no segmented information is available.

Selected Annual Information

The Company entered into an Option Agreement dated March 31, 2009, (the "Agreement") 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 (together, the "Property"). 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 11, 2007, under which Happy Creek was 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 kilometers by one kilometer in dimension. Historical drilling in the western portion of the property returned three meters grading 0.79 percent copper, 1.73 g/t gold and 9.43g/t silver, and 1.83 meters containing 0.93 percent copper, 3.1 g/t gold and 12.34 g/t silver. Surface rock samples from the property include one meter 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, 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 has 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 subsequently)
(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.

JLR has 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;
(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.

JLR has also agreed to incur expenditures totaling $700,000 on the Property as follows:

(i) $200,000 on or before the first anniversary of the Final Exchange Bulletin ($100,000 of which shall be a firm minimum commitment);
(ii) $200,000 on or before the second anniversary of the Final Exchange Bulletin; and
(iii) $300,000 on or before the third anniversary of the Final Exchange Bulletin.

In addition, under the Agreement, JLR 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.

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)

Results of Operations

The Company incurred a loss of $332,249 since incorporation on October 17, 2006, and a loss of $120,536 ($75,595 in year 2009) for the year ended February 28, 2010. The Company incurred accounting and legal fees of $34,802 ($37,487 in year 2009); filing and agent fees of $15,351 ($15,921 in year 2009), office and administration of $24,137 ($27,090 in year 2009); Salary & Consulting fees of $66,396 ($59,481 in year 2009) and office travel related expense of $329 ($9,948 in year 2009) making up the majority of the loss.

Fourth Quarter 2010

The Company had a net loss for the three months ended February 28, 2010 (the "Current Quarter") of $43,659 ($46,998 General and Administrative related expenses, offset by interest income $3,450 and Exchange loss of $111), the breakdown of the General and Administrative related Expenses is listed below:

Amortization Expense	$1,727
Filing & Transfer Agent Fees	$2,073
Consulting Fee	$13,915
Office, Administration	$2,425
Professional and Legal Expenses	$13,068
Payroll Related Expenses	$9,620
Rental Expense	$4,170
Total General & Admin. Expenses	**$46,998**

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.

(expressed in Canadian dollars unless otherwise noted)

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
Capital Expenditure	Nil	Nil	Nil	Nil

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

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	4,650
GST Recoverable	8,272	6,748	4,838	1524
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

Balance Sheet Data	February 28, 2009	November 30, 2008	August 31, 2008	May 31, 008
Cash and Term Deposit	$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

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.

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:

Changes in Accounting Policies including Initial Adoption

Accounting policies implemented effective March 31, 2009

The Company adopted Section 3064, Goodwill and Intangible Assets, which establishes standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets. Upon adoption of this standard, there were no resulting material changes to the Company's financial position or results of operations.

The Company adopted EIC-173, Credit Risk and the Fair Value of Financial Assets and Liabilities, which provides guidance on how to take into account an entity's own credit risk and that of the counterparty when determining the fair value of financial assets and financial liabilities, including derivative instruments. Upon adoption of this standard, there were no resulting material changes to the Company's financial position or results of operations.

International Financial Reporting Standards

The Canadian Accounting Standards Board confimed that
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.

Liquidity

As at February 28, 2010, the Company had positive working capital of $1,586,921 (compared to $1,777,755 at February 28, 2009) which included cash, and a redeemable term deposit of $1,587,619, (compare to $1,793,793 at February 28, 2009).

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

Cash held in foreign currency other than the Canadian dollar is subject to currency risk. The Company is exposed to currency risk by incurring certain expenditures in currencies other than the Canadian dollar. The Company's functional currency is the Canadian dollar. 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 table summarizes at February 28, 2010 certain contractual obligations for the periods specified, from its Hawk Property Option Agreement:

(expressed in Canadian dollars unless otherwise noted)

	Cash Payments $	Share Issuances	Exploration Expenditures $	Notes
On or before Mar 31, 2010	20,000			PAID
On or before Aug 25, 2010		100,000	200,000	
On or before Mar 31, 2011	45,000			
On or before Aug 25, 2011		200,000	200,000	
On or before Mar 31, 2012	60,000			
On or before Aug 25, 2012		300,000	300,000	
Total:	**150,000**	**700,000**	**700,000**	

Off-Balance Sheet Arrangements

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

Related Party Transactions

During the year ended February 28, 2010, the Company paid consulting fees of $44,750 to certain directors of the Company.

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	$135,000
IPO shares	2,000,000	200,000
Private placements	4,620,000	1,663,200
Agent option excised	200,000	30,000
New shares issued	100,000	10,000
Share issuance costs	-	(53,250)
Total	**9,620,000**	**$ 2,017,950**

(expressed in Canadian dollars unless otherwise noted)

As at February 28, 2010, 2,430,000 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.

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, 2010, the Company capitalized mineral property and deferred exploration cost totaling $44,368, incurred acquisition costs totaling $35,000. Details of the general and administration expenses are disclosed in the audited financial statements of the Company for the year end February 28, 2010.

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