

NUBIAN RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JANUARY 31, 2012

CONTAINING INFORMATION UP TO AND INCLUDING MARCH 21, 2012

Nubian Resources Ltd. ("Nubian" or the "Company") is listed on the TSX Venture Exchange ("TSX-V") under the trading symbol "NBR". The Company is a junior mineral exploration company whose mission is to create shareholder value by discovering and developing mineral resources which can be profitably exploited.

This management discussion and analysis ("MD&A") of the condensed consolidated operating results and financial condition of the Company for the six months ended January 31, 2012 is prepared in accordance with International Financial Reporting Standards ("IFRS") and should be read in conjunction with the audited consolidated financial statements for the year ended July 31, 2011 which have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). A reconciliation of the previously disclosed comparative periods' financial statements prepared in accordance with Canadian generally accepted accounting principles ("Cdn GAAP") to IFRS is set out in note 12 of the condensed interim consolidated financial statements ("Financial Statements"). This MD&A is intended to help the reader understand the condensed consolidated financial statements of the Company.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedure and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company's board of directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

Readers should use the information contained in this report in conjunction with all other disclosure documents including those filed on SEDAR (www.SEDAR.com). Additional information relating to Nubian can be found on the company's website www.nubianr.com.

All dollar amounts referred to in this discussion and analysis are expressed in Canadian dollars except where indicated otherwise.

The date of this MD&A is March 21, 2012.

Forward looking statements

Except for statements of historical fact, certain information contained herein constitutes forward-looking statements. Forward-looking statements are usually identified by the use of certain terminology, including "will", "believes", "may", "expects", "should", "seeks", "anticipates", or "intends" or by discussions of strategy or intentions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results or achievements to be materially different from any future results or achievements expressed or implied by such forward-looking statements. Forward-looking statements are statements that are not historical facts, and include but are not limited to, estimates and their underlying assumptions; statements regarding plans, objective and expectations with respect to the effectiveness of the Company's business model; future operations, products and services; the impact of regulatory initiatives on the Company's operations; the size of and opportunities related to the markets for the Company's products; general industry and macroeconomic growth rates; expectations related to possible joint and/or strategic ventures and statements regarding future performance.

Forward-looking statements used in this discussion are subject to various risks and uncertainties, most of which are difficult to predict and generally beyond the control of the Company. If risks or uncertainties materialize, or if underlying assumptions prove incorrect, the Company's actual results may vary materially from those expected, estimated or projected. Forward looking statements in this document are not a prediction of future events or circumstances, and those future events or circumstances may not occur. Given these uncertainties, users of the information included herein, including investors and prospective investors are cautioned not to place undue reliance on such forward-looking statements.

NUBIAN RESOURCES LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JANUARY 31, 2012

CONTAINING INFORMATION UP TO AND INCLUDING MARCH 21, 2012

Table of Contents

Overall Performance	3
Overview of Properties.....	4
Discontinued Operations.....	6
Selected Financial Information	7
Results of Operations	8
Exploration and Evaluation Assets.....	9
Liquidity	9
Capital Resources	9
Subsequent Events	9
Significant Accounting Judgments and Estimates	10
Off-balance sheet arrangements	10
Proposed transactions	10
Future accounting pronouncements	10
Risk Factors	10
Related Party Transactions	12
Financial Instruments and Risk Management	13
Controls and Procedures	15
Policies & Conversion to International Financial Reporting Standards	15
Reconciliation of Canadian GAAP to IFRS.....	16

NUBIAN RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JANUARY 31, 2012

CONTAINING INFORMATION UP TO AND INCLUDING MARCH 21, 2012

Overall Performance

The Company's prime focus will be on precious metals and the Company's goal is to develop properties with an economical resource equivalent of a minimum of 1 Million ounces of "inferred and indicated" gold within 2 to 3 years, of which a minimum of 50% shall be in the "indicated" category.

Opportunities outside the precious metal sector, including existing copper and other base metal properties and properties with less potential, are to be developed in conjunction with joint venture partners specialized in the respective metal and location, while Nubian retains an interest in cash-flow and property.

Head office costs and cost of Board and Management will be kept within industry standards, with additional incentive through options and bonuses rewarding Board and Management for higher share price and value created in spin and sell off situations.

On September 21, 2010, the Company sold all of its remaining mining equipment to a Zambian company for USD \$1,500,000. Repayments totaling USD \$520,000 have been received to date. Further monthly payments will be made over an 18 month period. Title to the plant will only pass to the purchaser upon full payment of the outstanding balance.

On August 19, 2010, the Company signed a lease agreement with a U.S. company to acquire lease rights over 100% of the Excelsior Springs gold property in Esmeralda County, Nevada, USA. Under the agreement, the Company will pay for all BLM and state fees and lease payments of USD \$32,000 in year 1, USD \$37,000 in year 2, and USD \$42,000 in year 3. Furthermore, a 2% Net Smelter Royalty will be payable upon gold production.

On March 28, 2011, the Company signed an option agreement with Paradigm Minerals USA Corporation, a wholly owned subsidiary of Global Geoscience Ltd, an Australian public company, for Paradigm to earn a 70% interest in the Excelsior Springs gold property by paying Nubian USD \$100,000 and spending USD \$3 million on exploration over four years. Paradigm will solely fund and manage all exploration and property related costs during the option phase. Nubian received USD \$50,000 on signing and will receive a further USD \$50,000 once Paradigm exercises its option interest in the property within the four year period.

On October 31, 2011, the Company purchased 217 unpatented mining claims on nine properties in Nevada, Idaho, Montana and New Mexico, USA for total consideration of USD \$260,000 of which USD \$100,000 was paid on closing, and the balance is payable in monthly instalments over 36 months, including interest at 2.5% per annum. To fund the closing costs, the Company has issued convertible notes totalling \$130,000 to its directors and officers. The notes will have a term of two years, bear interest at 10% per annum compounded and payable annually, and be convertible at the option of the holder into common shares at a price of \$0.18 per share.

September 30, 2011, the Company announced that RC holes at Excelsior Springs, conducted and managed by Global Geoscience, had intersected multiple zones of shallow, oxidised gold mineralization over a minimum strike length of 2.2km. The individual zones and the overall mineralized trend remain open along strike and at depth, with the true width of the intercepts being unknown at this stage. Geochemical/geological data indicate the mineralisation is part of a >9km long zone with no known drilling outside the area drilled by Global. Follow-up infill drilling planned around the newly discovered zones and other targets along strike.

October 31, 2011, the Company announced acquisition of a portfolio of nine exploration properties situated in Nevada, Montana, New Mexico and Idaho, USA, from Timber Wolf Minerals Ltd. The portfolio consists of nine separate properties with unpatented claims on gold and base metals targets which include Excelsior Springs, Nevada and Worthing Canyon (Sedex), Idaho, where Nubian Resources Ltd is the lessee. One additional property

NUBIAN RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JANUARY 31, 2012

CONTAINING INFORMATION UP TO AND INCLUDING MARCH 21, 2012

Overall Performance (continued)

has been leased out and one sold, subject to certain payment conditions. The transaction includes Excelsior Springs in Esmeralda County, Nevada over which Nubian entered into a lease agreement with Timber Wolf Minerals in August 2010, and subsequently concluded a 30/70 Joint Venture agreement with Paradigm Minerals (USA) Corporation (a wholly-owned subsidiary of Global Geoscience Ltd., a public company listed on the Australian Securities Exchange) regarding exploration of the property. With the acquisition of the Excelsior Springs property, Nubian becomes the sole owner of any Net Smelter Royalty due on the unpatented claims of Excelsior, and on the other properties in the Timber Wolf Minerals portfolio. The transaction price for 100% ownership of the 217 unpatented claims on the nine properties is USD \$260,000. USD \$100,000 will be paid on closing of the transaction and the remainder is payable in 36 monthly installments of USD \$ 4,618 per month, including interest at 2.5% per annum. These properties include the aforementioned Excelsior Springs and Worthing Canyon properties and are described further in the following section.

Overview of Properties

Leased Nevada properties

a) Excelsior Springs Project, Esmeralda County

The Excelsior Springs project comprises granted mining claims covering an area of 3.5 square kms and includes the historic Buster mine which has past production of about 15,000 tonnes (t) at 37 grams per tonne (g/t) gold (Au) to a maximum depth of 70 metres.

Excelsior Springs is located in the Walker-Lane tectonic zone of southern Nevada, which hosts a number of large gold mines. Total gold productions from the zone exceeded 20 million ounces with notable deposits including Goldfield (5Moz), Bullfrog (2Moz). Tonopah (2Moz). Mineral Ridge (1.5Moz) and Comstock (8Moz Au, 200Moz Ag).

The Excelsior Springs property covers a 3km long, 300m wide zone of gold mineralization hosted by altered limestone and calcareous sediments. Systematic exploration over the property by Nubian has been restricted to 236 surface rock chip samples, most of which were collected after completion of the most recent drilling. The rock chip results define four separate areas of mineralization with values between one and twenty g/t gold. Only one of these four areas, the Buster mine, has been drilled. At the Buster mine historic RC percussion drilling has been undertaken over a strike length of 300m and depths up to 120m. Most of the holes that targeted the main mineralized zone intersected gold mineralization.

On March 28, 2011, the Company sold an option to earn a 70% interest in the property to a wholly owned subsidiary of Global Geoscience Ltd. (Global), a public company listed on the Australian Securities Exchange. Global is presently exploring the property with a view to obtaining a 70% stake after expenditure of US\$3 million, leaving Nubian a 30% interest. Global have recently completed drilling of 3657m RC drilling to follow-up a number of significant prior drill intersections and to test new targets identified since acquiring the project, which have not been previously drill tested.

Significant intercepts were:

GE08: 7.6m at 5.1g/t Au from 93.0m
GE14: 7.6m at 2.9g/t Au from 19.8m
GE02: 3.0m at 4.7g/t Au from 0m
GE19: 6.1m at 1.9g/t Au from 117.3m and
GE15: 13.7m at 0.8g/t Au from 61.0m

NUBIAN RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JANUARY 31, 2012

CONTAINING INFORMATION UP TO AND INCLUDING MARCH 21, 2012

Overview of Properties

Leased Nevada properties

a) Excelsior Springs Project, Esmeralda County (continued)

Holes were generally drilled along north-south fences with 50-70m between holes and 100-600m between fences. All holes were drilled at 60 degrees dip towards grid north to depths between 100-220m. Water was injected during the drilling although all of the sample slurry was collected after splitting through a rotary cyclone splitter. Samples of between two and ten kilograms were collected every 1.5m of hole length and dispatched to American Assay Laboratories in Reno for gold fire assay by method FA30. Quality control included the collection of one in twenty duplicate samples dispatched to the same laboratory and one in thirty samples sent to ALS Minerals in Reno and analysed for gold using a comparable fire assay method (method Au-AA23). Duplicate and repeat assaying gave an acceptable repetition of gold grades however some spottiness was noted.

Global has also completed extensive surface work including a 3 km² Induced Polarization (IP) geophysical survey, geological mapping, re-logging drill chips and the collection of more than 800 geochemical samples. This work has led to the identification of three new targets none of which were drilled previously. Once further drilling is completed a new NI 43-101 report will be prepared with estimated, classified, resources and a scoped mine plan.

b) Dunfee Gold Project

The Company owns 22 unpatented claims in a gold project in Gold Point Mining District, Esmeralda County, Nevada. It is presently leased out.

The expected annual lease revenues from the leased Nevada properties over the next five years are as follows:

2012	\$	55,000
2013		105,000
2014		105,000
2015		105,000
2016		105,000
	\$	<u>475,000</u>

Unleased Nevada properties

a) Blair Junction Gold Project

The Company owns 10 unpatented claims in a gold project in Mount Diablo Meridian, Esmeralda County, Nevada. It is presently unleased.

b) Palmetto Silver-Gold Project

The Company owns 2 unpatented claims in Esmeralda County.

NUBIAN RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JANUARY 31, 2012

CONTAINING INFORMATION UP TO AND INCLUDING MARCH 21, 2012

Overview of Properties

Unleased Nevada properties (continued)

c) Leach Hot Springs Gold-Silver Project

The Leach Hot Springs property consists of four claims, being acquired by Nubian from Timber Wolf Minerals Ltd., 15 km NE of the Goldbanks mercury mine, Pershing County, Nevada. There are no current claim maps, but the property was extensively drilled (~20 holes), in 2004 by Newmont Exploration: results are not known.

d) Enright Hill Gold-Silver Project

The Enright Hill property consists of four claims in the Hicks District, 16 km NE of Mountain City, 48 km NNE of Wildhorse Reservoir, in Elko County, about 130 km north of Elko City, Nevada.

Other Lease-type Properties

Copper Hills Gold Project New Mexico

The Company owns a "lease-type" sales agreement on 10 unpatented claims in Socorro County, New Mexico.

Payments to be received commence at \$7,000 per annum in 2012 and increase annually over the next 7 years until a total of \$529,500 has been received.

Other Unleased U.S. Properties

a) Worthing Canyon Lead-Zinc-Silver-Gold Property, Idaho

The Company owns 18 unpatented claims in a lead-zinc-silver-gold prospect in Birch Creek Mining District, Lemhi County, Idaho.

b) Pipestone Gold-Silver Property, Montana

The Company owns 4 unpatented claims in a gold-silver prospect in Jefferson County, Montana, which was staked in November 2010.

Discontinued Operations

The Company was engaged in the business of mineral exploration in Zambia and the Democratic Republic of Congo ("DRC"), Africa to locate and develop economically recoverable mineral reserves. The Company substantially discontinued operations in Africa during 2010. Although not reflected in the financial statements, the company still owns interests in Luapula Minerals, a Zambian copper project, and Bayombwe a DRC poly metallic project. The Company is actively seeking joint venture partners for these assets.

NUBIAN RESOURCES LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JANUARY 31, 2012

CONTAINING INFORMATION UP TO AND INCLUDING MARCH 21, 2012

Selected Financial Information

The following table sets out selected consolidated financial statements for the last three completed fiscal years under Canadian GAAP and IFRS:

	2011		2010		2009	
Sales	\$	-	\$	-	\$	-
Net Loss and Comprehensive Loss	\$	(471,714)	\$	(1,171,961)	\$	(9,317,430)
Net loss per share (basic and fully diluted)	\$	(0.07)	\$	(0.18)	\$	(1.57)
Total Assets	\$	1,262,050	\$	1,559,939	\$	2,709,981
Long Term Financial Liabilities	\$	-	\$	-	\$	-
Cash Dividends per share	\$	-	\$	-	\$	-

The following tables set out selected results of operations for each of the eight most recently completed quarters:

	Quarter ended January 31, 2012	Quarter ended October 31, 2011	Quarter ended July 31, 2011	Quarter ended April 30, 2011
Sales	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Loss from continuing operations (1)	\$ (96,932)	\$ (115,786)	\$ (101,191)	\$ (95,547)
Loss per share from continuing operations - basic & fully diluted (1)	\$ (0.01)	\$ (0.02)	\$ (0.02)	\$ (0.01)
Net income (loss)	\$ (91,809)	\$ (68,614)	\$ (215,022)	\$ (77,023)
Net loss per share - basic & fully diluted	\$ (0.01)	\$ (0.01)	\$ (0.03)	\$ (0.01)
	Quarter ended January 31, 2011	Quarter ended October 31, 2010	Quarter ended July 31, 2010	Quarter ended April 30, 2010
Sales	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Loss from continuing operations (1)	\$ (95,012)	\$ (131,334)	\$ 51,683	\$ (77,540)
Loss per share from continuing operations - basic & fully diluted (1)	\$ (0.01)	\$ (0.02)	\$ 0.01	\$ (0.02)
Net income (loss)	\$ (67,214)	\$ (112,455)	\$ 54,005	\$ (928,392)
Net loss per share - basic & fully diluted	\$ (0.01)	\$ (0.02)	\$ 0.01	\$ (0.20)

(1) Quarterly information has been restated for comparative purposes to recognize the discontinued operations related to the Company's interest in Zambia and the DRC.

NUBIAN RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JANUARY 31, 2012

CONTAINING INFORMATION UP TO AND INCLUDING MARCH 21, 2012

Results of operations

Three months ended January 31, 2012 compared to three months ended January 31, 2011.

For the quarter ended January 31, 2012, the Company recorded a loss from continuing operations of \$96,932 compared to a loss of \$95,012 in 2011. This decrease in loss was mainly the result of a decrease in share-based payments, offset by increases in salaries, management and consulting fees as the Company commenced remunerating its non-executive directors later in fiscal 2011. The income from discontinued operations of \$5,123 in the current quarter resulted in the net loss and comprehensive loss for the quarter ended January 31, 2012 increasing to \$91,809 from \$67,214 in the quarter ended January 31, 2011, largely as a result of the strengthening Canadian dollar from July 2011 to date and its effect on the proceeds receivable denominated in US dollars.

Six months ended January 31, 2012 compared to six months ended January 31, 2011.

For the six months ended January 31, 2012, the Company recorded a loss from continuing operations of \$212,718 compared to a loss of \$226,346 in 2011. This decrease in loss was mainly the result of a decrease in share-based payments, offset by increases in salaries, management and consulting fees as the Company commenced remunerating its non-executive directors later in fiscal 2011. Professional fees increased in 2012 over 2011, whilst investor relations and promotion, and travel expenses all decreased over 2011. The income from discontinued operations of \$52,295 in the six months to date resulted in the net loss and comprehensive loss for the six months ended January 31, 2012 decreasing to \$160,423 from \$179,669 in the six months ended January 31, 2011, largely as a result of the strengthening Canadian dollar from July 2011 to date and its effect on the proceeds receivable denominated in US dollars.

NUBIAN RESOURCES LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JANUARY 31, 2012

CONTAINING INFORMATION UP TO AND INCLUDING MARCH 21, 2012

Exploration and Evaluation Assets

U.S. Properties purchased from Timber Wolf Minerals Ltd.					
	August 1, 2010	Costs for the year	July 31, 2011	Costs for the period	January 31, 2012
Acquisition costs	\$ -	\$ 37,990	\$ 37,990	\$ 269,214	\$ 307,204
Exploration costs					
Assaying and sampling	-	21,086	21,086	-	21,086
Claim staking	-	12,039	12,039	-	12,039
Geological consulting	-	18,435	18,435	3,742	22,177
Licences, permits and fees	-	9,723	9,723	-	9,723
Office and administration	-	4,151	4,151	-	4,151
	-	65,434	65,434	3,742	69,176
	-	103,424	103,424	272,956	376,380
Option fees received, net	-	(46,300)	(46,300)		(46,300)
Lease revenues received		-	-	(22,649)	(22,649)
Total expenditures	\$ -	57,124	57,124	250,307	307,431
Analysed by property					
Excelsior Springs, Nevada	-	39,008	39,008	130,275	169,283
Worthing Canyon, Idaho	-	18,116	18,116	31,740	49,856
Other	-	-	-	88,292	88,292
Total expenditures	\$ -	57,124	57,124	250,307	307,431

Liquidity

The Company had working capital of \$720,643 as at January 31, 2012 compared to \$666,201 at July 31, 2011; mainly due to repayments on the EMEW equipment proceeds receivable.

The Timber Wolf mineral property purchase on October 31, 2011 of USD \$260,000 was financed by a \$130,000 private placement of the directors' and officers', and a USD \$160,000 loan from the vendor. This purchase resulted in the Company's total assets increasing by \$90,708; from \$1,262,050 at July 31, 2011 to \$1,352,758 at January 31, 2012.

Capital Resources

The Company's authorized capital consists of an unlimited number of common shares without par value. At January 31, 2012 and July 31, 2011 the Company had 7,177,773 (July 31, 2010 - 6,552,773) issued and outstanding common shares.

At March 2012, the Company had 7,177,773 shares outstanding and 8,967,773 shares outstanding on a fully diluted basis.

Subsequent Events

None.

NUBIAN RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JANUARY 31, 2012

CONTAINING INFORMATION UP TO AND INCLUDING MARCH 21, 2012

Significant Accounting Judgments and Estimates

The preparation of the interim condensed consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and further periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- the recoverability of proceeds receivable which are included in the condensed consolidated interim statement of financial position;
- the carrying value and recoverable amount of exploration and evaluation assets; and
- the inputs used in accounting for share-based payments expense in the condensed consolidated interim statements of operations and comprehensive loss.

Off-balance sheet arrangements

The Company did not enter into any off-balance sheet arrangements during the period.

Proposed transactions

The Company does not currently have any proposed transactions approved by the Board of Directors. All current transactions are fully disclosed in the consolidated financial statements for the three months ended October 31, 2011.

Future accounting pronouncements

Certain new accounting standards and interpretations have been published that are not mandatory for the October 31, 2011 reporting period. The following standards are assessed not to have any impact on the Company's financial statements:

- IFRS 9, *Financial Instruments: effective* for accounting periods commencing on or after January 1, 2013;
- Amendments to IAS 12 *Income Taxes: Limited scope amendment (recovery of underlying assets)* – effective for annual periods beginning on or after January 1, 2012.

Risk Factors

The Company is engaged in the exploration for mineral deposits. These activities involve significant risks which even with careful evaluation, experience and knowledge may not, in some cases, be eliminated. The Company's success depends on a number of factors, many of which are beyond its control. The primary risk factors affecting the Company include inherent risks in the mining industry, metal price fluctuations and operating in foreign countries and currencies.

NUBIAN RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JANUARY 31, 2012

CONTAINING INFORMATION UP TO AND INCLUDING MARCH 21, 2012

Risk Factors (continued)

(a) Inherent risks within the mining industry

The commercial viability of any mineral deposit depends on many factors, not all of which are within the control of management. Some of the factors that will affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, taxes, royalties, land tenure and use, environmental protection and reclamation and closure obligations could also have a profound impact on the economic viability of a mineral deposit.

Mining activities also involve risks such as unexpected or unusual geological operating conditions, floods, fires, earthquakes, other natural or environmental occurrences and political and social instability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or for other reasons. The Company does not currently maintain insurance against political or environmental risks. Should any uninsured liabilities arise, they could result in increased costs, reductions in profitability, and a decline in the value of the Company's securities.

There is no assurance at this time that the Company's current mineral properties will be economically viable for development and production.

(b) Prices for gold and base metals

Metal prices are subject to volatile price fluctuations and may have a direct impact on the future commercial viability of the Company's exploration properties. Price volatility results from a variety of factors, including global consumption and demand for metals, international economic and political trends, fluctuations in the US dollar and other currencies, interest rates, and inflation.

(c) Foreign currency risks

The Company uses the Canadian dollar as its measurement and reporting currency, and therefore fluctuations in exchange rates between the Canadian dollar and other currencies may affect the results of operations and financial position of the Company. The company does not currently have any foreign currency or commercial risk hedges in place. The Company raises the majority of its equity financings in Canadian dollars while expenditures related to foreign operations are predominately incurred in US dollars. Fluctuations in the exchange rates between the Canadian dollar, US Dollar may impact the Company's financial condition.

(d) Risks Associated with Foreign Operations

The Company's investments in foreign countries such as U.S., Zambia and the DRC carry certain risks associated with different political, business, social and economic environments. The Company is currently evaluating gold and base metal properties in U.S., Zambia and the DRC but will undertake new investments only when it is satisfied that the risks and uncertainties of operating in different cultural, economic and political environments are manageable and reasonable relative to the expected benefits. Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance and regulatory characteristics of property rights in certain foreign countries.

Future government, political, legal or regulatory changes in the foreign jurisdictions in which the Company currently operates or plans to operate could affect many aspects of the Company's business, including title to properties and assets, environmental protection requirements, labor relations, taxation, currency convertibility, repatriation of profits or capital, the ability to import necessary materials or services, or the ability to export produced materials.

NUBIAN RESOURCES LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JANUARY 31, 2012

CONTAINING INFORMATION UP TO AND INCLUDING MARCH 21, 2012

Related Party Transactions

(a) Director transactions

For the six months ended January 31, 2012

	Short-term employee benefits	Management & consulting fees	Share-based payments	Reimbursement of vehicle expenses	Interest paid on related party loan	Total
	\$	\$	\$	\$	\$	\$
<u>Executive Directors</u>						
Larry G. Treadgold, CEO	-	(i) 18,250	-	-	-	18,250
Graham A Chisholm, Former CEO	7,000	-	-	-	(ii) 666	7,666
D.A. Fynn, CA, CFO	-	(iii) 15,000	-	-	-	15,000
<u>Non-executive Directors</u>						
Markus Janser	-	(v) 19,950	-	-	-	19,950
Larry G. Treadgold	-	3,000	-	-	-	3,000
Dr Chris JV Wheatley	-	(iv) 5,500	11,552	-	-	17,052

For the six months ended January 31, 2011

	Short-term employee benefits	Management & consulting fees	Share-based payments	Reimbursement of vehicle expenses	Interest paid on related party loan	Total
	\$	\$	\$	\$	\$	\$
<u>Executive Directors</u>						
Graham A Chisholm, Former CEO	24,500	-	16,375	1,248	(ii) 1,952	44,075
D.A. Fynn, CA, CFO	-	(iii) 17,750	9,552	-	-	27,302
<u>Non-executive Directors</u>						
Markus Janser	-	-	15,010	-	-	15,010
Larry G. Treadgold	-	-	13,645	-	-	13,645

Notes:

- (i) Larry G Treadgold was appointed CEO on the resignation of Graham A. Chisholm on August 31, 2011.
- (ii) Paid to D.A. Fynn & Associates Inc., a private company controlled by the Chief Financial Officer, David A. Fynn.
- (iii) Paid to Industrial Copper Systems Ltd., a private company controlled by the former Chief Executive Officer, Graham A. Chisholm.
- (iv) Dr Chris JV Wheatley was appointed a director on August 1, 2011 and was granted 50,000 stock options. (See Note 6 in these financial statements).
- (v) Paid to K R Consulting Ltd, a private company controlled by Markus Janser.

(b) Related party balances

At January 31, 2012 and 2011, the following loans were payable to Industrial Copper Systems Ltd., a private company controlled by the former CEO and director:

	January 31, 2012	January 31, 2011
Due to related party	\$ 45,977	\$ 63,977

NUBIAN RESOURCES LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JANUARY 31, 2012

CONTAINING INFORMATION UP TO AND INCLUDING MARCH 21, 2012

Financial instruments and risk management

Financial assets and financial liabilities are measured on an ongoing basis at fair value or amortized cost. The disclosures in the notes to these consolidated financial statements describe how the categories of financial instruments are measured and how income and expenses, including fair value gains and losses, are recognized.

As at October 31, 2011, the classification of the financial instruments, and as their carrying values and fair values, are shown in the table below:

	LEVEL	Held for trading	Loans and receivables/ amortized cost	Fair value/ amortized cost
Financial assets				
Cash	1	\$ 53,819	\$ -	\$ 53,819
Proceeds receivable	2	\$ -	\$ 980,000	\$ 980,000
Total Financial Assets		\$ 53,819	\$ 980,000	\$ 1,033,819
Financial liabilities				
Accounts payable	3	-	-	-
Accrued liabilities	3	-	49,818	49,818
Accounts payable on assets held for sale	3	-	31,189	31,189
Accounts payable, related parties	3	-	45,977	45,977
Loan payable	2	-	147,088	147,088
Convertible notes	2	-	112,622	112,622
Total Financial Liabilities		\$ -	\$ 386,694	\$ 386,694

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies; however, considerable judgment is required to develop certain of these estimates. The estimated fair value amounts can be materially affected by the use of different assumptions or methodologies.

The methods and assumptions used to estimate the fair value of financial instruments are described below:

The Company is exposed to potential loss from various risks including commodity price risk, interest rate risk, currency risk, credit risk and liquidity risk. Based on the Company's operations the liquidity risk, commodity risk and currency risk are considered the most significant.

The carrying values of the Company's accounts payable and accrued liabilities were a reasonable approximation of fair value.

Financial instruments measured at fair value on the balance sheet were made using inputs within the following fair value hierarchy that reflect their significance:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 - Inputs that are not based on observable market data.

NUBIAN RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JANUARY 31, 2012

CONTAINING INFORMATION UP TO AND INCLUDING MARCH 21, 2012

Financial instruments and risk management (continued)

a) Commodity Price Risk

The Company's ability to raise capital to fund exploration or development activities is subject to risk associated with fluctuations in the market prices of base and precious metals including copper and gold, and the outlook for these metals. The Company does not have any hedging or other derivative contracts respecting its operations.

Market prices for metals historically have fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, levels of worldwide production, short-term changes in supply and demand, industrial and retail demand, central bank lending, and forward sales by producers and speculators. The Company has elected not to actively manage its commodity price risk.

b) Currency Risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada, United States of America, the Democratic Republic of Congo and Zambia and a portion of its expenses are incurred in United States dollars ("USD"). A significant change in the currency exchange rates between the Canadian dollar and the US dollar could have an effect on the Company's results of operations, financial position or cash flows.

The Company has not hedged its exposure to currency fluctuations. At October 31, 2011, the Company was exposed to currency risk through the following assets and liabilities denominated in USD.

	January 31, 2012	July 31, 2011	August 1, 2010
USD			
Cash	\$ 51,437	\$ 81,314	\$ 10
Proceeds receivable	\$ 980,000	\$ 1,163,000	\$ -
Accounts payable and accrued liabilities	\$ (31,189)	\$ (36,553)	\$ (45,662)
Loan payable	\$ (147,088)	\$ -	\$ -

Based on the above net exposures at January 31, 2012, and assuming that all other variables remain constant a 10% appreciation or depreciation of the Canadian dollar against the USD would result in an increase/decrease of \$85,316 in the Company's loss from operations.

c) Liquidity Risk

The liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages its liquidity risk through careful management of its financial obligations in relation to its cash position. Using budgeting processes the company manages its liquidity requirements based on expected cash flow to ensure there are adequate funds to meet the short term obligations during the year.

NUBIAN RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JANUARY 31, 2012

CONTAINING INFORMATION UP TO AND INCLUDING MARCH 21, 2012

Controls and Procedures

In contrast to the certificate required under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109, in particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Policies & Conversion to International Financial Reporting Standards

On February 13, 2008, the Canadian Accounting Standards Board ("AcSB") confirmed the mandatory change-over date to International Financial Reporting Standards ("IFRS") for Canadian profit-oriented publicly accountable entities ("PAE"s) such as the Company.

As stated in Note 2 of the Financial Statements, these are the Company's first condensed consolidated interim financial statements prepared in accordance with IFRS.

The Company adopted IFRS in accordance with IFRS 1, First-time Adoption of International Financial Reporting Standards ("IFRS 1). The first date at which IFRS was applied was August 1, 2010 ("Transition Date"). IFRS 1 provides for certain mandatory exceptions and optional exemptions for first-time adopters of IFRS. IFRS 1 requires that the same policies are applied for all periods presented in the first IFRS financial statements and that those policies comply with IFRSs in effect as at the end of the first IFRS annual reporting period. Accordingly, the opening IFRS statement of financial position, 2010 comparatives and current year financial statements have been prepared using the same policies. The previously presented 2011 Canadian GAAP financial information has been reconciled to the IFRS information as part of this transaction in Note 10 in accordance with the requirements of IFRS 1. Further, the policies applied have been done so on a full retrospective basis unless an alternative treatment is permitted or require by an IFRS 1 election or exception. These are discussed below.

NUBIAN RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JANUARY 31, 2012

CONTAINING INFORMATION UP TO AND INCLUDING MARCH 21, 2012

Policies & Conversion to International Financial Reporting Standards (continued)

After a detailed assessment of its accounting system, the Company reached the following conclusions with regards to the new reporting requirements for IFRS:

a) Business Combinations

IFRS 1 indicates that a first-time adopter may elect not to apply IFRS 3 *Business Combination* retrospectively to business combinations that occurred before the date of transition to IFRS. The Company will take advantage of this election and will apply IFRS 3 to business combinations that occurred on or after August 1, 2010. There is no adjustment required to the July 31, 2010 financial statements on the transition date.

b) Exploration and Evaluation Assets

- The requirements for Explorations and Evaluation assets (previously classified as Mineral Properties) under IFRS 6 are consistent with Canadian GAAP. Therefore no adjustments were required.

c) Translation of a foreign operation

- IFRS 21 requires the functional currency of each entity within a group to be assessed individually.
- It was concluded that the functional currency of both the Company and its subsidiary is Canadian Dollar.
- The translation of the subsidiary's financial records, which are maintained in United States Dollars is therefore consistent with the method used under Canadian GAAP, and therefore no adjustment was required.

d) Share based payments

- The requirements for Financial Instruments under IFRS 2 are consistent with the Company's accounting treatment under Canadian GAAP. Therefore no adjustments were required

e) Financial Instruments

- The requirements of Financial Instruments under IFRS 6 are consistent with the Company's accounting treatment under Canadian GAAP. Therefore no adjustments were required.

f) Estimates

- In accordance with IFRS 1, an entity's estimates under IFRS at the date of transition to IFRS must be consistent with estimates made for the same date under previous GAAP unless those estimates were in error. The Company's IFRS estimates as at the Transition Date are consistent with its Canadian GAAP estimates as at that date.

Reconciliation of Canadian GAAP to IFRS

IFRS 1 requires an entity to reconcile equity and comprehensive income for prior periods presented under Canadian GAAP to IFRSs as of the same date. In addition, an explanation is required for any material adjustments to cash flows to the extent that they exist. There are no differences requiring reconciliations from Canadian GAAP to IFRS for the respective periods noted.