NUINSCO RESOURCES LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2012

DATED NOVEMBER 7, 2012

NUINSCO RESOURCES LIMITED

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For the Three and Nine Months Ended September 30, 2012

The following discussion of the results of operations and financial condition of Nuinsco Resources Limited ("Nuinsco" or "the Company") prepared as of November 7, 2012 consolidates management's review of the factors that affected the Company's financial and operating performance for the three and nine months ended September 30, 2012, and factors reasonably expected to impact on future operations and results. This discussion is intended to supplement and complement the Company's unaudited condensed consolidated financial statements as at and for the three and nine months ended September 30, 2012 and 2011 ("Unaudited Condensed Consolidated Financial Statements") and the notes thereto which were prepared in accordance with International Financial Reporting Standards ("IFRS" or "GAAP").

Certain information and discussion included in this Management's Discussion & Analysis ("MD&A") constitutes forward-looking information. Readers are encouraged to refer to the cautionary notes contained in the section Forward-Looking Statements at the end of this MD&A.

Readers are also encouraged to consult the audited consolidated financial statements for the years ended December 31, 2011 and 2010 ("2011 Audited Consolidated Financial Statements"). The Unaudited Condensed Consolidated Financial Statements and the 2011 Audited Consolidated Financial Statements are available at www.sedar.com and at the Company's website www.nuinsco.ca. All amounts disclosed are in Canadian dollars unless otherwise stated. All tabular amounts are in thousands of Canadian dollars.

NATURE OF OPERATIONS

Nuinsco is focused on identifying and exploiting mineral investment opportunities worldwide using its exploration programs and operating and financial expertise. The Company currently has gold, uranium, phosphate, rare metals and copper assets in world-class mineralized belts in Canada's provinces of Saskatchewan, Ontario and Québec and in Turkey. In addition to its property holdings, Nuinsco owns a 50% interest in CBay Minerals Inc. ("CBay"), a private company that has a dominant position in Québec's Chibougamau mining camp with assets including a permitted mill, tailings facility, eight past-producing copper/gold mines and a 96,000 acre land position.

The Company continues to achieve positive results from its Diabase Peninsula project and the Prairie Lake complex and in 2011 achieved a milestone along with Ocean Partners Investments Limited ("Ocean Partners") by successfully bidding for the assets of the prolific Chibougamau mining camp in northern Québec through the court-supervised CCAA process. In 2012, a 2,000 metre drill program was completed at the Diabase Peninsula uranium project in Saskatchewan and additional testing has been performed which has established that a marketable phosphate concentrate can be produced at Prairie Lake. An exploration program at Chibougamau has commenced in 2012 and will continue in 2013.

In addition to its property holdings, Nuinsco owns common shares of Victory Nickel Inc. ("Victory Nickel") TSX:NI and common shares of Coventry Resources Limited ("Coventry") listed on the Australian Stock Exchange ("ASX") ASX:CVY. These assets are available to be monetized to finance the Company's exploration programs, operating costs and reduce equity dilution to shareholders. On September 27, 2012, the Company sold its royalty interest in the Cameron Gold project for US$5,100,000.

Shares of Nuinsco trade on the Toronto Stock Exchange ("TSX") under the symbol NWI.

Notwithstanding the significant improvement in the Company's financial condition, it is subject to the risks and challenges experienced by other companies at a comparable stage. These risks include, but are not limited to, continuing losses, dependence on key individuals and the ability to secure adequate financing or to complete corporate transactions to meet the minimum capital required to successfully complete its projects and fund other operating expenses. Advancing the Company's projects through exploration and development to the production stage will require significant financing. Furthermore, the Company has received reassessments from the Canada Revenue Agency ("CRA") as described in Note 26 to the Unaudited Condensed Consolidated Financial Statements. Given the current economic climate, the ability to raise funds may prove difficult. Refer to the Risks and Uncertainties and Liquidity and Capital Resources sections for additional information.

None of the Company's projects has commenced commercial production and, accordingly, the Company is dependent upon debt and/or equity financings and the optioning and/or sale of resource or resource-related assets for its funding. The recoverability of the carrying value of exploration and evaluation projects, and ultimately the Company's ability to continue as a going concern, is dependent upon exploration results which indicate the potential for the discovery of economically recoverable reserves and resources, the Company's ability to finance exploration of its projects through debt or equity financings and the optioning and/or sale of resource or resource-related assets such as royalty interests for its funding.

The Company has made significant progress in its strategy to maximize the realization of previously written-down amounts due from Campbell Resources Inc. ("Campbell"). On June 28, 2011, the Company announced that the Québec Superior Court had approved the joint proposal of Nuinsco and Ocean Partners and as a result directed the receiver to transfer ownership of all exploration, mining, processing and other assets located in and near Chibougamau, Québec. Effective October 25, 2011, ownership of this suite of assets was transferred to CBay, a jointly-owned company.

The Company's Unaudited Condensed Consolidated Financial Statements have been prepared using the going concern assumption which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. If the going concern assumption were not appropriate, then adjustments to the carrying values of assets and liabilities, reported expenses and balance sheet classifications may be necessary. These adjustments could be material. As at September 30, 2012, the Company had working capital of $4,454,000 (December 31, 2011 – working capital of $1,138,000). Working capital is defined as current assets including assets held for sale less current liabilities, excluding restricted cash, if any.

On August 10, 2012, the Company signed a non-binding indicative term sheet for a $2,500,000 loan facility (the "Facility") which is subject to customary conditions for a financing of this type. The terms of the Facility have been amended slightly during the documentation process with expected conditions as follows. The Facility is structured as a standby facility of $2,500,000 and the entire balance is repayable after 18 months with an additional extension period of six months available upon issuance of 3% of the amount payable in CBay shares owned by Nuinsco. A facility fee of 2% of the Facility is payable in cash at closing along with a 5% equity bonus in the form of the Company's shares; interest of 11.5% per annum is payable quarterly in arrears. The Facility will be secured by a first ranking pledge upon Nuinsco's CBay shares. The Company expects to complete the documentation shortly.

SIGNIFICANT EVENTS

During and subsequent to the nine months ended September 30, 2012, the Company:

Corporate

- Postponed the NuMENA Minerals Corp. ("NuMENA") spinoff initiative indefinitely due to political uncertainty in the Middle East North Africa ("MENA") region.
- Completed a flow-through financing, raising gross proceeds of $1,000,000; which is primarily slated for exploration of the Company's new projects in and near Chibougamau, Québec.
- Appointed Roland Horst as CEO of CBay to lead the restructuring and exploitation of the Chibougamau mining assets.
- Entered into a management agreement with CBay.
- Signed a non-binding term sheet for the Facility of $2,500,000; documentation is underway.

Gold

- Advised the Egyptian Mineral Resources Agency ("EMRA") that the Company would not continue to pursue tenure of two concessions in Egypt.
- Elected not to exercise option on the J. Tobrar gold concession in north-eastern Sudan.
- Sold Cameron Gold project royalty for US$5,100,000.
- Sold Eastmain royalty through CBay.
- Commenced an exploration program, including data management and evaluation, ground geophysics and drilling on CBay's Chibougamau gold properties.

Copper

- Announced 2012 drill program and its commencement at Berta in Turkey by its joint venture partner Xstrata Copper Canada ("Xstrata").
- Elected to surrender interest in the Elmalaan copper/zinc project in Turkey.

- Filed updated NI 43-101 mineral resource estimate for CBay's Corner Bay copper deposit in Québec.

Uranium, Phosphorus and Rare Metals

- Repurchased the 2% royalty interest on Prairie Lake for $300,000 of Nuinsco shares making the property royalty-free.
- Conducted a 1,500 metre drilling program at Diabase Peninsula targeting uranium mineralization indicated by strong uranium anomalies and deposit indicators from past work.
- Diluted Trend Mining Company of Denver ("Trend") to a royalty interest in Diabase Peninsula with the 2012 drill program.
- Advanced metallurgical studies at Prairie Lake; results demonstrate the ability to produce a marketable phosphate concentrate grade.
- Announced the extension of the Diabase Peninsula Uranium project agreement and option payment for one year with additional extension available.
- Announced drill results from the Diabase Peninsula Uranium project which provide further support for the potential of a significant mineral occurrence.

OUTLOOK

The European financial situation, the perceived slow-down in China and the unrest in the Middle East all continue to cause a lack of confidence in the investment community. The U.S. elections are finally over and hopefully the newly elected government will find a way to revive the economy and bring stability back to the equity markets.

As we wait for greater certainty and investor confidence to firm up, Nuinsco must continue its business activities, taking into consideration the tightness of funding. We have implemented a program to ensure that only essential expenditures are made. Unless immediate return can be measured, the expenditure is not permitted. The Company will mainly focus on cash-generating opportunities in the short-term to provide the funding necessary to continue our exploration activities. Exploration programs will be developed to best utilize the flow-through financing commitments to be spent before the end of 2013.

Chibougamau

The Chibougamau assets represent a very substantial presence in a mining camp which has produced 1.6 billion pounds of copper and 3.2 million ounces of gold from 18 past-producing mines. CBay owns:

- eight past-producers on the Lac Doré fault and the significant potential to add to the known mineralization at these projects;
- one partially-developed high-grade copper mine - the Corner Bay Mine;
- a permitted 2,722 tonnes per day mill and tailings facility; and
- in excess of 96,000 acres of highly-prospective exploration property.

Management has always believed that the Chibougamau properties provide not only production opportunities but also extremely attractive exploration potential. Given the paucity of exploration on these properties in the past 20-30 years the old adage that "the best place to look for new ore is in the shadow of a head frame" was never more apt than in Chibougamau. As such, Nuinsco has initiated an exploration program in the Chibougamau mining camp, initially focused on gold prospects.

An updated NI 43-101 report on CBay's Corner Bay mine has been completed along with an independent study of the metallurgical facilities to establish the cash requirements to get the mill back into production. The next step will be to prepare a report on the cost to complete the development of Corner Bay and to quantify the cost of reopening past-producers, with initial consideration going to the Cedar Bay gold mine. With this, a plan on how best to get back into production will be prepared.

Prairie Lake

At Prairie Lake, discussions have started with potential partners in the fertilizer business to establish the viability of taking the project further. Indications are that the quality of the phosphate concentrate could be attractive to the industrial market, a higher-value market, rather than the fertilizer market. However, in addition, aspects of niobium-tantalum mineralization and metallurgy will continue to be examined.

Diabase Peninsula
On the uranium front, the Company's Diabase Peninsula project in the Athabasca Basin of Saskatchewan continues to gain prominence. We recently released results from the 2011/2012 drill program and also announced an extension to the purchase option agreement. Although the drill results were not what we had hoped for, they were not disappointing and support continuation of the program. An exploration program is being prepared for presentation to the board of directors at the 2013 budget meetings in December.

Turkey
At the Berta project, Xstrata, our joint venture partner, has started a drill program with a proposed 7,500 metres of drilling to be completed this year. The 2012 program cost is approximately US$2,672,000 of which Nuinsco's proportionate share is US$953,000, should the Company agree to participate. Xstrata's expenditure on this program to the end of October has been approximately $1.1 million.

Overall
Nuinsco is fortunate to have always had numerous very attractive projects in a variety of world class locations. While today's confused equity markets persist, management believes that the significant disconnect between share price and asset value cannot last. The recent lack of funding available for the exploration activities required to replace global resources which are being depleted at an exponential rate to fuel growing demand for natural resources will hopefully result in a recovery as the availability of advanced exploration projects disappears due to this lack of funding.

Unfortunately, financing exploration activities during recessionary and unsettled times has always been difficult. Exploration is high-risk and investors are disinclined to participate in such activities when cash is tight.

The Company recognizes that its liquidity is strained due to the lack of cash available from the equity markets, notwithstanding the recent royalty sales. This situation is not unique to Nuinsco, as valuations and trading volumes of junior exploration companies are generally low at the present time. Management will carefully monitor all expenditures and selectively reduce exploration programs, if necessary, until financing is available. We will consider all funding sources with a view to minimizing dilution to our existing shareholders as we wait for appropriate asset valuations to return to the market. The recent sale of two royalties the company held on other companies' projects (one through CBay) is an example of other opportunities to fund Nuinsco's activities without issuing equity and diluting our shareholders' interests in the Company's assets. As a result of these transactions, at the end of September 2012, Nuinsco's working capital position is quite strong relative to other companies in the exploration business.

RESULTS OF OPERATIONS
Three Months Ended September 30, 2012 Compared With Three Months Ended September 30, 2011
In the three months ended September 30, 2012, the Company had net income of $1,717,000, or $0.01 per share, compared with a net loss of $463,000 or $0.00 per share in the three months ended September 30, 2011. The principal reason for the increase in net income is due to the gain on sale of royalty interest on Coventry's Cameron Gold Project located southeast of Kenora in northwestern Ontario. The royalty interest was sold for cash proceeds of US$5,100,000.

General and administrative expenses in the three months ended September 30, 2012 decreased to $289,000 from $400,000 in the three months ended September 30, 2011. There were non-recurring costs in the three months ended September 30, 2011; the Company incurred tax services fees to support the challenge of the CRA reassessment, costs to support the protection of the Company's interests in Chibougamau and bonuses were paid to officers of the Company. Other costs that decreased between the comparative periods include discretionary investor and public relations spending; these decreases were partly offset by an increase in rent.

Furthermore, Nuinsco entered into a management agreement with CBay in 2012. As a result of this, fixed costs are now spread across an additional party and, due to proportionate consolidation of CBay, 50% of these costs are borne by Ocean Partners. Decreases in costs were partly offset by increases in CBay spending on Chibougamau that is proportionately consolidated.

Effective August 1, 2012, senior management had accepted a 25% average salary deferral until the Company's circumstances improved. These salary deferrals were paid during October, 2012 and cash salaries returned to the pre-deferral levels. Note that Nuinsco did not implement an across-the-board salary increase for 2012; executive salaries for the Company remained at 2011 levels.

Overhead recoveries through charges to Victory Nickel and CBay for services under the management agreement and deducted from operating expenses amounted to $130,000 and $66,000, respectively, in the three months ended September 30, 2012, compared with $197,000 and $nil in the same period of 2011; Victory Nickel charged the Company $6,000 in the current quarter of 2012; there were no such charges in 2011. Costs allocated to Victory Nickel and CBay pursuant to the management agreements between the Company and Victory Nickel and CBay are activity related. Such amounts are recorded at the cost to the Company of such services plus 10%. The decrease in costs allocated to Victory Nickel is primarily a function of a reduced proportion of fixed costs being allocated because of the allocation to CBay during 2012 that was not in place in 2011. The management agreement with CBay commenced on February 14, 2012.

It is estimated that approximately $85,000 of general and administrative expenditures were incurred in supporting the Company's public status in the three months ended September 30, 2012 (September 30, 2011 - $121,000). Such costs are largely non-discretionary and are weighted to the beginning of a financial year because of audit and other compliance requirements. The change is mainly related to the decreased spending in investor and public relations costs and higher allocation of fixed costs under management agreements now spread across an additional party as described above.

The most significant change during the three months ended September 30, 2012 is the gain on sale of royalty interest of $1,992,000; there were no such sales in 2011. On September 27, 2012, the Company sold its 3% net smelter return royalty on Coventry's Cameron Gold Project for US$5,100,000. The royalty interest was previously recorded at its fair value of $3,000,000 as at June 30, 2012; the gain is also a function of exchange rate differences as well as minor legal costs.

In September 2012, the Company sold all of its holdings of Campbell shares that were previously written down to $nil for $30,000; this was recorded as a recovery of provision for Chibougamau.

Other comprehensive income ("OCI") in the three months ended September 30, 2012 of $337,000 (September 30, 2011 – loss of $111,000) relates to an increase of $337,000 (September 30, 2011 – decrease of $111,000) in the market value of the Company's financial assets at fair value through OCI. The improvement in 2012 is primarily from Coventry shares held by the Company.

Sales of securities in the period generated proceeds of $134,000 (three months ended September 30, 2011 – sales generated proceeds of $158,000). Note that the fair value of Coventry shares is impacted by the fluctuation in the value of the Australian Dollar ("A$"). An approximate loss of $17,000 of the OCI related to Coventry is attributable to exchange rate fluctuations during the three months ended September 30, 2012 (September 30, 2011 – loss of $30,000).

The Company has capital loss pools available to it (Note 15 to the 2011 Audited Consolidated Financial Statements). Since the Company has an unrecognized deferred tax asset for such capital losses, any future income taxes with respect to marketable securities and recorded through OCI has an equal and opposite amount recorded through operations. In 2012, the pool of marketable securities has been below cost so no income taxes have been recorded.

A discussion of the more significant changes not addressed in other sections of this MD&A is as follows:

Marketable securities as at September 30, 2012 consist of the Company's financial assets at fair value through OCI. The Company presently has no financial assets recorded at fair value through operations. Any volatility in the market value of shares will be recorded through OCI whether generated from sales or unrealized market changes. The value of marketable securities as at September 30, 2012 decreased to $1,053,000 from $1,531,000 as at December 31, 2011 as a result of significant declines in the market value of financial assets combined with sale of shares during 2012.

Property and equipment decreased to $1,036,000 from $1,443,000 as at December 31, 2011 mainly due to the disposal by CBay of a truck, backfill plant, house and other equipment. As described earlier, the Company, through its 50% interest in CBay, now owns significant production, development and exploration assets in the Chibougamau mining camp in northern Québec.

Royalty interest on Coventry's Cameron Gold Project was sold on September 27, 2012 as described earlier.

Share capital has increased by $824,000 to $98,019,000 as at September 30, 2012. This is primarily as a result of flow-through shares issued pursuant to private placements that generated gross proceeds of $1,000,000 in February and March 2012 before allocation to warrants and flow-through premium liability. Also, in the first quarter of 2012, shares were issued with a fair value of $300,000 to acquire the royalty on the Prairie Lake property and, in the third quarter, $38,000 to extend the option payments on the Diabase property. Refer also to discussion under Liquidity and Capital Resources.

Nine Months Ended September 30, 2012 Compared With Nine Months Ended September 30, 2011

In the nine months ended September 30, 2012, the Company had net income of $753,000, or $0.00 per share, compared with a net loss of $2,288,000, or $0.01 per share, in the nine months ended September 30, 2011. The principal reasons for the change are the gain on sale of royalty interest in 2012, as described earlier, combined with decreased general and administrative expenses and share-based payments, and an increase in finance income as described below.

Other income in the nine months ended September 30, 2012 of $119,000 was from the Company's proportionate share of CBay's gold sales from a clean-up of the Copper Rand mill. In the nine months ended September 30, 2011, the Company earned a non-refundable fee of $100,000 related to due diligence performed by a third party on the Chibougamau assets.

General and administrative expenses in the nine months ended September 30, 2012 decreased to $1,092,000 from $1,530,000 in the nine months ended September 30, 2011. There were non-recurring costs in the nine months ended September 30, 2011; the Company incurred tax services fees to support the challenge of the CRA reassessment, costs to support the protection of the Company's interests in Chibougamau and bonuses were paid to officers of the Company. Other costs that decreased between the comparative periods include discretionary investor and public relations spending; these decreases were partly offset by an increase in rent.

Furthermore, Nuinsco entered into a management agreement with CBay in 2012. As a result of this, fixed costs are now spread across an additional party, as described earlier and, due to proportionate consolidation of CBay, 50% of these costs are borne by Ocean Partners. Decreases in costs were partly offset by increases in CBay spending on Chibougamau that is proportionately consolidated.

Overhead recoveries through charges to Victory Nickel and CBay for services under the management agreement and deducted from operating expenses amounted to $501,000 and $180,000, respectively, in the nine months ended September 30, 2012, compared with $609,000 and $nil in the same period of 2011; Victory Nickel charged the Company $21,000 in the current period in 2012, there were no such charges in 2011. Costs allocated to Victory Nickel and CBay pursuant to the management agreements between the Company and Victory Nickel and CBay are activity related. Such amounts are recorded at the cost to the Company of such services plus 10%. The decrease in costs allocated to Victory Nickel is primarily a function of a reduced proportion of fixed costs being allocated to Victory Nickel because of the agreement with CBay during 2012 that was not in place in 2011. The management agreement with CBay commenced on February 14, 2012.

It is estimated that approximately $466,000 of general and administrative expenditures were incurred in supporting the Company's public status in the nine months ended September 30, 2012 (September 30, 2011 - $520,000). Such costs are largely non-discretionary and are weighted to the beginning of a financial year because of audit and other compliance requirements. The change is mainly related to the decreased spending in investor and public relations costs and higher allocation of fixed costs under management agreements now spread across an additional party as described above.

Share-based payments related to options decreased to $343,000 in the nine months ended September 30, 2012, from $557,000 in the nine months ended September 30, 2011. This is a function of the lower fair value of options issued in 2012 compared to 2011. The value assigned to the stock options was calculated using the Black-Scholes option-pricing model as explained in Note 19 to the Unaudited Condensed Consolidated Financial Statements.

In 2011, the Board approved the issuance of 112,000 shares pursuant to the Share Bonus Plan as described in the Company's 2011 Audited Consolidated Financial Statements. The shares were issued to officers of the Company for completion of the IFRS project at a fair value of $0.15 per share, which was recorded as other share-based payments of $17,000. No bonus shares were issued during the nine months ended September 30, 2012.

The Company separates its pre-exploration write-offs from its writedowns of exploration and evaluation projects in the consolidated statement of operations. In the nine months ended September 30, 2012, pre-exploration expenditures amounted to $10,000. Routine write-offs of pre-exploration expenditures in the nine months ended September 30, 2011 aggregated $139,000 and related primarily to initial work in Sudan.

In the nine months ended September 30, 2012, the Company recorded an aggregate writedown of exploration and evaluation projects of $79,000. This includes $39,000 in respect of Egyptian properties and $40,000 with respect to the J. Tobrar project in Sudan. The writedown for Egypt includes a $16,000 provision for impairment against amounts due from the Company's Egyptian partner, being the partner's share of expenditures financed by Nuinsco. These amounts relate to expenditures that were incurred in 2012 prior to the decision to write off the respective properties; these are in addition to the main write-offs which were taken in the fourth quarter of 2011 – Egypt $803,000 and J. Tobrar $719,000. There were no writedowns in the nine months ended September 30, 2011.

Net finance income increased to $144,000 in the nine months ended September 30, 2012 from *Net finance costs* of $30,000 in the nine months ended September 30, 2011. *Finance income* of $161,000 was earned in the nine months ended September 30, 2012 compared with $63,000 in the same period of 2011. This is primarily due to amortization of the flow-through premium of $150,000 in the nine months ended September 30, 2012 compared with $60,000 in the same period of 2011.

As at September 30, 2012, the Company had a remaining flow-through premium liability to be amortized through finance income of $342,000 from the flow-through financings that were completed in 2011 and 2012. As at September 30, 2011, the Company had a remaining flow-through premium liability of $171,000 related to the flow-through financings that were completed in 2011. Note 14 to the Unaudited Condensed Consolidated Financial Statements includes an analysis of the flow-through premium liability.

Finance costs of $17,000 were incurred during the nine months ended September 30, 2012, compared with $93,000 in the same period of 2011. The Company recognized a net foreign exchange loss of $74,000 in 2011. The Company made dilution adjustments in the second quarter of 2011 with respect to the Berta project. As reported in prior MD&As, the dilution adjustment reduced the carrying cost of the Berta project, accounts payable and foreign exchange. As the capitalized expenditures were recorded in periods where the Canadian dollar was weaker relative to the US$, an exchange loss of $63,000 was recorded during the second half of 2011.

As at September 30, 2012, the Company had a US$-denominated cash balance of US$4,105,000 as a result of the sale of the royalty interest. Consequently, one might expect future foreign exchange gains or losses to be more significant.

The most significant change during the nine months ended September 30, 2012 is the gain on sale of royalty interest of $1,992,000, as described earlier; there were no such sales in 2011. In September 2012, the Company sold all of its holdings of Campbell shares that were previously written down to $nil for $30,000; this was recorded as a recovery of provision for Chibougamau.

The *Income tax expense* in the amount of $105,000 recorded in the nine months ended September 30, 2011 reflects tax expense matching the recovery of taxes recorded through OCI on the change in value of financial assets at fair value through OCI. The Company has an unrecognized deferred tax asset. When the Company's pool of marketable securities is in excess of its cost, a tax provision is recorded in OCI with an equal tax recovery through operations. As the excess reduces, the tax provision in OCI is reversed as a recovery and an equal tax provision is recorded through operations. No adjustments are made to the unrecognized deferred tax asset and no income tax recovery is recorded through OCI that is not related to a reversal of a previously-recorded provision.

Other comprehensive loss in the nine months ended September 30, 2012 of $372,000 (September 30, 2011 – $1,269,000) relates to a decrease of $372,000 (September 30, 2011 – $1,374,000) in the market value of the Company's financial assets at fair value through OCI, partially offset with an income tax recovery recorded through OCI of $nil (September 30, 2011 – $105,000).

The net change in the fair value of financial assets through OCI comprised of a net decrease in the fair value of the Company's shareholdings in various public companies combined with sales of securities in the period that generated proceeds of $136,000 (nine months ended September 30, 2011 – sales generated proceeds of $1,925,000). Note that the fair value of Coventry shares is impacted by the fluctuation in the value of the A$. An approximate net loss of $20,000 of the OCI related to Coventry is attributable to exchange rate fluctuations during the nine months ended September 30, 2012 (September 30, 2011 – net loss of $33,000).

The Company has capital loss pools available to it (Note 15 to the 2011 Audited Consolidated Financial Statements). Since the Company has an unrecognized deferred tax asset for such capital losses, any future income taxes with respect to marketable securities and recorded through OCI has an equal and opposite amount recorded through operations. In the nine months ended September 30, 2011, an income tax recovery of $105,000 was recorded with an offsetting amount recorded through operations. In 2012, the pool of marketable securities has been below cost so no income taxes have been recorded.

SUMMARY OF QUARTERLY RESULTS

Selected financial information for each of the last eleven quarters ended September 30, 2012 is as follows:

Fiscal year 2012		3rd Quarter	2nd Quarter	1st Quarter
Net finance income		$ 14	$ 34	$ 96
Net income (loss)		$ 1,717 [1]	$ (492)	$ (472)
Total comprehensive income (loss)		$ 2,054 [2]	$ (1,219) [3]	$ (454)
Income (loss) per share - basic and diluted		$ 0.01	$ (0.00)	$ (0.00)
Fiscal year 2011	**4th Quarter**	**3rd Quarter**	**2nd Quarter**	**1st Quarter**
Net finance income (costs)	$ 7	$ (13)	$ (68)	$ 51
Net loss	$ (2,115) [4]	$ (463)	$ (817) [6]	$ (1,008) [8]
Total comprehensive loss	$ (2,597) [5]	$ (574)	$ (1,908) [7]	$ (1,075)
Loss per share - basic and diluted	$ (0.01)	$ (0.00)	$ (0.00)	$ (0.00)
Fiscal year 2010	**4th Quarter**	**3rd Quarter**	**2nd Quarter**	**1st Quarter**
Net finance income (costs)	$ 366 [9]	$ (66)	$ (182)	$ 13
Net income (loss)	$ 58	$ (1,179) [11]	$ (1,404) [13]	$ (1,116) [15]
Total comprehensive income (loss)	$ 1,266 [10]	$ (155) [12]	$ (2,535) [14]	$ (1,004)
Income (loss) per share - basic and diluted	$ 0.00	$ (0.01)	$ (0.01)	$ (0.00)

(1) Net income includes the gain on sale of royalty interest of $1,992,000.
(2) Total comprehensive income includes a net increase in the value of marketable securities of $337,000.
(3) Total comprehensive loss includes a decrease of $727,000 in the fair value of marketable securities through OCI.
(4) Includes writedown of Sudan of $719,000, writedown of Egypt of $803,000 and writedown of Elmalaan of $1,100,000 offset by a recovery of provision for Chibougamau of $870,000.
(5) Includes items referred to in (4) as well as decrease in value of marketable securities of $482,000.
(6) Net loss includes $122,000 of pre-exploration write-offs.
(7) Total comprehensive loss includes a decrease of $1,171,000 in the fair value of financial assets at fair value through OCI.
(8) Net loss includes $489,000 of share-based payments.
(9) Net finance income includes $356,000 premium on flow-through financing.
(10) Includes an increase of $1,320,000 in the fair value of financial assets at fair value through OCI, partly offset by incomes taxes of $85,000.
(11) Includes a writedown of exploration and evaluation projects of $606,000, related to the Triggs option in the Olympian project.
(12) Includes an increase of $997,000 in the fair value of financial assets at fair value through OCI.
(13) Reflects a non-cash future income tax provision of $1,260,000, refer to (14) below and a $556,000 recovery on exploration and evaluation projects, some of which reverses the writedown described in (15).
(14) Includes a decrease of $1,131,000 in the fair value of financial assets at fair value through OCI.
(15) Includes $228,000 of share-based payments, $298,000 writedown of exploration and evaluation projects and $158,000 pre-exploration write-offs related to IFRS changes (Note 32 to the 2011 Audited Consolidated Financial Statements).

Variations in the quarterly results of operations are largely a function of the timing of property and other writedowns, gains on sales of properties, income tax recoveries or the recording of flow-through premiums. Variations in comprehensive income are primarily a function of the changes in the fair values of the Company's marketable securities.

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2012, the Company had working capital of $4,454,000 (December 31, 2011 – working capital of $1,138,000). The improvement has occurred because of the sale of the royalty interest which was included as a long-term asset as at December 31, 2011. This sale has provided liquidity during this period when equity financings are difficult, portfolios of marketable securities are being undervalued and trading volumes of most junior companies are depressed. With lower trading volumes, marketable securities are not as saleable as they have been in the past.

The Company generated cash and cash equivalents of $4,137,000 during the nine months ended September 30, 2012, compared with cash used of $323,000 during the nine months ended September 30, 2011.

In the nine months ended September 30, 2012, the Company used cash of $1,012,000 in operating activities, compared with $1,768,000 in the previous comparable period. The Company has no recurring sources of revenue and no regular operations and the change in non-cash working capital in the nine months ended September 30, 2012 used $29,000, compared with $63,000 in the same period in 2011.

Investing activities in the nine months ended September 30, 2012 generated funds of $4,251,000, compared with funds used of $1,195,000 in the same period in 2011. On September 27, 2012, the Company sold its royalty interest on Coventry's Cameron Gold Project for US$5,100,000, resulting in cash proceeds of $5,003,000. During the nine months ended September 30, 2012, CBay sold a truck, backfill plant, house and other equipment; the Company's share of the proceeds on these sales was $392,000. There were no similar sales in 2011.

Expenditures on exploration and evaluation projects amounted to $1,730,000 in the nine months ended September 30, 2012, compared with $3,090,000 in the same period of 2011; there were more exploration programs in 2011. Refer to the Exploration and Evaluation Activities section for additional discussion. Also in 2012, the Company received $450,000 as its share of proceeds on CBay's sale of the Eastmain royalty. The proceeds will help fund ongoing administrative support and monthly expenditures incurred by CBay.

During the nine months ended September 30, 2012, the Company received gross proceeds of $136,000 on the sale of shares (2011 - $1,925,000). Shares were sold for liquidity purposes; as described above, the adverse market conditions have impacted the proceeds on sales as well as future potential proceeds.

Cash generated from financing activities was $898,000 in the nine months ended September 30, 2012, compared with $2,640,000 in the same period of 2011. On January 23, 2012, the Company issued 7,142,858 flow-through units at a subscription price of $0.14 per unit generating net proceeds of $910,000. Each unit comprised one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at an exercise price of $0.20 for a period of 18 months from closing; the market for flow-through financing deteriorated significantly over the period. In the first quarter of 2012, the Company also issued 3,157,894 shares to acquire the royalty on the Prairie Lake property and incurred $12,000 in share issue costs on this transaction.

On January 10, 2011, the Company completed a private placement financing of 3,125,000 units of securities at a price of $0.16 per unit generating net proceeds of $493,000. Each unit comprised one common share and one-half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one common share at an exercise price of $0.22 for a period of 24 months from closing. In July and August, 2011, the Company completed another private placement financing of 10,000,000 units of securities at a price of $0.15 per unit generating net proceeds of $1,435,000. Each unit comprised one common share and one-half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one common share at an exercise price of $0.20 for a period of 24 months from closing.

Other cash consideration received in the nine months ended September 30, 2011 was from the exercise of warrants and options as follows: 7,062,064 warrants that were issued pursuant to the rights offering in 2009 were exercised for an aggregate consideration of $706,000 and 75,000 options were exercised for aggregate consideration of approximately $6,000.

Table of Contractual Commitments

	Due Date	September 30, 2012		December 31, 2011	
Flowthrough expenditures outstanding	December 31, 2012	$	251,000	$	1,668,000
	December 31, 2013	$	975,000		n/a
Diabase extended option payment	Within one year	$	37,400		n/a
Diabase option payment	September 2, 2013	$	935,000		
	(Additional extension is provided for in the extension agreement)				
	September 2, 2012			$	935,000
Long-term liability	Refer to Note 15 in the Unaudited Condensed Consolidated Financial Statements				
		$	300,000	$	300,000
Operating lease - premises	Refer to Note 16 in the Unaudited Condensed Consolidated Financial Statements				

As at September 30, 2012, the Company had a remaining flow-through commitment outstanding for flow-through share financings in 2011 and 2012 of $251,000 and $975,000, respectively. The Company's exploration program in Chibougamau will fulfil the 2011 commitment at least. The 2012 flow-through commitment must be fulfilled by the end of 2013.

As described above, management is continuing to actively pursue additional ways to realize on the potential of its assets or secure financing in order to continue to provide funds for operations in light of the current difficult economic circumstances. Flow-through financings do not provide the funding necessary to meet corporate or foreign expenditures which do not qualify for flow-through eligibility. The significant cost to maintain and comply with regulatory requirements for the Company's public listing cannot be financed with flow-through shares. Cash received from the Company's warrants and options as well as from sales of marketable securities are "hard" dollars and can be utilized without restriction; however, most of these are not "in-the-money".

The expected Facility of $2,500,000 which is under documentation (described more fully earlier) will provide the Company with additional flexibility. The Company does not enter debt arrangements without careful consideration of alternatives and ramifications. We are fortunate to have assets to support short-term debt arrangements. Whilst securing funds has been important, the Company and management continue to be mindful of reducing present and future outflows.

With the acquisition of the royalty on the Prairie Lake property by issuing common shares, the Company has eliminated any future cash royalty obligations on the property, thereby improving its future economics. Alternatively, this could provide the Company with an opportunity to realize cash through the sale of a new royalty on the property.

In order to maintain the option on one of the Diabase Peninsula claims, the Company must make an option payment of approximately $935,000. In May, 2012, the Company announced an extension with the option holder on one of the claims, to extend that option for one year in exchange for four quarterly cash payments of $9,350 plus one payment of $37,600 in the fair value of the Company's shares. Accordingly, the option payment of approximately $935,000 originally due by September 2, 2012 has been deferred to September 2, 2013. The terms include an option to extend this agreement and payment further. The shares were issued in July, 2012.

Managing in challenging times takes as much, if not more, senior management effort. However, senior management of Nuinsco had agreed, effective August 1, 2012, to accept salary deferrals of an average of 25% until financial conditions improve. As a result of the improvement in the Company's financial condition, because of the sale of the royalty interest, salary deferrals were paid in October 2012 and senior management cash salaries returned to pre-deferral levels. Directors had also accepted deferral of directors' fees until circumstances improved. Such fees aggregating $191,000 and included in *Trade and Other Payables* were also paid in October 2012.

The Company has a corporate policy of investing its available cash in cash equivalents comprising Canadian government instruments and certificates of deposit or other direct obligations of major Canadian banks, unless otherwise approved by the Board. The portfolio of marketable securities is available to fund the Company's activities. Since September 30, 2012, markets have continued to be difficult.

As at December 31, 2011, the average price of the Company's portfolio of marketable shares was $0.096 per share. As at March 31, 2012, this had increased by 2.1% to $0.098 per share. By June 30, 2012, the average price was $0.052 which represented a decline of 47% from March 31, 2012 values. As at September 30, 2012, the average price had partly recovered to $0.074 per share or a 42% increase from June 30, 2012. Whilst this is by no means a statistically valid analysis, it indicates the challenges being faced by the Company in volatile markets. From December 31, 2011 to September 30, 2012, the Company's shares have (based on closing prices) gone from $0.08 to $0.05.

The total market value of the Company's marketable securities as at November 7, 2012, is approximately $1,095,000. These are available to fund the Company's ongoing operations. The market value can go down as well as up. Trading volumes continue to be suppressed and it is generally acknowledged that equities are being undervalued.

As described above, exploration companies such as Nuinsco are heavily reliant upon the equity markets to fund their activities as they typically have no short-term sources of revenue other than through monetization of assets. Opportunities available to Nuinsco for financing would normally be through private placements in the equity markets. However, today's equity markets continue to make this alternative difficult if not impossible without incurring significant dilution to existing shareholders.

On September 27, 2012, the Company sold its royalty interest in Coventry's Cameron Gold Project for US$5,100,000. The proceeds received from this sale will help fund ongoing operations and commitments.

The Company is actively involved in advancing the Chibougamau camp in which Nuinsco has a 50% interest through CBay. Given current market conditions there is no guarantee that a successful financing through either a reverse takeover, a going-public transaction or other structure will be completed in the near term.

The Company closed flow-through financings in 2012 of $1,000,000, a portion of which is to provide funds for exploration at the Chibougamau camp. The Company had a 96.3% success on the take-up of warrants from the rights offering in April, 2011, thereby generating $735,000 and also raised $1,907,000 in flow-through financings as well as a non-flow-through financing of $500,000 during 2011. This demonstrated the Company's ability to continue to generate funds albeit under increasingly dilutive terms. However, despite the funds generated from the royalty sale, additional financings will be required to properly exploit the Company's Canadian and foreign assets. This requirement has been reduced significantly with the withdrawal from Egypt and Sudan as well as Elmalaan, Turkey. The Company will consider all alternatives to protect and further improve liquidity as described above given appropriate pricing and other market conditions. Such alternatives could include earn-in options with third parties, other partnership arrangements, corporate transactions and further sales of marketable securities or project assets including royalty arrangements.

The Company's average monthly expenditures on a cash basis, net of recoveries from Victory Nickel and the net proportion from CBay for ongoing administrative support in 2012 to date, were approximately $125,000; budgeted net monthly commitments average $152,000 for the whole of 2012. As described above, the salary deferral mechanism has been used when required to reduce the pressure on cash; other controls on discretionary expenditures are also in place and non-essential services have been cancelled. The Company's working capital requirements continue to be modest. As at September 30, 2012, the routine item requiring financing was an HST/GST refund receivable of $1,000 (which was received in October 2012) which averaged approximately $41,000 per quarter in 2011. The Company estimates that approximately $663,000 in non-discretionary costs is required on an ongoing annual basis to support the Company as a public entity. Such expenditures are not eligible for flow-through funding and must be financed through other means. Note that the figures above exclude the effect of interest expense on the Facility which will be payable on a quarterly basis. The 2012 program cost on Berta is approximately US$2,672,000 of which Nuinsco's proportionate interest is US$953,000, should the Company agree to participate. Xstrata's expenditure on this program to the end of October has been approximately $1.1 million. The Company is discussing its alternatives with respect to participation with Xstrata.

The Company will continue to make expenditures on Canadian exploration activities to fulfil any flow-through commitments. Partners are also being sought for certain of the Company's projects where significant funding is required for proper exploration programming and fulfilment of option terms.

EXPLORATION AND EVALUATION ACTIVITIES

In the nine months ended September 30, 2012, the Company incurred exploration and evaluation ("E&E") expenditures of $2,255,000 on its mineral interests compared with $2,477,000 in the nine months ended September 30, 2011. The most significant expenditures in the nine months ended September 30, 2012 were on the Diabase Peninsula project in the amount of $963,000 (September 30, 2011 - $1,071,000). Costs on other programs included: Prairie Lake $467,000 (September 30, 2011 - $469,000), Berta $1,000 (September 30, 2011 - $68,000) and the Company's share of expenditures on the Chibougamau Camp of $761,000 before the effect of the sale of the Eastmain royalty of $450,000 (September 30, 2011 - $nil).

In the first quarter of 2012, the Company determined that it would curtail its activity in Egypt, Sudan and Elmalaan, Turkey. Accordingly, effective December 31, 2011, the projects were written down to $nil. Expenditures incurred on those projects in 2012 prior to the decision being made were also written off in the nine months ended September 30, 2012. Such amounts were: Bukari, Egypt $23,000 expended and written off (September 30, 2011 - $342,000 expended), J. Tobrar in Sudan $40,000 expended and written off (September 30, 2011 - $499,000 expended) and Elmalaan $nil (September 30, 2011 - $28,000 expended). In the fourth quarter of 2011, the Company reclassified $3,820,000 to exploration and evaluation projects with respect to the Chibougamau camp given the transfer of assets to CBay.

Paul Jones, President, is a "qualified person" as defined under NI-43-101, and he has supervised the preparation, and has approved, the information relating to the material mineral projects of the Company described herein.

A synopsis of the Company's properties follows; complete details of the mineral properties are available on the Company's website at www.nuinsco.ca.

URANIUM AND RARE METALS

Diabase Peninsula Property, Saskatchewan

Nuinsco's Diabase Peninsula uranium project is located 150km northwest of La Ronge, Saskatchewan within, and approximately 5km from the southern boundary of, the Athabasca Basin - the region that hosts the world's richest uranium mines. The 21,900ha Diabase Peninsula property is located on the western shore of Cree Lake. The property encompasses a 35km strike length covering a north-easterly-trending graphite-bearing conductive horizon of regional extent lying beneath the Athabasca sandstones, and the sub-parallel oft-juxtaposed Cable Bay Shear Zone – a major terrane boundary within the Proterozoic basement sequence which is considered to be an important potential host structure for uranium mineralization in this part of the Athabasca Basin.

The Diabase Peninsula project was a joint venture with Trend. During the first quarter of 2012, cumulative expenditures increased Nuinsco's ownership interest to greater than 90% as Trend did not contribute its proportionate share of expenditures. Under the joint venture agreement, should a participant's interest drop below 10% that participant will relinquish its entire participating interest and will have the right to receive a royalty equal to 3% of the net value of all mineral products produced from the property; net value is defined as proceeds less processing and treatment charges, transportation costs, sales, marketing and brokerage costs and taxes. Accordingly, Trend's interest has been converted to a royalty and Nuinsco owns the project in its entirety.

In May, 2012, the Company announced an extension with the option holder on one of the claims, to extend that option for one year in exchange for four quarterly cash payments for an aggregate amount of $37,000 and $38,000 in the Company's shares. The shares were issued in July, 2012. Accordingly, the option payment of approximately $935,000 originally due by September 2, 2012 has been deferred to September 2, 2013 with an option to extend the terms and option payment further. That same claim is subject to a 3% gross production royalty ("GPR") defined as actual metal/mineral sales with no deduction for refining or transportation expenses.

Since acquiring the property in early 2005, when uranium demand began to drive prices into a steep climb from their US$15-US$20 per pound historic range, Nuinsco has completed a property-wide deep-penetrating MEGATEM survey which mapped the regional graphite-pyrite conductor the length of the property. This was followed by ground geophysical TEM surveys over two priority target areas (the "Main" and "Rowan Lake" grids) located 8km apart, and has been complemented by both widespread geophysical gravity-survey profiling to map fault structures along the length of the Cable Bay trend and detailed gravity work upon both gridded priority targets.

Initial diamond drilling (10 holes) in 2005-2006 confirmed the highly-prospective nature of the geology and structure present within the Main grid area, and has focused the Company's attention upon a 1.5km length segment of the 6km of strike covered by the Main grid. Geochemical evidence of uranium-related mineralizing processes and significantly anomalous radioactivity and uranium values were encountered in several holes. A radon gas survey in the summer of 2006 revealed a strong anomaly at the northern end of the target area, but thick glaciofluvial esker cover elsewhere along the segment may have obscured additional bedrock sources. A winter 2007-2008 $2,500,000 drilling program consisted of 17 holes (plus extending a 2006 hole which had failed to reach basement), with five holes devoted to follow-up on the Main grid and the remainder testing four high-ranking gravity survey/fault structure targets scattered the length of the property.

Two of the 2007-2008 holes returned uranium intercepts of particular significance, 707 parts per million ("ppm") Uranium ("U") at the unconformity in hole ND0801 and 410ppm U well below the unconformity in hole ND0807 (total dissolution-ICP methods). Uranium values in excess of 10ppm are generally regarded by the exploration and academic community as representative of the alteration halo surrounding a potential ore-grade deposit. ND0801 is within the core of the main grid target, while ND0807 is 2.8km to the north within a water-covered portion of the Main grid. A further 8km to the north ND0808, the first hole upon the Rowan Lake grid target, encountered evidence of similar alteration processes and encountered a peak value of 247ppm U in a single sample 3.5m above the unconformity. Given that this hole was the first to be directed at a target over 450m below surface, the results are deemed extremely encouraging.

Following completion of this work, which aggregated 28 drill-holes totalling 11,205m, all parts of the project area have sufficient assessment work filed to hold the property 10-12 years without additional work. Key dispositions, where the bulk of the drilling has been undertaken, are in good standing for 15-20 years.

No new field work was conducted at Diabase Peninsula in 2009. In March, 2010, a gravity survey at 100m line-spacing was completed upon the segment of interest on the Main grid, and lake sediment Soil Gas Hydrocarbon ("SGH") surveys were completed over the water-covered target in the northern Main grid area, and across the Rowan Lake grid, nearly entirely water-covered, with the samples tested by proprietary methods developed by Actlabs of Ancaster, Ontario.

The 2010 gravity survey revealed two 200m long, 100m wide anomalies in the southern portion of the Main grid segment, coincident with the area where Nuinsco's drilling has found the strongest alteration and highest uranium values in drilling completed to date. The SGH lake sediment work has confirmed the high potential of the Main grid north water-covered target and, as well, identified three areas within the Rowan Lake grid where coincident geophysical and geochemical responses suggest the presence of uranium. To quote Dale Sutherland Ph.D., Organics Manager and Director of Research for Actlabs, "the SGH data is not only indicating redox cell trends, it is indicating trends which have an organic signature associated specifically with uranium mineralization".

The November-December 2010 2,000m drill program targeted the central portion of the project area on the Diabase Peninsula, an area which demonstrates significantly anomalous uranium mineralization in conjunction with other indicators of a uranium mineralizing event. Results continue to be positive for a combination of geochemistry, geology, alteration and structure and as such provided sufficient reason to conduct a winter drilling program on the project. The March-April 2011 drill program comprised five drill holes totalling approximately 1,800m and additional gravity geophysics to expand upon results and coverage obtained from earlier programs. Analytical results grading up to 92ppm U, in association with a number of other elements at anomalous concentrations continue to highlight the possibility of significantly anomalous uranium mineralization at the Diabase Peninsula project.

A 2012 winter drill program followed from the past exploration programs that have identified all the elements indicative of a uranium mineralizing event. Four holes were collared during the program although only three were completed (the fourth one, ND1202A, was abandoned in overburden at 30m). The total program consisted of 1,598m of drilling, with results peaking at 55.94ppm U over 6.9m in hole ND 1203 including individual intervals grading 134ppm and 181ppm U (analysis by total digestion method). Unseasonably warm weather forced the demobilization of equipment before drilling could be conducted on one of the most prospective uranium anomalies on the project – the Mackenzie Bay area in the central part of the property which is an area of overlapping geophysical, surface and drill hole geochemical anomalies and has favourable geology. The drill testing of this target will be deferred to a later program. Due to the small size of uranium orebodies relative to most other types of economic mineral deposits, tight drill-hole spacing is necessary in order to adequately evaluate prospective targets.

Prairie Lake Property, Ontario

Prairie Lake, located near Marathon, Ontario, is a multi-commodity deposit containing Phosphorus ("P"), Niobium ("Nb") Tantalum ("Ta"), Uranium and rare earth elements ("REEs").

On January 13, 2010, the Company announced the results of an ETMI that demonstrated the presence of between 330 million and 360 million tonnes averaging 3.5% to 3.7% P_2O_5 and 0.12% to 0.14% Nb_2O_5. The surface area used for the ETMI covered just 12% of the total project surface area. The ETMI was increased to 515 – 630 million tonnes in October 2011 as described below.

In a substantial backhoe trenching program completed during the summer of 2010, approximately 2km of trenches were excavated. Four trenches, ranging in length from 340m to 685m, were excavated mainly in parts of the Prairie Lake Complex that to date have seen little systematic sampling. More than 1,000 samples were collected from the trenches. Samples were analysed for a suite of elements of economic interest in the complex including P, Ta, Nb, U and REEs. Channel sampling results from the Dragonfly Trench included values of up to 13.67% P_2O_5 and 0.356% Nb_2O_5, and an intersection of 3.03% P_2O_5 and 0.157% Nb_2O_5 over 46.5m.

At the Grouse Trench, one of two trenches excavated in the NE quadrant of the Prairie Lake project, the results include individual analyses of up to 9.89% P_2O_5, 0.423% Nb_2O_5 and 1.1% combined REEs (Lanthanum "La"+Cerium "Ce"+Samarium "Sm"+Neodymium "Nd"+Yttrium "Y"). At the Raspberry Hill Trench, excavated about 200m north of the Grouse Trench in the NE quadrant of the project, of 231 samples collected from the trench, 58% returned assays of greater than 0.1% Nb_2O_5 (14% of all samples ≥ 0.2% Nb_2O_5). Results included individual analyses of up to 6.98% P_2O_5, 0.352% Nb_2O_5 and 0.48% combined REEs. The Wollastonite Trench was excavated in the SE quadrant of the complex and includes two East-West segments which branch out from the Wollastonite Showing. Sampling was completed only on the East branch, known as the Trailside Trench, which extends for 71.5m. Both branches were excavated for the purpose of defining the extent of the Wollastonite Showing. Results included individual analyses of up to 11.26% P_2O_5, 0.265% Nb_2O_5 and 0.446% combined REEs, and an intersection of 4.352% P_2O_5 and 0.157% combined REEs over 169.5m.

In December, 2010, the Company completed a 4,000m drilling program in the western half of the Prairie Lake complex. The drill program was designed to test the northward extension of the SW target defined in the ETMI and included seven holes, each 500m to 600m in length. Approximately 1,800 core samples were collected. The results from the seven holes continue to demonstrate strong Nb and P mineralization, with REEs and Ta, over very significant sampling lengths. Intervals of elevated assays were obtained from all holes and include 183.88m grading 3.49% P_2O_5 and 0.109% Nb_2O_5 in NP1002 and 294m grading 3.14% P_2O_5 and 0.121% Nb_2O_5 in NP1004. When combined with previous drilling and trenching results they define an enormous domain of rock mineralized with elements of economic interest.

The ETMI was updated in October 2011, expanding the ETMI to 515 to 630 million tonnes grading between 0.09 to 0.11% Nb and 3.0 to 4.0% P making it one of the largest deposits of its kind in the world. Only a small percentage of the surface area of the Prairie Lake carbonatite has been explored and is included in the ETMI, meaning the potential for further expansion is high.

A 1,000kg sample was submitted to COREM in Québec City in September 2011 for metallurgical testing. A significant aim of the testwork was to determine whether Prairie Lake material can attain the requirements of the fertilizer industry – namely Phosphorus (P_2O_5) content of >30%, a CaO/P_2O_5 ratio of <1.6 and MgO content <1% - important thresholds for viability. COREM conducted an earlier metallurgical program on Prairie Lake mineralization in which it was demonstrated that the production of high-grade phosphorus concentrates is possible – concentrate containing up to 23.6% P_2O_5 was produced from a non-optimized process with the possibility of concentrate containing greater than 30% P_2O_5 considered realistic.

The most recent results clearly show that Prairie Lake rock is amenable to processing and concentration. The tests confirm the potential to produce a marketable product by meeting and exceeding published specifications for phosphate concentrate and most importantly demonstrating that a concentrate grading greater than 30% P_2O_5 is attainable with thresholds as described above.

Selected results from the Prairie Lake tests are tabulated below and are compared to published specifications of the Bureau of Indian Standards for phosphate concentrate (Type I and II). Test 35 from the Prairie Lake program has produced the best overall concentrate results to date with a P_2O_5 content of 30.6%: other parameters tested are SiO_2 content of 1.37%, F content of 0.62%, MgO content of 0.7%, Cl content of 0.012% and Al_2O_3+Fe_2O_3 of 0.65%. Selected size ranges from Test 35 produced even higher P_2O_5 concentrations with <150 micrometres ("µm") to >106µm and <106µm to >75µm attaining 38% and 38.1% P_2O_5 content respectively (and with the other tabulated criteria) while Test 27 attained 34.4% P_2O_5 with the use of an HCl acid leach to remove carbonate.

Bureau of Indian Standards (BIS) - IS: 11224-1985, reaffirmed 2003	Type I	Type II	Test 35 Con.	Test 35 Con.	Test 35 Con.	Test 27 Con. after Leach
				-150+106µm	-106+75µm	
Total phosphate (P_2O_5) % by mass	≥ 30	≥ 32	30.6	38	38.1	34.4
Silica (SiO_2) % by mass	≤ 10	≤ 5	1.37	1.12	1.2	5
Fluoride (F) % by mass	≤ 2	≤ 4	0.62	0.72	0.83	**
Mixed aluminium and iron oxide (Al_2O_3 and Fe_2O_3) % by mass	≤ 3	≤ 3.5	0.65	0.44	0.48	2.99
Magnesium oxide (MgO) % by mass	≤ 0.5	≤ 0.5	0.7	0.32	0.39	2.26
Chloride (Cl) % by mass	≤ 0.015	≤ 0.05	0.012	0.033	0.009	0.043

** Insufficient samples

The Prairie Lake property is royalty-free. Indications are that the quality of the phosphate concentrate could be attractive to the more lucrative industrial market.

GOLD AND COPPER

Chibougamau Camp, Québec

In early 2006, Nuinsco acquired a significant equity interest in Campbell and entered into an agreement to provide consulting services to Campbell for its copper and gold mines in the Chibougamau mining camp. The Company determined that the Chibougamau mining camp had significant undefined exploration potential and agreed to participate with Campbell. Campbell experienced significant financial difficulties resulting from production delays, falling metal prices and the demise of the financial markets in 2008; and in January, 2009 Campbell announced that it had re-entered CCAA protection.

With the acquisition of substantially all of the remaining secured debt of Campbell by Nuinsco and Ocean Partners, the Company and Ocean Partners, through a jointly-owned company, CBay, made a proposal to the courts to realize on its security and gain ownership of the former Campbell assets in the Chibougamau mining camp. The Québec Superior Court approved the proposal and, effective October 25, 2011, ownership of the assets was transferred to CBay. On February 15, 2012, Nuinsco and Ocean Partners announced the appointment of Roland Horst as the Chief Executive Officer of CBay.

The Chibougamau assets represent a very substantial presence in a mining camp which has produced 1.6 billion pounds of copper and 3.2 million ounces of gold from 18 past-producing mines on the Lac Doré complex alone. Nuinsco and Ocean Partners now own eight past-producers on the Lac Doré complex and the significant potential to add to the known mineralization at these projects, one partially-developed high-grade copper mine - Corner Bay, a permitted 2,772 tonnes per day mill and tailings facility and in excess of 96,000 acres of highly-prospective exploration property.

Upon transfer of assets to CBay, the Company reclassified its *Interest in Chibougamau* to *Property and equipment* in the amount of $1,386,000 and $3,820,000 was transferred to *Exploration and evaluation projects*. The Company has developed an initial exploration program to begin to capitalize on the huge potential which the Chibougamau copper-gold camp offers. The program commenced in September 2012 with an initial site visit and field examination. Subsequently, grid control has been established and ground geophysics conducted on the Portage Island part of the land package with the aim of assessing near-surface land targets that have not been explored in at least 20 years. Diamond drilling will begin in November on targets developed from the geophysical surveys and from historic work. The program will continue into 2013. In conjunction with the fieldwork currently underway, a data review is being conducted of extensive and very valuable historic information – this is to assess and unlock the potential of the other underexplored CBay-owned assets within the camp.

Related to these assets, a restoration fund had been set up between Campbell and the Société de Développement de la Baie-James ("SDBJ"). This fund continues to exist to fund future reclamation work with respect to the Copper Rand assets. An updated reclamation plan has been prepared and filed with the Québec government.

Turkish Properties

Berta

The Berta copper project is located in north-eastern Turkey. Berta was originally a 50:50 joint venture with Xstrata Copper ("Xstrata") one of the commodity business units within Xstrata plc. Exploration began at Berta in 2004.

During 2007, a significant, continuous domain of strong sulphide mineralization grading up to 0.28% copper and 0.07 g/t gold was intersected. Copper and gold values occurred over an interval of 710.90M of Hole SD-07-08, which was drilled adjacent to the interpreted Berta copper porphyry system and ended in mineralization.

Highlights of Hole SD-07-08 include: 710.9m grading 0.28% copper and 0.07g/t gold between 3.80m and 714.7m, including: 6.85m grading 3.79% copper, 0.22g/t gold, 11.6g/t silver and 1.05% zinc; 5.90m grading 2.60% copper, 1.14g/t gold and 8.3g/t silver; and 9.0m grading 1.03% copper. Copper values peaked at 30% over 0.25m between 592.10m and 592.35m down hole.

The results in this spectacularly mineralized hole were followed up by further positive drill results in 2008, including Hole SD-08-09 which returned 459m of continuous copper-gold mineralization starting from only four metres below surface and grades of up to 5.07% copper over 4.5m. Results from this hole include 179.9m grading 0.31% copper and 0.31g/t gold within a longer interval of 459m grading 0.17% copper and 0.17g/t gold.

Of particular note is the presence of mineralization near surface in both drill holes. These results highlight the tremendous potential of the essentially unexplored Berta property.

As noted in the MD&A for March 31, 2011, discussions with Xstrata were underway, including discussions to buy Xstrata's share of the joint venture. Subsequently, Xstrata advised that it was no longer interested in selling its share of Berta. As a result, Nuinsco opted not to pay the full share of the recorded expenditures and allowed itself to be diluted to approximately 36%. Nuinsco continues to accrue for its reduced proportionate share of expenditures incurred on Berta based on work plan budgets provided by Xstrata and where the Company has agreed to participate.

A drill program is currently underway on the Berta project by Xstrata, the operator of the project. The principal aim of the work is to assess parts of the Berta Project that to date have seen no drilling. Two drill rigs are being employed in the program and up to 7,500m will be drilled. Some work will also be conducted on aspects of "exploitation" at the project as required by the conditions of the licence covering the project – at this point, the work contemplated will principally comprise roadwork. The 2012 program cost is approximately US$2,672,000 in total (exploration and "exploitation" activities) of which Nuinsco's proportionate interest is US$953,000, should the Company agree to participate. No results have been obtained for release at time of writing. Xstrata has spent approximately $1.1 million to the end of October, 2012.

Elmalaan

Ownership of the property has been relinquished. Accordingly, a writedown in the amount of $1,100,000 was made against Elmalaan in 2011.

Egypt

In February, 2010, the Company announced that it had been successful, along with its Egyptian partner, in the bid process for two gold exploration concession areas in the Eastern Desert of Egypt – Bukari and Umm Samra. Both concession agreements still require execution by the Minister of Petroleum and Mines to be passed into law.

The Company completed several programs of field exploration work with positive results, however, political events in Egypt, and elsewhere in the MENA region, have had a negative impact on values and the resulting difficulty of financing projects in the MENA region has forced the Company to make the decision to not proceed with its Egyptian projects at this time. Accordingly, the Company recorded a net writedown of $803,000 against project expenditures incurred to December 31, 2011 to writedown the value of the project to $nil. In 2012, additional writedowns of $23,000 were made against expenditures incurred to date. On March 27, 2012, the Company advised EMRA of its decision not to proceed.

Sudan

On July 18, 2011, the Company announced that it had entered into an option agreement with Makaseb Holding LLC, to acquire an 85% interest in that company's subsidiary UAE for Gold Minerals and Investment Company Ltd. which owns 100% of the J. Tobrar concession. The terms of the option provided for an initial payment of US$200,000, and a commitment to spend approximately €400,000 on due diligence and property evaluation. Prior to the end of the option period, Nuinsco was required to deliver US$4,000,000 in cash or shares.

On February 7, 2012, the Company announced that it had elected to not exercise its option. The scale of mineralization identified did not justify the option price and continued expenditures under then extant market conditions. Accordingly, a writedown of $719,000 was made against the project expenditures incurred to December 31, 2011 to writedown the property to $nil. In 2012, additional writedowns of $40,000 were taken against expenditures incurred to February 7, 2012.

INVESTMENTS

Victory Nickel Inc.

As at November 7, 2012, the Company owns 8,253,715 shares, an approximate 2% interest in Victory Nickel, which is held as marketable securities, with a fair value of $248,000.

Coventry Resources Limited

Pursuant to the sale of Cameron Lake, Nuinsco received 12,000,000 shares in Coventry (an approximate 6.9% interest) as well as the 3% NSR royalty over future production from the property, which was sold in September 2012. By selling the property but retaining an interest in Coventry, Nuinsco is able to participate in any upside potential of the Cameron Lake property without having to finance additional exploration or the development of the mine. Coventry is focussed on acquiring, finding and developing high-quality gold assets in the Superior Province geological region in eastern Canada. Coventry is based in Perth, Western Australia and its principal asset is the 100% interest in Cameron Lake. It also has interests in the Rainy River Greenstone Belt and the Ardeen Gold Project in Northern Ontario. As at November 7, 2012, the Company owns 5,803,932 shares with a fair value of $843,000.

IMPAIRMENT ANALYSIS UPDATE

The Company performed a detailed impairment analysis on each of its E&E projects as at December 31, 2011. Effective that analysis, the Company had determined that it would fully write-down its Egyptian, Sudanese and Elmalaan, Turkey projects. Expenditures incurred in 2012 on those projects prior to the determination of impairment have been written off in the nine months ended September 30, 2012; writedowns of $23,000 and $40,000 for Bukari, Egypt and J. Tobrar, Sudan, respectively, were therefore made in the first quarter of 2012 bringing the respective projects to $nil. The Company does not believe that there have been any material changes to date which would adversely affect this analysis on the projects written down or considered unimpaired, or would cause the Company to initiate another recoverability assessment. Furthermore there has been no change in management's plans for the projects which would cause a reassessment.

Management concluded that no additional impairment existed in each of its E&E projects effective September 30, 2012 and that costs incurred to date are recoverable. The Company will continue to monitor developments as they occur in the metals markets and the economy and will update its impairment analysis to take account of any such changes, as appropriate.

CRITICAL ACCOUNTING ESTIMATES

Critical accounting estimates used in the preparation of the consolidated financial statements include the Company's estimate of the recoverable value of its E&E projects, assessing the impairment of long-lived assets, assessing the allocation of assets into their components and the fair value estimates for share-based payments and warrants and assessing the value of deferred income tax assets. These estimates involve considerable judgement and are, or could be, affected by significant factors that are out of the Company's control.

For a complete list of the significant accounting policies as well as information concerning the use of estimates and measurement uncertainty, reference should be made to Notes 2 and 3 to the Company's 2011 Audited Consolidated Financial Statements as updated by Note 3 to the Unaudited Condensed Consolidated Financial Statements. The Company's financial statements have been prepared using the going concern assumption; reference should be made to Note 1 to the Company's 2011 Audited Consolidated Financial Statements as well as to Note 1 to the Company's Unaudited Condensed Consolidated Financial Statements.

The Company's recorded value of its E&E projects is based on historic costs that are expected to be recovered in the underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale. The Company is in an industry that is exposed to a number of risks and uncertainties. Accordingly, there is always the potential for a material adjustment to the value assigned to these assets.

The fair value of the share-based payments, until exercise, is calculated using an option-pricing model that takes into account the exercise price, the expected life of the option/warrant, expected volatility of the underlying shares, expected dividend yield and the risk-free interest rate for the term of the option/warrant.

NEW ACCOUNTING POLICIES

IFRS issued by the International Accounting Standards Board ("IASB") have been adopted in the Company's 2011 Audited Consolidated Financial Statements. Note 3 to those statements include the accounting policies that have been applied. Note 3 to the Unaudited Condensed Consolidated Financial Statements includes any new accounting policies – there have been none implemented to date.

FUTURE ACCOUNTING CHANGES

New Standards and Interpretations Not Yet Adopted

Since the issuance of the Company's 2011 Audited Consolidated Financial Statements, the IASB and International Financial Reporting Interpretations Committee ("IFRIC") have issued no additional new and revised standards and interpretations which are applicable to the Company. Refer to Note 3 to those statements.

CORPORATE GOVERNANCE

The Company's Board of Directors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility principally through the Audit Committee. The Audit Committee, which is comprised of directors, meets with management to review the Unaudited Condensed Consolidated

Financial Statements to satisfy itself that management is properly discharging its responsibilities to the directors who approve the financial statements. The Board of Directors has also appointed compensation and corporate governance and nominating committees composed of non-executive directors.

Design of Disclosure Controls and Procedures

The Company's Chief Executive Officer and Chief Financial Officer, (collectively, the "Certifying Officers"), are responsible for designing a system of disclosure controls and procedures, or causing them to be designed under their supervision, to provide reasonable assurance that information required to be disclosed in reports filed with or submitted to, securities regulatory authorities is recorded, processed, summarized and reported within the time periods specified under Canadian securities laws and that material information relating to the Company is made known to them with respect to financial and operational conditions to allow timely decisions regarding required disclosure. For the fiscal quarter ended September 30, 2012, the Certifying Officers have concluded that the design of the Company's disclosure controls and procedures were effective as at September 30, 2012. Such controls are facilitated by the small size of the Company's senior management team and their access to material information.

There were no changes to the Company's disclosure controls and procedures that occurred during the quarter ended September 30, 2012 that materially affected, or are reasonably likely to affect, the Company's disclosure controls and procedures.

Design of Internal Control over Financial Reporting

The Company's Certifying Officers are responsible for designing a system of internal controls over financial reporting, or causing them to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and preparation of consolidated financial statements for external purposes in accordance with Canadian GAAP. The Company used the COSO control framework. For the fiscal quarter ended September 30, 2012, the Certifying Officers have concluded that the design of the Company's internal controls over financial reporting and procedures were effective as at September 30, 2012.

The management of the Company was required to apply its judgement in evaluating the cost-benefit relationship of possible controls and procedures. The result of the inherent limitations in all control systems means no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected.

There were no changes to the Company's internal controls over financial reporting that occurred during the quarter ended September 30, 2012 that materially affected, or are reasonably likely to affect, the Company's internal controls over financial reporting.

TRANSACTIONS WITH RELATED PARTIES AND MANAGEMENT AGREEMENT

Included in accounts payable and accrued liabilities at September 30, 2012 are amounts owing to directors and officers of $232,000 (December 31, 2011 - $158,000). The amounts consist primarily of deferred directors' fees, consulting fees, deferred salaries and reimbursement of expenses incurred by officers and directors. In October 2012, $191,000 was paid in respect of directors' fees and deferred salaries outstanding as at September 30, 2012.

The Company shares management, administrative assistance and facilities with Victory Nickel and CBay pursuant to separate management agreements; management operates under the supervision of the respective board of directors of each respective company. The costs recovered from Victory Nickel and CBay are recorded at the cost to the Company of such services plus 10 per cent. The management agreement for Victory Nickel commenced February 1, 2007 and is terminable by the Company upon 90 days notice and by Victory Nickel upon 180 days notice. The management agreement for CBay commenced February 14, 2012 and is terminable by the Company upon 90 days notice and by CBay upon 60 days notice upon the earlier of February 14, 2013 or listing on a stock exchange.

Transactions with Victory Nickel and CBay for the three and nine months ended September 30, 2012 and 2011 are shown in the following table:

	Three months ended September 30, 2012	Three months ended September 30, 2011	Nine months ended September 30, 2012	Nine months ended September 30, 2011
Transaction Values				
Overhead charges to Victory Nickel Inc.	**$ 130**	$ 197	**$ 501**	$ 609
Overhead charges from Victory Nickel Inc.	**$ 6**	$ -	**$ 21**	$ -
Project costs charged by Victory Nickel Inc.	**$ 2**	$ 10	**$ 18**	$ 24
Project recoveries charged to Victory Nickel Inc.	**$ 11**	$ 21	**$ 30**	$ 55
Overhead charges to CBay Minerals Inc.	**$ 66**	$ -	**$ 180**	$ -
Project recoveries charged to CBay Minerals Inc.	**$ 12**	$ -	**$ 18**	$ -

Amounts due to or from Victory Nickel and CBay are unsecured, non-interest bearing and due on demand. Amounts due to or from Victory Nickel and CBay are settled on a regular basis.

OUTSTANDING SHARE DATA

As at September 30, 2012, the Company had 291,436,423 common shares outstanding. As at November 7, 2012, the Company had 291,890,968 common shares issued and outstanding. In addition, there were 25,515,000 stock options outstanding as at November 7, 2012, as well as 9,292,718 warrants, which if exercised and issued would bring the fully diluted issued common shares to a total of 326,698,686 and would generate approximately $4,879,000. However, not all of the options and warrants are “in the money”.

RECENT DEVELOPMENTS

There are no recent developments for the Company, not covered elsewhere in this MD&A.

CONTINGENCY

CRA Reassessment

In March, 2011, the Company received notices of reassessment in the aggregate amount of approximately $4,400,000 from the CRA related to transactions completed in 2006. The Company filed notices of objection on May 19, 2011 and also, on July 22, 2011, filed a request for adjustment to correspondingly adjust its tax pools and losses, in the unlikely event that the Company’s appeal is unsuccessful. The appeal process could be lengthy and the Company believes that its position is correct and believes it will prevail. Accordingly, the Company has not recorded any liability with respect to this matter.

RISKS AND UNCERTAINTIES

The exploration and development of natural resources are speculative activities that involve a high degree of financial risk. The risk factors which should be taken into account in assessing Nuinsco’s activities and an investment in its securities include, but are not necessarily limited to, those set out below.

The relative significance of each risk described below will vary as a function of several factors including, but not limited to, the state of the economy, the stage of Nuinsco’s projects, the availability of financing on acceptable terms and other matters.

Any one or more of these risks could have a material adverse effect on the value of any investment in Nuinsco and the business, financial condition or operating results or prospects of Nuinsco and should be taken into account in assessing Nuinsco’s activities.

Industry Risks

Speculative Nature of Mineral Exploration

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that Nuinsco’s exploration efforts will be successful. No assurance can be given that Nuinsco’s exploration programs will result in the establishment or expansion of resources or reserves. Furthermore, Nuinsco cannot give any assurance that its current and future exploration activities will result in the discovery of mineral deposits containing mineral reserves.

Development Projects
In general, development projects have no operating history upon which to base estimates of future cash operating costs. For development projects such as those projects that Nuinsco has an interest in, estimates of proven and probable reserves are, to a large extent, based upon the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies.

Competition
The mineral exploration business is highly competitive in all of its phases. Nuinsco competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than Nuinsco, in the search for and acquisition of exploration and development rights on attractive mineral properties.

Operational Risks
Limited History of Operations
Nuinsco has a limited history of earnings and limited financial resources. Nuinsco currently has no operating mines and its ultimate success will depend on its ability to generate cash flow from sales of resource-related assets, any active mining operations in the future, as well as its ability to access capital markets for its development requirements.

Development Targets, Permitting and Operational Delays
There can be no assurance that Nuinsco will be able to complete any planned development of the projects on time or on budget due to, among other things, delays in receiving required consents, permits and registrations, the delivery and installation of plant and equipment and cost overruns, or that the current personnel, systems, procedures and controls will be adequate to support Nuinsco's operations.

Resources and Reserves
Figures relating to mineral resources and mineral reserves are estimates and no assurance can be given that the anticipated level of recovery and/or grades of mineral reserves or mineral resources will be realized.

Title Risks
Nuinsco's ability to hold various mineral rights require licences, permits and authorizations and, in some cases, renewals of existing licences, permits and authorizations from various governmental and quasi-governmental authorities. However, Nuinsco's ability to obtain, sustain or renew such licences, permits and authorizations on acceptable terms is subject to changes in regulations and policies and to the discretion of the applicable governmental and quasi-governmental bodies.

Insurance Risk
Nuinsco faces all of the hazards and risks normally incidental to the exploration of precious and base metals, any of which could result in damage to life or property, environmental damage and possible legal liability for any or all such damage caused. Not all such risks are insurable.

Financial and Investment Risks
Capital Requirements
As an exploration company, Nuinsco must make expenditures for the maintenance and exploration of its mineral properties. Such expenditures do not generate cash flow and, as such, the Company is reliant on the equity markets and asset sales to generate cash for ongoing operations. There can be no assurance that any equity financing or cash generated through asset sales will be available or sufficient to meet these requirements. The inability of Nuinsco to access sufficient capital for its operations could have a material adverse effect on its financial condition, results of operations or prospects. Flow-through financing cannot be used to fund the Company's corporate costs or foreign projects. The expected Facility of $2,500,000 presently under documentation may not be consummated or may not be completed under the expected terms.

Market Perception
Market perception of junior exploration, development and mining companies may shift such that these companies are viewed less favourably. This factor could impact the value of investors' holdings and Nuinsco's ability to raise further funds by issue of additional securities or debt.

Metal and Mineral Prices
There is no assurance that, even if commercial quantities of mineral resources are developed, a profitable market will exist for the sale of such product. Metal prices fluctuate on a daily basis and are affected by numerous factors beyond Nuinsco's control – including factors which are influenced by worldwide circumstances.

Areas of Investment Risk

Nuinsco's common shares are listed on the TSX. The share prices of publicly traded companies can be volatile as the price of shares is dependent upon a number of factors, some of which are general or market or sector specific and others that are specific to Nuinsco. The market for shares in small public companies is less liquid than for large public companies. Investors should be aware that the value of the Company's common shares may be volatile and may go down as well as up and investors may therefore not recover their original investment.

The market price of the Company's common shares may not reflect the underlying value of Nuinsco's net assets. The price at which investors may dispose of their securities may be influenced by a number of factors, some of which may pertain to Nuinsco and others of which are extraneous. On any disposal of their common shares, investors may realize less than the original amount invested.

Regulatory Risks

Government Regulation

Existing and possible future environmental and social impact legislation, regulations and actions, including the regulation of air and water quality, mining reclamation, solid and hazardous waste handling and disposal, the promotion of occupational health and safety, the protection of wildlife and ecological systems and the protection of the societies and communities of indigenous peoples, could cause significant expense, capital expenditures, restrictions and delays in the Company's activities, the extent of which cannot be predicted and which may well be beyond Nuinsco's capacity to fund.

Economic, Political, Judicial, Administrative, Taxation or Other Regulatory Factors

Nuinsco may be adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors in the areas in which Nuinsco does or will operate and holds its interests, as well as unforeseen matters. As referred to above, the Company has received notices of assessment from the CRA and is in the process of defending what it and its advisors believe to have been a correct filing position.

Other Risks

Environmental and Health Risks

The Company has no significant exposure to environmental or health risks, although this will change should any of the Company's projects approach production (a normal characteristic of mineral industry projects).

Key Personnel

Nuinsco relies on a limited number of key consultants and there is no assurance that Nuinsco will be able to retain such key consultants or other senior management. The loss of one or more of such key consultants or members of senior management, if not replaced, could have a material adverse effect on Nuinsco's business, financial condition and prospects. Directors and management had previously and, once more, have accepted deferrals of remuneration in order to assist the Company through the economic turmoil; however, this potentially adds to the risk of losing experienced personnel. Deferrals were paid in October 2012.

Conflicts of Interest

Certain of Nuinsco's directors and officers are also directors and officers of other natural resource companies. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. In such circumstances, directors will recuse themselves from voting or otherwise having significant influence over key decisions.

Foreign Operations

In 2004, the Company initiated exploration work in Turkey. While the Company believes that the risks associated with operating in Turkey are very acceptable, most investors would attribute a higher degree of risk to operating in Turkey as compared to operating in Canada. In early 2010, the Company commenced exploration work in Egypt and in July, 2011, the Company, along with a partner, acquired interests in north-eastern Sudan. While the Company has terminated its activity in Sudan and Egypt and has reduced activity in Turkey, it remains open to appropriate opportunities in the MENA region.

Nuinsco's investments in foreign countries carry certain risks associated with different political, business, social and economic environments. The ability to carry on business in any country can be affected by possible political or economic instability in that country. Changes in mining or investment policies or shifts in political attitude may adversely affect private business. The effect of these factors cannot be accurately predicted. Should the respective government later seek to control any aspect of production, distribution or pricing of gold or precious metals, Nuinsco runs the risk that, at any time, its operations may be terminated for failure to comply with any permit, rule or regulation; or that its operations may prove to be unprofitable if the costs of compliance with such governmental regulations prove to be excessive.

There is a risk that the necessary permits, consents, authorizations and agreements to implement planned exploration, project development or mining may not be obtained under conditions, or within time frames, that make such plans economic, that applicable laws, regulations or the governing authorities will change or that such changes will result in additional material expenditures or time delays.

As with Canadian projects, the acquisition and retention of title to mineral rights is a detailed and time consuming process. Title to, and the area of, mineral resource claims may be disputed or challenged. Nuinsco's right to explore for, mine, produce and sell metals will be based on the respective governing agreement. Should Nuinsco's rights under any agreement not be honoured or be unenforceable for any reason, or if any material term of the agreements is unilaterally changed or not honoured, including any boundaries of properties, Nuinsco's ability to explore and produce metals in the future would be materially and adversely affected.

Nuinsco regularly and routinely considers the risks inherent in foreign jurisdictions and weighs such risks when evaluating continued, enhanced, reduced or renewed involvement in foreign projects.

Investments and Other Agreements with Resource Companies

In addition, Nuinsco makes, from time-to-time, investments in the common shares of publicly-traded companies in the junior natural resources sector or may enter into option or other agreements therewith. These companies are subject to similar risks and uncertainties as is Nuinsco, and Nuinsco's investments in and agreements with these companies are subject to similar areas of risk as noted above. Nuinsco seeks to manage its exposure by ensuring that appropriate recourse is included in such agreements upon the counterparty's failure to meet contractual obligations.

Summary

The future success of the Company is subject to a number of risk factors that are common to the junior natural resources sector. These include the extent to which it can outline natural resources on its properties and establish the economic viability of developing those properties and the political, economic and legislative stability of the territories in which the Company's interests are located. Another significant factor is the ability of the Company to obtain necessary financing, complete expected financing under anticipated terms or to find strategic partners to fund expenditure commitments as they fall due, as the Company currently has limited funds. Furthermore, the development of any natural resource interest may take years to complete and the resulting income, if any, from the sale of any natural resources produced by the Company is largely dependent upon factors that are beyond its control, such as costs of development, operating costs and the market value of the end product. Such risks are likely to be more extensive in foreign jurisdictions.

FORWARD-LOOKING STATEMENTS

Forward-Looking Information: This MD&A contains forward-looking information. All statements, other than statements of historic fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding estimates and/or assumptions in respect of production, revenue, cash flow, financing, costs, economic return, net present value, mine life and financial models, mineral resource estimates, potential mineralization, potential mineral resources, timing of possible production and the Company's development plans and objectives) constitute forward-looking information. This forward-looking information reflects the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking information is subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Company.

Factors that could cause actual results or events to differ materially from current expectations include, among other things: uncertainty of estimates of capital and operating costs, production estimates and estimated economic return; the possibility that actual circumstances will differ from estimates and assumptions; uncertainties relating to the availability and costs of financing expected or needed in the future; failure to establish estimated mineral resources; fluctuations in commodity prices and currency exchange rates; inflation; recoveries being less than those indicated by the testwork carried out to date (there can be no assurance that recoveries in small scale laboratory tests will be duplicated in large tests under on-site conditions or during production); changes in equity or debt markets; operating performance of facilities; environmental and safety risks; delays in obtaining or failure to obtain necessary permits and approvals from government authorities; unavailability of plant, equipment or labour; inability to retain key management and personnel; changes to regulations or policies affecting the Company's activities; the uncertainties involved in interpreting geological data; and the other risks disclosed under the heading "Risks and Uncertainties" and elsewhere. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.

November 7, 2012