ASTORIUS RESOURCES LTD. ("Company")

ANNUAL MANAGEMENT DISCUSSION AND ANAYLSIS
DATED JANUARY 30, 2012

This Annual MD & A covers the Company's fiscal year ended September 30, 2011 (the "Fiscal Year") and the period to January 30, 2012. It is to be read in conjunction with the Company's audited Financial Statements prepared as of September 30, 2011 in accordance with the Canadian generally accepted accounting principles. All amounts are expressed in Canadian dollars.

1. Overall Performance

(a) Babine Lake Claims, British Columbia

Printed below is a copy of a Press Release dated November 2, 2011, which the Company issued with respect to its mineral claims located in the Babine Lake area and referred to as the Company's "Babine Lake Claims". The Press Release provides information on the Company's activities with respect to the Claims up to November 2, 2011.

Astorius Resources Receives Geophysical Report with Recommendations for Its Babine Copper-Gold Property, BC

Astorius Resources Ltd. (ASQ -- TSX Venture) ("Astorius") is pleased to report that Peter E. Walcott and Associates has submitted its final geophysical report on a 2,845 line kilometer helicopter borne magnetometer survey flown over Astorius's entire Babine mineral property. The survey results will assist Astorius to plan, prioritize and carry out geological, geochemical and prospecting programs over a number of targets on its 31,851 hectare property. Processing of data and interpretation is currently underway.

The purpose of the survey was to define major structures, and to highlight potential intrusive bodies in the search for copper-gold mineralization. In the Babine area alkali porphyry copper-gold mineralization is known to occur in the margins of magnetic highs in association with iron-oxides enriched intrusions.

The report notes that preliminary indications suggest that the survey has defined structures and intrusive bodies that could host important copper and gold mineralization. As the area is mostly covered by thick overburden the report recommends that follow-up work should include geochemical sampling and reconnaissance induced polarization surveying. A budget of $200,000 is anticipated for the first phase of work.

The Astorius-Babine project area is located approximately 70 kilometers northeast of the community of Smithers in the prolific Babine Porphyry Copper/Gold Belt. The claims are located adjacent to the Morrison Copper/Gold Deposit owned by Pacific Booker Minerals to the northwest and the historic Bell and Granisle Mine properties owned by Xstrata Canada Corp. to the south and west. Over the past year Astorius has been accumulating claims in this region through staking and purchase and is currently the largest mineral tenure holder in the Babine camp.

The Bell Porphyry Copper-Gold Mine operated from 1977 to 1992 producing 304,795,539 Kg of copper, 12,885,964 grams of gold and 38,319,730 grams of silver from 77,146,088 tonnes of ore. The Granisle Porphyry Copper-Gold Mine operated from 1966 to 1982 producing 214,299,455 kilograms of copper, 6,832,716 grams of gold and 69,752,525 grams of silver from 52,321,517 tonnes of ore. The Morrison Copper/Gold Deposit has a proven and probable reserve of 224,250,000 tonnes at an average grade of 0.330% Cu, 0.163g/t Au and 0.004% Mo. The deposit is planned for production and has been accepted for review by the federal and provincial governments.

Astorius geologists are compiling historic information on the Babine area and have discovered a number of target areas on the claims that were generated by regional government surveys. The airborne geophysical survey will assist Astorius geologists to prioritize these targets for ground follow up. Mr. Perry Grunenberg

P.Geo, of PBG Geoscience, is the Company's supervisor for the Babine Project and is the "Qualified Person" for the purpose of National Instrument 43-101.

Since November 2, 2011 the Company has applied to the BC Ministry of Mines for a 5 year Exploration Permit. Management believes it has satisfied all of the Ministry requirements and that it will receive the Permit.

The Company has also electronically staked additional contiguous claims so that it now owns 101 claims that cover 36,011.51 hectares – approximately 88,985 acres.

Astorius has established a website – www.astoriusresources.com. Further information about the Company and the Babine Lake Claims can be viewed on the website.

2. Selected Annual Information

The following financial information is given for the last three fiscal years of the Company:

	September 30, 2011-$	September 30, 2010-$	September 30, 2009-$
(a) Net sales or total revenues	Nil	Nil	Nil
(b) Net income or (loss) before discontinued or extraordinary items: - total - per share undiluted - per share diluted*	 (166,046) (0.02)	 (154,740) (0.02)	 (97,231) (0.01)
(c) Net income or loss - total - per share undiluted - per share diluted*	 (125,731) (0.01)	 (351,385) (0.04)	 (97,231) (0.01)
(d) Total assets	435,537	506,983	854,125
(e) Total long-tem financial liabilities	Nil	Nil	Nil
(f) Cash dividends declared per share	Nil	Nil	Nil

* As the effect of any dilution is to reduce the reported loss per share, diluted loss per share information has not been shown.

3. Summary of Quarterly Reports

The following information is provided for the Company's last 8 quarterly fiscal periods:

	Quarter ended September 30/11 $	Quarter ended June 30/11 $	Quarter ended March 31/11 $	Quarter ended December 31/10 $	Quarter ended September 30/10 $	Quarter ended June 30/10 $	Quarter ended March 31/10 $	Quarter ended December 31/09 $
(a) net sales or total revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b) Gain (Loss) before Extraordinary items - total	7,270	(28,759)	(49,362)	(54,880)	(30,544)	(49,694)	(38,524)	(31,912)

- per share undiluted*	0.00	(0.01)	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)
(c) Net Gain (Loss)								
- Total	7,270	(28,759)	(49,632)	(54,880)	(231,255)	(49,694)	(38,524)	(31,912)
- Per share diluted*	0.00	(0.01)	(0.01)	(0.00)	(0.03)	(0.00)	(0.01)	(0.00)

*As the effect of dilution is to reduce the reported loss per share, fully diluted loss per share information has not been shown.

4. Results of Operation

Because the Company had no regular income or business operations in the Fiscal Year there can be no meaningful discussion and analysis of its financial performance during the Fiscal Year of the sort that would be possible with a company with a developed operating business or regular income.

The Company booked non-extraordinary expenses during the fiscal year of $166,096 (2010 - $154,740) – but received interest of $5,162, and $35,203 pursuant to BC mining tax credits, and therefore had a net loss for the year of $125,731 (2010 - $351,385).

Management resolved in the previous fiscal year to abandon the option that the Company had held on the Pat mineral property in British Columbia. Canadian accounting principles required that the Company write down to deficit the whole of the carrying value of the interest in the Company's books - $200,711. This extraordinary expense increased the Company's total expenses and net loss for the 2010 fiscal year by that amount – which was a non-recurring event.

The Company's expenses and loss for the year were not significantly different than in the 2010 fiscal year excluding the 2010 $200,711 Pat property write-down. In 2011 the Company booked a non-cash expense item of $22,068 in relation to its renewal of 170,000 share purchase options held by Directors which had expired.

5. Liquidity

As at September 30, 2011 the Company had $178,222 in cash on hand (2010 - $496,713) and working capital of $187,935 (2010 - $496,845). At January 27, 2012 it had cash on hand of $116,000.

6. Transactions with Related Parties

There have been no transactions with related parties in the Fiscal Year – except the following related party transactions which were recorded at their exchange amounts as agreed upon by the parties and on terms and conditions similar to transactions with non-related parties:

(a) The Company pays $5,000 per month for the management services of the President and Chief Executive Officer, Malcolm Powell. The payments are made to Mr. Powell's wholly owned private company. For the Fiscal Year the amount paid was $60,000 (2010 - $60,000).

(b) Carl Jonsson, the Company's Director and Corporate Secretary, acts as the Company's lawyer through his firm, Tupper Jonsson & Yeadon. All of the charges for Mr. Jonsson's services are invoiced by the firm. The legal fees paid to, or incurred with, the firm for the quarter ending September 30, 2011 totaled $1,855 (2010 - $3,475) and for the fiscal year totaled $15,245 (2010 - $13,850).

(c) The Company, pursuant to an informal agreement with a company which has common directors and officers, pays $1,500 per month for office services and facilities.

7. Other MD & A Requirements

(a) Additional information relating to the Company has been filed on SEDAR and is available at www.sedar.com.

(b) As the Company has not had any revenue from operations the following breakdown of general and administration expenses is provided.

	Year Ended September 30, 2010 $	Year Ended September 30, 2011 $
Office and miscellaneous:	19,937	29,661
Legal Fees:	14,641	15,520
Filing and Transfer Agent Fees:	9,572	15,723
Accounting and audit	19,875	23,000
Management fees:	60,000	60,000
Advertising & Promotion:	5,473	124
Property investigation and exploration	25,242	-
Totals:	157,740	144,028

(c) Breakdown of exploration costs for the Company's during the last two completed fiscal years:

	September 30, 2010	September 30, 2011
Consulting	17,608	15,317
Drilling	99,736	-
Geophysical survey	-	139,334
Other	-	1,243
Totals	117,344	155,894

(d) Outstanding share data:

(i) The Company has 8,850,000 common shares issued. The shares are all voting shares and rank equally with each other.

(ii) The Company has share purchase options outstanding as follows:

No.	Exercise Price	Expiry Date
680,000	$0.15	January 8, 2013
170,000	$0.15	October 18, 2015

The Company has no share purchase warrants outstanding.

8. Fourth Quarter

There were no events in the fourth quarter of the fiscal year which had any significant impact on the Company's financial condition, nor which could be considered extraordinary - except as are elsewhere disclosed in this document.

9. Financial and Other Instruments

As at September, 2011, the Company's financial instruments consist of cash and cash equivalents, accounts receivable and accounts payable. The fair values of these financial instruments approximate their carrying values because of their current nature.

10. Controls and Procedures

(a) As the Company is a venture issuer it is not required to certify the design and evaluation of its Disclosure Controls and Procedures and Internal Controls on Financial Reporting - and has not completed such an evaluation; and

(b) inherent limitations on the ability of the certifying officers to design and implement on a cost effective basis DC&P and ICFR for the Company may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

(c) The Company's ICFR has material weaknesses as it effectively has only two people – the CEO and the CFO – working on financial record-keeping and reporting. As a result, the Company does not have the number of people/staff that would be necessary to segregate the various accounting and book-keeping functions that are performed. Notwithstanding these weaknesses it is not considered that they have any impact on the Company's financial reporting or ICFR. Due to the small size of the Company and its very limited funds there are no plans, or actions undertaken, to remediate the material weaknesses.

11. Change in Accounting Policies including Initial Adoption and Recent Accounting Pronouncements Not Yet Adopted

In January 2009, the Accounting Standards Board ("AcSB") issued CICA Handbook Section 1582, Business Combinations, which replaces Section 1581, *Business Combinations*. The AcSB also issued Section 1601, *Consolidated Financial Statements*, and Section 1602, *Non-Controlling Interests*, which replace Section 1600, *Consolidated Financial Statements*. These new sections are based on the International Accounting Standards Board's ("IASB") International Financial Reporting Standard 3, *Business Combinations*. These new standards replace the existing guidance on business combinations and consolidated financial statements. These new standards require that most assets acquired and liabilities assumed, including contingent liabilities, to be measured at fair value and all acquisition costs to be expensed. These new standards also require non-controlling interests to be recognized as a separate component of equity and net earnings to be calculated without a deduction for non-controlling interests.

The objective of these new standards is to harmonize Canadian accounting for business combinations with the international and U.S. accounting standards. The new standards are to be applied prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011, with earlier application permitted. Assets and liabilities that arose from business combinations whose acquisition dates preceded the application of the new standards will not be adjusted upon application of these new standards.

The *Non-Controlling Interests* standard should be applied retrospectively except for certain items. The Company does not expect that the adoption of these standards will have a material impact on its financial statements.

International Financial Reporting Standards

Under the pronouncement issued by the CICA Accounting Standards Board in February 2008, effective for its fiscal year commencing October 1, 2011, the Company will be required to prepare interim and annual financial statements under International Financial Reporting Standards ("IFRS").

The Company will issue its first IFRS interim and annual financial statements for the fiscal year ending September 30, 2012, with restatement for comparative purposes the amounts reported by the Company for interim and annual fiscal 2011.

12. International Financial Reporting Standard ("IFRS") Changeover Plan

In February 2008, the Canadian Accounting Standards Board ("AcSB") confirmed the mandatory changeover date to IFRS for Canadian profit-oriented publicly accountable entitles such as the Company.

The AcSB requires that IFRS compliant financial statements be prepared for annual and interim financial statements for periods commencing on or after January 1, 2011. The first audited annual financial statements of the Company prepared in full compliance with IFRS will be for the year ending September 30, 2012, with comparative financial information for the year ended September 30, 2011. This means that all the opening balance sheet adjustments relating to the adoption of IFRS must be reflected in the October 1, 2010 opening balance sheet which will be issued as part of the comparative financial information in the December 31, 2011 unaudited interim financial statements.

The Company has identified IFRS versus Canadian GAAP differences and various policy choices available under IFRS and is currently following the conversion plan to complete the transition to IFRS. External parties have been engaged to assist with the Company's efforts.

There is no significant area of change expected under IFRS.

13. Risks and Uncertainties

Resources exploration is a speculative business and involves a high degree of risk which even a combination of professional evaluation and management experience may not eliminate. There is no certainty that expenditures made by the Company on the exploration of properties will result in discoveries of commercial quantities of minerals. Significant expenditures are required to locate and estimate reserves, and further the development of a property. Capital expenditures to bring a property to commercial production are also significant. There is no assurance that the Company will be able to arrange sufficient financing to bring a property into production. The following are some of the risks to the Company, recognizing that it may be exposed to other additional risks from time to time.

- Limited business history of the Company, including lack of revenues and no assurance of profitability
- Dependence on key management personnel
- Reliance on availability and performance of independent contractors
- Challenges by other unknown parties or Aboriginals to property titles
- Federal and provincial political risk
- Commodity price risk
- Financial markets

14. Environmental Risk Disclosure

Conducting mineral exploration activities also gives rise to a risk that environmental damage could be done - which, for the Company, would be principally:

(a) inadvertently causing a fire - which could become a forest fire - in the area of the exploration activities; or

(b) fuel or chemicals - or equipment containing fuel or chemicals - could spill or fall into a stream which could result in downstream damage to fish or fish habitat.

The Company, in engaging contractors to carry out exploration activities on its behalf, requires that the contractors commit to using industry-best practices to ensure that the work that they perform on behalf of the Company does not result in any environmental damage, and that they are equipped, in case environmental damage should occur, to immediately eliminate the risk or mitigate the damage. Nevertheless, as the work being done is under the control of independent contractors and not under full or constant supervision by representatives of the Company, activities could be undertaken by the contractors or their employees which would be considered environmentally hazardous or which could cause environmental damage.

The Company, through reports from its independent contractors and geologists that it has periodically on the site of work being done by the Company, is satisfied that the Company and the contractors engaged in the past have not caused any material environmental damage and that if the contractors have caused any non-material environmental damage it has been remediated promptly and effectively.

To the best of the knowledge of the Company's Management and Directors the Company is not subject to any potential existing environmental liabilities. The Company has therefore not set up in its financial statements any reserve against potential liability for environmental damage.