

AUREUS MINING INC.

**Management's Discussion and Analysis
For the quarter and year ended December 31, 2013**

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(stated in US dollars)

The following discussion is management's assessment and analysis of the results and financial condition of Aureus Mining Inc. (the "Company" or "Aureus" or "Aureus Mining") prepared in accordance with International Financial Reporting Standards ("IFRS"), and should be read in conjunction with the accompanying consolidated financial statements and related notes for the years ended December 31, 2013 and 2012. This management discussion and analysis has been prepared based on information available to the Company as at March 6, 2014. Unless otherwise indicated all amounts are in US dollars.

Additional information relating to the Company is available on SEDAR at www.sedar.com or on the Company's website at www.aureus-mining.com.

1. OVERVIEW

(A) DESCRIPTION OF BUSINESS

Aureus Mining is an exploration and development stage company focused on gold projects in West Africa and operates in Liberia and Cameroon. Its most advanced project is the New Liberty Gold Project in Liberia ("New Liberty" or the "Project") which is in the course of construction. The Company has a loyal and strong workforce and supports the local communities in which it operates by sourcing services and supplies, creating job opportunities and participating in social programmes. The Company is listed on the Toronto Stock Exchange ("TSX") (Ticker AUE) and the AIM Market of the London Stock Exchange ("AIM") (Ticker AUE).

(B) STRATEGY

Aureus Mining's strategy to increase shareholder value will be to: (i) develop the New Liberty Gold Project into a producing gold mine; and (ii) progress exploration on promising assets in both Liberia and Cameroon.

The Company's management believes it is well placed to implement its strategy through the business strengths discussed below:

A Strong Portfolio of Assets

The Company has a strong portfolio of gold assets:

- The New Liberty Gold Project (the "Project") in Liberia has a NI 43-101 compliant reserve estimate of 8.5 million tonnes grading 3.4 g/t for 924,000 contained ounces of gold in the proven and probable category and a NI 43-101 compliant resource estimate comprised of 9.8 million tonnes grading 3.6 g/t for 1,143,000 ounces in the measured and indicated category and 5.7 million tonnes grading 3.2 g/t for 593,000 ounces in the inferred category. The Project Definitive Feasibility Study ("DFS") has been completed and an NI 43-101 compliant technical report has been filed on SEDAR.
- A promising portfolio of exploration stage gold projects in Liberia and Cameroon, including the Ndablama Project with a NI 43-101 compliant resource estimate comprised of 6.8 million tonnes grading 2.1 g/t for 451,000 ounces in the inferred category and the Weaju Project with a NI 43-101 compliant resource estimate comprised of 2.7 million tonnes grading 2.1 g/t for 178,000 ounces in the inferred category.

Experienced Board

The directors of the Company have extensive experience of mining operations in Africa and taking projects through development and into production. There is a balanced representation of directors with operational, corporate and financial backgrounds. The majority of directors are independent.

Technically Strong

The Company has experienced exploration teams in the countries in which it operates with the flexibility to work across the region in areas where the geological setting is well understood. The Company employs up-to-date technological tools to better focus its exploration efforts.

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(c) ON-GOING PROJECTS

Listed below is a summary of the main projects and their status:

Country, Project & Ownership	Q4 2013 Progress	Future Plans
Liberia New Liberty 90% ¹	<p>Construction of the New Liberty Gold Mine reached the 33% completion stage by the end of the year and first gold remains on target for Q1 2015. Earthworks and terraces at the plant site have been completed, with the first concrete poured in October. Good progress was made in preparing the foundations for the plant</p> <p>Loan documentation signed for a Project Debt Facility of US\$ 100 million (US\$92million for construction of the Project and US\$8million to fund potential cost overruns). This Project Debt Finance Facility is backed by the Export Credit Insurance Corporation of South Africa Limited ("ECIC"). First draw-down anticipated in early Q2 2014.</p> <p>Construction of the Mine Accommodation Camp progressed well</p> <p>The foundations were completed for most of the new houses in the RAP village. A number of houses were completed as were the communal buildings such as the school, church and mosque</p> <p>The community based carpentry business providing the roof trusses, door and window frames, was improved. Good progress was made with brick making</p> <p>Certificates were issued by the Government of Liberia for the RAP and CDP programmes</p> <p>A site-wide groundwater model was developed for the New Liberty Gold Mine. This incorporated the results of all the surface and groundwater studies conducted in 2013</p> <p>Annual review of the geological interpretation of the mine and near-mine anomalies was undertaken</p>	<p><u>Development</u></p> <p>Plant construction to continue in line with schedule and on budget with target first gold for Q1 2015</p> <p>Plans and detailed schedules to be developed in readiness for mining</p> <p><u>Exploration</u></p> <p>Near-mine regional geological mapping to be undertaken to establish a better understanding of the structural and lithological environment.</p> <p>Geological follow-up of the large West Mafa soil gold anomaly</p>
Liberia Ndablama 90% ¹	<p>Sulphide mineralisation logging completed for phase 3 drilling and database updated</p> <p>Phase 4 drilling - commenced with 50 drill holes planned for 10,000 meters with 10 drill holes completed</p> <p>Results for metallurgical test work and gravimetric sampling returned</p> <p>Geological mapping on-going at Ndablama Central and North zones</p> <p>Maiden Resource of 451,000 ounces at 2.1 g/t Au has been estimated using a 0.5 g/t cut-off grade</p>	<p>Continue with phase 4 drilling campaign in Q1 and Q2 2014</p> <p>Mapping to continue to the north of Ndablama</p> <p>Petrographic sampling to be completed in Q1 2014</p>
Liberia Weaju 90% ¹	<p>Maiden Resource of 178,000 ounces at 2.1 g/t Au has been estimated using a 1.0 g/t cut-off grade</p> <p>A re-logging of core was completed and a new geological map and model was made.</p>	<p>Plan new drilling programme to test the high grade plunge model</p> <p>A new regional soils grid will follow up on identified BLEG-stream</p>

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Country, Project & Ownership	Q4 2013 Progress	Future Plans
		sediment anomalies
Liberia Leopard Rock 100%	No field work was performed in Q4	Phase 2 drill plan reviewed and pending approval
Liberia Gondoja 90% ¹	No field work was performed in Q4	On-going target generative work
Liberia Koinja and Gbalidee, 90% ¹	Analysis of trench results with wide anomalous zones identified	Continue with infill trenches on specific areas to identify drill targets Continue with geological map production
Liberia Silver Hills 90% ¹	Field mapping was completed at Wanga Target and at Northern Central Zone trench mineralised structure 42 pits excavated at Wanga following on additional soil anomalies At North Central Zone additional 4 fence pits completed to test mineralised structure extension At Belgium target 2 channel sampling lines were executed for a length of 132m	Prioritise and generate additional targets New geological and structural interpretation of the Silver Hills mineralisation Identify regional gold mineralisation trends and integrate to the whole permit geology
Liberia Yambesei 100%	Regional mapping in progress in the Yambesei License with emphasis on the Yambesei shear corridor	Continue mapping over new licenses and plan BLEG and soil sampling in the Yambesei license
Cameroon Batouri 100%	Geological mapping continued over the licence area Regolith mapping of the 291 pits excavated to date is completed Re-logging of historic drilling at Dimako is underway prior to target generation	Execute a ground geophysics survey at Amndobi Plan new drilling at Kambele, Dimako and Amndobi Geological and structural mapping to continue

1. The Company currently owns 100% but the Government of Liberia is entitled to a 10% free carried interest.

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2. PROJECTS

(A) NEW LIBERTY GOLD PROJECT, LIBERIA

Introduction

The key asset in the Aureus portfolio is the New Liberty Gold Project upon which the Company has completed a DFS and has commenced development. New Liberty is a greenfield development with the advantage of having excellent access from the capital and main port of Liberia, Monrovia. From the capital there is a predominantly tarmac road covering the 100 kilometres to the project site, providing excellent all year round access.

The Company holds its interests in the New Liberty Gold Project through its subsidiary Bea Mountain Mining Corporation ("Bea"). During the year the Government of Liberia ("GoL") ratified a Restated and Amended Mineral Development Agreement ("Restated and Amended MDA") for its Bea Mountain mining licence, which covers 457 km² and includes the New Liberty Gold Project (the "New Liberty Gold Project" or the "Project") in the Southern Block, along with the Ndablama, Gondoja and Weaju exploration targets in the Northern Block.

On July 29, 2009 Bea was granted a Class A Mining Licence ("Bea Mining Licence") within the Bea MDA by the Government of Liberia. The Bea Mining Licence permits mining within a 457 km² area which encompasses the New Liberty Gold Project.

Reserve Estimate

In May 2013, the Company announced the completion of the DFS which resulted in the reserve for the New Liberty Gold Project increasing to 924,000 ounces grading at 3.4 g/t and identified areas of capital and operating cost savings.

The reserves support an open pit operation with an average annual production rate of 1.1 million tonnes of ore over an eight year production life. Plant production over the first six years averages 119,000 ounces per annum. All of the reserve at New Liberty is located within 220 metres of surface and is extractable by open pit mining methods.

The total reserve estimate of 8.5 million tonnes grading 3.4 g/t (for 923,716 ounces) is comprised of 0.7 million tonnes grading 4.4 g/t (for 99,470 ounces) in the proven category and 7.8 million tonnes grading 3.3 g/t (for 824,246 ounces) in the probable category, as detailed in the table below. The proven and probable ore reserves are contained within open pits of depths between 180 and 220 metres below surface. The ore body is still open at depth.

The reported reserve estimate is shown in the following table:

Reserve Classification	Tonnes (million)	Gold (g/t)	Gold (koz)
Proven	0.7	4.4	99
Probable	7.8	3.3	825
Total Proven and Probable	8.5	3.4	924

Notes

1. CIM definitions were used for mineral reserves
2. A cut-off of 0.8 g/t AU is applied for all zones
3. Due to rounding, some columns or rows may not add up exactly to the computed totals

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New Liberty Resource Estimate

A mineral resource estimate ("MRE") was undertaken by AMC Consultants UK Limited ("AMC") in accordance with the requirements of NI 43-101. The MRE incorporates all the results from drilling as at April 4, 2012, being 438 holes for 65,276 metres and was calculated on the basis of a 1.0 g/t cut-off grade.

The total resource estimate is comprised of 651,000 tonnes grading 4.77 g/t (for 100,000 ounces) in the measured category, 9,145,000 tonnes grading 3.55 g/t (for 1,043,000 ounces) in the indicated category, and 5,730,000 tonnes grading 3.2 g/t (for 593,000 ounces) in the inferred category, as detailed in the table below. The measured and indicated resources are located generally within the first 200 metres below surface. The inferred resource remains open at depth.

Mineral Resource	Tonnes (million)	Average Grade (g/t)	Contained Gold (koz)
Measured	0.7	4.77	100
Indicated	9.1	3.55	1,043
Subtotal M+I	9.8	3.63	1,143
Inferred	5.7	3.2	593

Notes

1. CIM definitions were used for Mineral Resources
2. A cut-off grade of 1.0 g/t Au is applied for all zones
3. Due to rounding, some columns or rows may not add up exactly to the computed totals

Definitive Feasibility Study

A DFS for the development of New Liberty was completed during Q2 2013. This study focused on optimising certain aspects of the designs and processes for the New Liberty Gold Project following the completion of the feasibility study on October 1, 2012. The main conclusions from the DFS demonstrate a pre-tax NPV of US\$230 million and a pre-tax IRR of 29% at a flat gold price of US\$1,400 / oz, average annual production of 119,000 oz per annum over the first six years at 3.6g/t head grade, with initial capital costs of US\$ 136 million.

In completing the DFS, Aureus was assisted by AMC Consultants (UK) Limited ("AMC"), DRA Mineral Projects (Pty) Ltd ("DRA") and Digby Wells (Pty) Ltd ("Digby Wells"). The DFS has been completed to within a ±10% cost accuracy based on firm tenders received from suppliers and contractors.

Highlights of the DFS are:

- A technically feasible and economically robust project, with the following attractive economics based on a discount rate of 5%:

Gold Price (US\$/oz)	Pre-tax NPV (US\$M)	Post-tax NPV (US\$M)	Pre-tax IRR (%)	Post-tax IRR (%)	Capital payback (years)
1,400 flat	230	165	29	24	3.5

- Average annual gold production of 119,000 oz over the first six years at an average grade of 3.6 g/t with total gold production of 859,000 oz over the eight year, open pit, life of mine ("LOM")
- Life of mine ("LOM") operating cash cost will average US\$ 668 / oz using contract mining, a reduction of 2.5% versus the previous feasibility study
- Initial capital cost estimate of US\$ 136 million (excluding contingency), a reduction of 2.9% versus the previous feasibility study
- Total revenue is US\$ 1.2 billion and pre-tax cash flow of US\$ 353 million using a flat gold price of US\$ 1,400 / oz

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- Pre-tax NPV of US\$ 166 million and an IRR of 23% at a flat gold price of US\$ 1,300 / oz
- Proven and Probable Reserve of 8.5 Mt at 3.4 g/t for 924 koz of contained gold, an increase of 1.6%

Development update for Q4 2013

A key focus for the fourth quarter of 2013 was to complete and submit the remaining technical studies and reports required for the project financing.

Good progress has been made with the construction of foundations and concrete structures for key elements of the plant and infrastructure. The TSF area has been cleared and the construction of the dam wall has commenced. Work progressed with the cutting of the keys for the Marvoe Creek Dams and the construction of the spillway on the Marvoe Creek Diversion Channel ("MCDC").

A groundwater model was developed and plume modelling was completed for the TSF.

Construction of the new Relocation Action Plan ("RAP") village built to relocate the 325 dwellings of Kinjor and Larjor, the two affected villages, has progressed well, with the construction of all of the house foundations as well as the completion of the school, community buildings and the first houses.

The earthworks on the MCDC, plant site and mine accommodation camp have been completed. Construction of the plant has progressed with the first concrete being poured in October 2013 and many of the foundations completed by December.

In December 2013 the Company announced that it has signed the US\$ 88 million project finance loan facility agreement with the South African banks Nedbank Limited ("Nedbank") and Rand Merchant Bank ("RMB"), and has also signed a subordinated loan facility agreement for US\$ 12 million with RMB Resources. These loan facilities will finance the development of the Company's New Liberty Gold Project ("New Liberty" or "the Project"), located within the Southern Block of the Company's 100% owned Bea Mountain Mining licence in Liberia.

Senior Loan Facility:

- Project Finance Loan Facility
- US\$ 88 million project finance loan facility
- Total cost of funding is US\$ LIBOR (London Interbank Offered Rate) plus 4.3%
- Project finance loan facility will be supported by Export Credit Insurance Corporation of South Africa Limited ("ECIC"), which provides political and commercial risk coverage for Nedbank and RMB
- Six year facility
- First drawdown anticipated in April 2014 upon satisfaction of conditions precedent.

Subordinated Loan Facility

- US\$ 12 million subordinated loan facility
- Total cost of funding is US\$ LIBOR plus 9.3%, including political risk insurance ("PRI") of c.1.8%
- 11.1 million warrants with an exercise price of GBP 0.42788 for a term of five years
- Six and a half year facility

Plant commissioning and first gold production remain on track and scheduled for Q1 2015.

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Exploration

The main focus has been on the interpretation of the structures controlling the New Liberty mineralisation.

A soil gold anomaly in the area of the BLEG anomaly west of the Mafa River is being followed up now that the peak of the wet season has passed.

(B) NDABLAMA GOLD PROJECT, LIBERIA

The Ndablama prospect is located in the northeast corner of the Northern Block of the Bea MDA property and is approximately 40km north-east of the Company's New Liberty deposit. The Ndablama prospect is defined by the presence of extensive artisanal mining activity and a 2km gold in soil anomaly which trends in a north-south direction.

Exploration activities at Ndablama include extensive trenching and diamond drilling. Phase one, two and three drilling programmes were completed in 2011, 2012 and 2013 respectively with a total of 54 diamond holes for 8,339 metres and 63 trenches for 3,967 metres.

Phase 4 drilling commenced in the middle of Q4 2013 with 50 DD holes planned for 10,000 meters, aimed at doubling the available resource. Drilling concentrated in the Central Zone with some of the holes planned to connect the North and the South Zones and test down dip continuity of mineralization. By the end of Q4, 10 holes were drilled. Results received to date indicate that Ndablama continues to have a reliable resource that has proven depth continuity and is open in all directions.

Drilling and trench results to date have outlined multiple gold intercepts associated with three mineralised zones referred to as the North Zone, Central Zone and South East Zone. In each zone the mineralised system strikes in a northerly direction and dips westwards at shallow angles ranging between 30 and 45 degrees. The North Zone is outlined over 300 metres and hosts multiple zones of three to ten metres down to depths of 60 metres. The Central Zone has been defined for 500 metres and down dip for 150 metres and is open in all directions. Multiple mineralised intervals have been intersected with widths of three to over 40 metres. The South East Zone can be followed for 200 metres and hosts thin zones of 3 to 10 metres which can be traced down dip for up to 100 metres and are still open down dip to the west.

The Ndablama target is similar in geology and style of gold mineralisation to Leopard Rock which locates 500 metres south of the South East Zone.

The diamond drilling cores outline a meta-volcanic package of ultramafic and mafic rocks. The mafic package consists of amphibolite schists and gneisses which envelope a series of ultramafic schists. The ultramafic rocks have been subdivided into magnetite rich and magnetite poor zones. The ultramafic and mafic rocks are located close to the contact with a large granitic batholith to the east. The metavolcanic sequence has been intruded by granitic sills.

Gold intercepts occur at the contact between the mafic and ultramafic rocks, within altered ultramafics and in association with brecciated granitic intrusives. Gold mineralisation is associated with shearing, breccias, disseminated sulphides and hydrothermal alteration. Pyrrhotite is the dominant sulphide mineral and occurs as disseminations throughout the mineralised zone. Alteration is consistently defined by silicification, magnetite destruction, phlogopite and chlorite.

Alteration and shearing within the mineralised zone are associated with multiple gold intercepts in each borehole. The closely spaced gold intercepts define a broad mineralised envelope of between 20 and 80 metres in true width.

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In November 2013 an Inferred Mineral Resource of 451,000 ounces at 2.1 g/t Au was estimated using a 0.5 g/t cut-off grade. The Ndablama resource estimate was prepared by AMC Consultants (UK) Limited in accordance with the requirements of National Instrument 43-101 "Standards of Disclosure for Mineral Project", of the Canadian Securities Administrators ("NI-43-101").

Mineral Resource	Tonnes (million)	Grade (g/t)	Contained Gold (koz)
Inferred	6.8	2.1	451

- (1) Mineral Resources for the Ndablama deposit are reported at a cut-off grade of 0.5 g/t Au
- (2) The effective date of the Ndablama gold deposit mineral resource estimates is 11 November 2013
- (3) Mineral resources, which are not mineral reserves, do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues
- (4) The quantity and grade of reported inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as indicated and measured mineral resources

Results for the metallurgical test work and gravimetric/screen fire assay sampling were received in Q4.

The metallurgical testing confirmed that the Ndablama ore is amenable to cyanidation and shows excellent gold recoveries. For oxide, the average recovery by gravity was 34% whilst that by CIL was 92%. For fresh rock, the average gravity recovery was 70% whilst that by CIL was 94%.

The gravimetric/screen fire assay results showed that the ore-body contains large portions of coarse gold.

The NI 43-101 report for Ndablama was filed on Sedar in December 2013.

(C) WEAJU GOLD PROJECT, LIBERIA

The Weaju deposit is situated 30 kilometres east north east of the New Liberty Gold Project at the eastern end of the Bea Mountain ridge. Previously 48 diamond drill holes were drilled at Weaju by Mano River during the period 2000 to 2005. Weaju has been subjected to intense artisanal mining activity.

On July 26, 2012, the Company announced settlement of Weaju legacy mining claims from the Weajue Hill Mining Corporation ("WHMC"). As part of the settlement, WHMC agreed to release all claims pertaining to the legacy mining rights covering 1.7km² of the total 457km² Class A Bea Mountain Mining Licence in Liberia and received an initial payment of US\$1.3 million and the share equivalent of US\$1.2 million in common shares of the Company. Upon the completion of a feasibility study for the Weaju project, WHMC will receive payments equivalent to US\$5 per ounce of measured, indicated and inferred resources, as disclosed in the feasibility study, within the claims area and the surrounding 200 metre perimeter ("Payable Area"). If commercial production is achieved within the Payable Area, WHMC will receive a one-time payment equivalent to 2.5% of the net present value (8% discount rate) of a project within the Payable Area, and also receive a 7.5% net profit interest ("NPI") on life-of-mine production within the Payable Area.

In November 2012 the Company commenced exploration activities at Weaju involving an airborne LiDAR survey, geological surface mapping, soil geochemistry for gold and a diamond drilling programme.

At the end of March 2013 the Company completed a phase one drilling programme of 62 holes for approximately 8,726 metres. Results from the first 47 holes from this programme were reported in March 2013 with the remaining 15 reported in June 2013.

The phase one exploration programme at Weaju determined the geometry and controls on gold mineralisation and focussed on assessing the potential for open pit mineable ounces. The geology at the Weaju target consists of a sequence of folded ultramafic rocks which are enveloped by Archean gneisses and intruded by various

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generations of granite and pegmatite. This package of rocks has been subjected to shearing and folding which led to the gold mineralisation event. Gold is associated with disseminated sulphides and intense hydrothermal alteration involving silicification and the introduction of phlogopite, sericite, tourmaline and magnetite. The structure, alteration and mineralisation at Weaju are very similar in style to that at Ndablama.

Drilling results confirm the presence of the three mineralised zones; North, Main and Creek/Ridge and suggest a potential cumulative strike of mineralised rock of over one kilometre.

The North Zone has been defined with an east to west strike continuity of 400 metres and has been drilled down to a depth of 150 metres. It is still open in all directions. Gold intercepts vary in width from 1 to 18 metres and many holes have multiple intercepts. Higher grade zones are controlled by a 45 degree plunge to the south west.

The best Main Zone grades locate within the shallow oxidized horizon and within a south west plunging extension at depth. Mineralized bodies can be traced over a north east to south west strike of 200 metres and widths of between 1 and 19 metres.

The Creek and Ridge Zones are mineralised bodies that are linked by folding and represent the fold nose of the Weaju synform. These zones have a shallow plunge to the west south west of about 20 degrees and can be traced to depths of 130 metres below surface in the down plunge direction.

A re-logging exercise was carried out in Q3 to better understand the controls on mineralization and geometry of the deposit which led to the creation of a geological and mineralization model. This work confirms the strong westerly plunge in all three zones. The plunge direction is defined by the intersection of fold axes with shear zones.

The Phase one exploration programme at Weaju has confirmed the mineralised systems at the North, Main and Creek/Ridge Zones. Continuity of mineralisation is related to shallow dipping westerly and south westerly plunges which are related to folding and shearing.

The Company has completed soil sampling for gold within a 2.8km² area surrounding the Weaju target. Gridding was on a line spacing of 100 metre with samples taken at 25 metre intervals on each line, with 1,029 samples analysed. A regional soil programme was also completed with 694 soil samples taken on a regular spaced grid of 100 by 400 m sampling covering an area of 25 km² in Q2 2013. Results from this work has outlined a 1km south west extension to the Main Zone as defined by anomalous gold in soil values. An eastwards extension of 200 metres has also been outlined in the fold nose area (Creek and Ridge zones) at similar levels of anomalism. Finally a potential westwards extension to the North Zone has been identified on two soil lines.

The soil results have been successful in outlining the potential size of the Weaju Gold Project which covers potentially double the area that has been drill tested.

Metallurgical sampling was completed at ALS Perth Lab in Australia and a final report received during Q4 2013. This showed that gravity/cyanide leach for the oxide material returned recoveries between 92% to 98% across all cyanidation tests conducted. For the sulphide material, recoveries between 89% to 93% were obtained across all gravity/cyanidation tests conducted. Gravity recoveries for both the oxide and sulphide material returned values ranging from 39% to 48%.

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Mineral Resource	Tonnes (million)	Grade (g/t)	Contained Gold (koz)
Inferred	2.7	2.1	178

- (1) Mineral Resources for the Weaju deposit are reported at a cut-off grade of 1.0 g/t Au
- (2) The effective date of the Ndablama and Weaju gold deposit mineral resource estimates is 11 November 2013
- (3) Mineral resources, which are not mineral reserves, do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues
- (4) The quantity and grade of reported inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as indicated and measured mineral resources
- (5) Totals and average grades are subject to rounding to the appropriate precision

(D) LEOPARD ROCK, LIBERIA

During 2011 the company entered into an agreement with Mansion Minerals Limited to purchase all of the shares of Archaean Gold (Liberia) Inc. ("Archaean Gold"), a company holding the exploration rights to a licence area covering 89 km². The Archaean Gold exploration licence is contiguous with and immediately south of the Company's Bea Mountain mining licence and hosts the south eastern extension to the gold bearing rocks associated with the Ndablama prospect. The shear structure hosting the Leopard Rock target can be traced in the north west to Ndablama over a distance of 3 km.

During 2012 4,294 metres of diamond drilling was completed in the Phase one exploration drilling programme. Results from 27 diamond drill holes are available on the Company's website.

Gold mineralisation occurs within folded, deformed and metamorphosed ultramafic and mafic rocks along a north west trending shear zone. A geology and mineralization model was completed in 2012 using the recent drill and trench data. This was done to help further in exploration planning and understand the geology and structural setting of the area. Infill drilling programme for phase two is planned for the future.

In 2012 a ground geophysical survey was completed in the gap area between Leopard Rock and Ndablama covering an area of 1.65km². The geology and structural map was updated for the gap area between Leopard Rock and Ndbalama from mapping done this quarter.

A regional soil sampling programme was completed during Q2 2013 on the far west of Leopard Rock (Yambesei grid) with a total of 176 km of line cutting and 3,471 samples collected. The grid located to the far east of Leopard rock (Gbama grid) produced 1,063 soil samples with 43 km of lines cut. To date, 219 km of line was cut and 4,534 soil samples were taken from both grids. In Q3 2013, the soil results were reviewed and new anomalous targets were identified for follow-up work. Line cutting and soil sampling continued for the far-east (Gbama) region of Leopard Rock in Q4 2013. A regolith map was created from the soil logs to guide future work planning.

(E) GONDOJA, LIBERIA

The Gondoja gold target is located 10 km north east of Leopard Rock and 45km east north east of New Liberty. The area was previously explored by Mano River in 1999 to 2000 and results from seven trenches and four drill holes were reported in 2000. The trench results showed grades of between 1 and 2 g/t over wide widths of 20 metres to 64 metres. Five diamond drill holes were drilled in various orientations with a best intercept of 30 metres grading 3.9 g/t.

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The Company's exploration teams undertook geological mapping, trenching and diamond drilling programmes in 2012. A total of nine trenches were excavated for 789 metres and a diamond drilling programme was completed involving 13 holes (2,672 metres).

Gold mineralisation at Gondoja locates at the sheared contacts between ultramafic and metabasalt rocks and is associated with disseminated arsenopyrite and pyrrhotite and silica-sericite-carbonate alteration. All results from the previous and current trenching and drilling programmes have been reported on the Company website.

A broad zone of shearing has been mapped for 600 metres in an east north east to west north west orientation. The borehole and trench results outline multiple intercepts over 500 metres and appear to close off the mineralisation to the east north east. The mineralised system is still open to the west south west and at depth. A preliminary geology and ore model was completed in 2012.

Gold in soil anomalies have been defined for over four kilometres in a north east direction in this area. It is related to the Yambesei shear corridor and represents the north east continuation of the Koinja-Gbalidee soil anomalies.

A structural and alteration re-log was carried out in late 2012. The logs will aid in the review of the models to identify the characteristics of the gold mineralisation so that a phase two drilling programme can be developed.

(F) KOINJA AND GBALIDEE, LIBERIA

Koinja and Gbalidee are located on the Yambesei shear corridor and are part of an 8 km continuous zone of gold in soil anomalies that extends up to Gondoja.

During Q2 2013, 14 trenches totalling 2,083 metres were excavated on the corridor at Koinja and Gbalidee and 2,265 samples were collected and sent for analysis. Results show wide anomalous zones that will require follow-up.

At the Gbalidee target, located two kilometres south east of Gondoja, 4 trenches for 237 metres and 5 diamond drill holes totalling 780 metres were completed in 2012. A total of 884 drill sample results were received in 2012. The geology of Gbalidee is very similar to that of Gondoja. To date less than 15% of the gold corridor has been drill tested.

Detailed geological mapping and trenching are required to further define the full potential of this corridor.

(G) SILVER HILLS, LIBERIA

The Silver Hills targets are situated approximately 13 kilometres north east of the New Liberty Gold Project. There has been artisanal activity in the past. Lithology consists mainly of granite biotite gneisses, BIFs, ultramafics and amphibolite talc sericite schists. Quartz veins occur at the contact of the granitic gneisses and the ultramafics. The rocks appear to be folded and sheared.

Historical soil sampling and trenching was undertaken over the Silver Hills area. A review of the historical soil data was undertaken in Q1 2013 and it clearly defined anomalous zones in the Central block. A lithological sampling and a structural mapping exercise started at the beginning of 2013. During Q3 the regional soil programme was completed both at the eastern and western blocks and an infill soil grid was completed at the Wanga target which is part of the western block.

Soil results were integrated with the field data. Anomalism is associated with the greenstone belts (altered amphibolites and ultramafics) and trends seem to be structurally controlled. The Western soil anomalies have a main east west trend with duplication. There is a north west trend inflexion observed which is related to the regional dolerite event. North east trending anomalies are also observed suggesting influence of the sinistral

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north east shear that is seen in the North Central Zone. Eastern Zone soil anomalies have a regular north east trend and additional targets have been generated for future work.

The pitting and trenching programme in the Northern Central Zone was completed in Q2 and Q3 2013 for 60 pits and 5 trenches. Results highlight a 40 metre wide with a 600 metre strike length of an open mineralised structure.

During Q4 field mapping and additional test pits on soil anomalies was completed. Traverses and channel sampling were conducted to extend the mineralisation interpretation from the North Central trench mineralisation towards the Belgium target. A total of 46 test pits were excavated at Wanga target (42) and at North Central zone (4).

At the Wanga target pit testing confirms soil trends and intercepted several anomalies ($Au > 0.1g/t$) that delineate additional mineralisation potential.

At the Belgium target road side channel sampling intercepted altered sericite schists and phlogopitic amphibolites/ultramafics.

North Central zone fence pitting confirms mineralization extension to the north east and south west. The Belgium target lithological and structural sequences are similar to that described in Northern Central zone and the intercepted mineralisation appears to be hosted by the same shear mineralisation. That corresponds to more than 2,500m of gold mineralisation potential.

To date, the work completed at Silver Hills underlines the presence of regional scale gold mineralisation trends. The Silver Hills project may correspond to an intermediate mineralisation province between the Ndablama Gold corridor to the north east and the New Liberty gold mine project to the south west.

(H) YAMBESSEI, ARCHEAN WEST, MABONG, MAFA WEST

In November 2013 the Company increased its contiguous ground holdings around its New Liberty Project. The Company's groundholding portfolio has now increased from 547 km² to 1,470 km². The four new exploration licences were issued by the Ministry of Land, Mines and Energy and are referred to as Yambesei (759 km²), Archean West (112.6 km²), Mabong (36.6 km²) and Mafa West (15.6 km²).

The licence portfolio hosts multiple greenstone belts and associated shear structures, which to date have been the principal hosts to the Archean gold mineralisation systems discovered in Liberia.

Over 80 kilometres of north east to south west trending structural zones referred to as the Yambesei and Lofa shear corridors, now locate within the license portfolios and host multiple gold targets including New Liberty, Weaju and Ndablama. These major structures can be traced for over 250 kilometres within Liberia.

The Yambesei gold corridor hosts the Gondoja gold target where previously reported drilling intercepts include 30 metres at 3.9 g/t Au and 6 metres at 11.7 g/t Au.

In excess of 50 gold occurrences and gold geochemical anomalies have been outlined to date on the Company's groundholdings. Gold mineralisation is associated with the primary shear systems or in subordinate structures related to these major breaks.

The budgeted 2014 exploration programme includes associated reconnaissance geological work within the new licences.

In Q4 2013 work was focused on regional mapping in the Yambesei license. It has confirmed greenstone belts along the Mafa shear, and also extension of greenstone belts from Gondoja. In situ quartz vein from new gold workings returned 13.1g/t about 1km north east of Gondoja drilled area. The Yambesei shear corridor is

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prospective towards east with presence of gold workings and amphibolite/ultramafic packages.

(I) CAMEROON

The Batouri licence is located 436 km east of Yaoundé, the administrative capital of Cameroon. A renewal of the license was granted in November 2013 for a two year period. The licence is a window of the Pan-African north equatorial fold belt composed of Paleo-Proterozoic and Neoproterozoic series and known as a result of collision between the West African craton and Congo craton. The region is affected by the Central African Shear Zone system generally following a north east to south west trend, and along which syn to post-tectonic granitoid plutons are common. The auriferous zones within the granite are considered to be controlled by the shear zone.

The Batouri project is defined by three prospects; i) Kambele (3.5km long), ii) Dimako-Mongonam (3.5km long) and iii) Amndobi (5km long).

Field work recommenced in early 2012 with soil sampling, trenching, pitting and geological mapping programmes undertaken over the strike extents of Amndobi, Kambele and Dimako prospect areas. Infill soil sampling programs at 100 metres by 50 metres grid spacing in the south of Amndobi and south west of the Batouri licence were completed. Results from soils analyses show there is a likely structured gold in soil anomaly which might be concordant with north south to north north east structures. A trenching programme was completed at Amndobi with seven trenches dug for 646 metres.

The exploration programme in Q3 2013 focused on structural mapping and geological studies of artisanal gold workings over the permit area. It also aimed at carrying out regolith mapping of the 291 pits excavated to date over 3 prospects namely Amndobi (188 pits), Kambele (24 pits) and Adoumboun (79 pits). This was done to define mineralisation in saprolite and understand the geological setting over the licence. The exploration programme targeted shear hosted quartz vein breccia zones with associated altered wall rock and intrusive porphyry system.

A re-logging exercise was undertaken for the Dimako historical drilling during Q4 2013. A ground IP or ground magnetic survey is planned to be conducted at the Amndobi prospect followed by a first pass RC drill programme.

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3. SUMMARY OF PERFORMANCE

(A) SUMMARY OF SELECTED QUARTERLY FINANCIAL INFORMATION

US\$'000 except loss per share	Quarter ended December 31, 2013	Quarter ended September 30, 2013	Quarter ended June 30, 2013	Quarter ended March 31, 2013
Loss for the quarter	(5,075)	(830)	(609)	(907)
Basic & diluted loss per share	(0.02)	(0.004)	(0.003)	(0.004)
Total comprehensive loss for the quarter	(1,726)	(1,218)	(1,143)	(845)
Total assets	166,076	150,155	152,293	153,843
	Quarter ended December 31, 2012	Quarter ended September 30, 2012	Quarter ended June 30, 2012	Quarter ended March 31, 2012
Income / (loss) for the quarter	458	(523)	(4,915)	(895)
Basic & diluted income / (loss) per share	0.003	(0.004)	(0.041)	(0.008)
Total comprehensive income / (loss) for the quarter	214	(679)	(6,799)	1,043
Total assets	153,122	78,590	78,968	83,527

The Company's performance is not affected by seasonal trends.

(B) RESULTS OF OPERATIONS

(i) CONSOLIDATED STATEMENT OF INCOME AND COMPREHENSIVE INCOME

Quarter ended December 31, 2013

The loss for the quarter ended December 31, 2013 was US\$ 5.1 million, compared to income of US\$ 0.5 million in the quarter ended December 31, 2012. The increase in quarterly loss is predominantly due to an impairment charge on the Company's investment in Stellar Diamonds plc ("Stellar") of US\$3.3 million. The impairment charge incurred during the quarter represents cumulative losses incurred on the Stellar investment since initial recognition in April 2011 which have been re-classed from the available-for-sale investment reserve based on the other-than-temporary reduction in the fair value of the investment.

The comprehensive loss for the quarter ended December 31, 2013 is predominantly due to on-going corporate expenses, a share based payment charge of US\$0.2 million (Q4 2012 – US\$ 0.1 million), a fair value gain on

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the warrant derivative liability of US\$ 0.1 million (Q4 2012 – US\$1.4 million), offset by a foreign exchange gain of US\$ 0.1 million (Q4 2012 – US\$0.4 million). US\$2.5 million was recycled from comprehensive loss to impairment representing the other than temporary reduction in the fair value of Stellar.

Legal and professional expenses totalled US\$ 0.7 million (Q4 2012 – US\$ 0.3 million). The increase is predominantly due to legal fees incurred on the project financing as legal documentation was completed during the quarter and increased corporate consulting.

The share based payment charge relates to the vesting schedule of options issued in 2012 and 2013. No new options were issued in the quarter ended December 31, 2013.

Other expenses of US\$ 0.4 million (Q4 2012 - US\$ 0.3 million) include stock market costs of US\$ 52,000, office rental and management costs of US\$ 99,000, travel and subsistence expenses of US\$ 95,000, conferences, marketing and public relations costs of US\$ 55,000 and general and administrative costs of US\$54,000.

The foreign exchange gain for the quarter ended December 31, 2013 was US\$ 0.1 million (Q4 2012 – gain of US\$ 0.4 million). The gain predominantly represents the appreciation of the company's UK Sterling denominated cash balances and is largely unrealised.

Year ended December 31, 2013

The comprehensive loss for the year ended December 31, 2013 was US\$4.9 million (2012 - US\$6.2 million) and is predominantly due to wages and salaries of US\$1.9 million (2012 - US\$1.7 million), a share based payment charge of US\$0.8 million (2012 - US\$0.9 million) and an impairment charge of US\$3.3 million (US\$2.5 million recycled from other comprehensive loss) on the Company's investment in Stellar Diamonds (2012 – impairment charge of US\$3.0 million on the Sonfon exploration project), offset by a fair value gain on the outstanding share purchase warrants of US\$1.9 million (2012 - US\$ 1.4 million). Legal and professional and other expenses totalled US\$3.2 million (2012 - US\$2.5 million) and include legal fees of US\$0.9 million (2012 - US\$0.4 million), office rental and management costs of US\$0.4 million (2012 - US\$0.3 million), travel expenses of US\$0.5 million (2012 - US\$0.4) million and corporate consultancy costs of US\$0.3 million (2012 – US\$0.5 million).

(ii) CONSOLIDATED STATEMENT OF FINANCIAL POSITION, LIQUIDITY AND CAPITAL RESOURCES

Statement of financial position at December 31, 2013

Intangible assets of US\$ 24.4 million as at December 31, 2013 (December 31, 2012 US\$ 16.3 million) relate to deferred exploration and evaluation costs incurred on the Company's projects. Additions to intangible assets in the year to December 31, 2013 were US\$ 8.1 million (year to December 31, 2012 - US\$ 19.0 million) and predominantly related to the diamond drilling programmes at the Weaju and Ndablama projects.

Property, plant and equipment ("PPE") of US\$ 96.4 million as at December 31, 2013 (December 31, 2012 \$ 52.8 million) relates predominantly to mining and development costs on the New Liberty Project. An additional US\$ 43.8 million was capitalised to New Liberty mining and development costs during the year which includes costs incurred on earthworks and civils (US\$ 16.7 million), mechanical supply (US\$3.1 million), geotechnical, sterilisation and hydrological drilling (US\$ 1.3 million) performed as part of the Project optimisation work, consultants including EPCM contractor (US\$ 10.6 million) and capitalised wages and salaries (US\$ 2.9 million).

The Company's investment in Stellar Diamonds is carried at its fair value (derived from the prevailing market price) on the statement of financial position which was US\$ 0.5 million at December 31, 2013 (December 31, 2012 US\$ 1.3 million).

Trade and other receivables of US\$ 5.4 million as at December 31, 2013 (December 31, 2012 US\$ 3.4 million) includes an advance payment of US\$ 3.9 million to the Company's earthworks and civils contractor. The

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Company has a performance bond covering the prepaid amount.

Current liabilities of US\$ 6.9 million as at December 31, 2013 (December 31, 2012 US\$ 5.0 million) and includes accruals and trade payables arising predominantly from exploration and development activities.

Liquidity, Capital Resources and Financial Instruments

The Company's primary source of funding to date has been the issue of equity securities. The Company is not in production and does not generate cash flows from operations. As at December 31, 2013 the Company had cash and cash equivalents of US\$ 39.4 million included within the working capital balance of US\$ 37.8 million.

The Company has no significant financial instruments other than its cash and cash equivalents and its investment in Stellar Diamonds which is carried at fair value. The majority (99.7%) of the Company's cash and cash equivalents are invested with a leading multi-national bank with a Standard & Poor's A credit rating.

Cash Flows for the year ended December 31, 2013

Net cash used in operations amounted to US\$ 5.3 million for the year ended December 31, 2013 (year ended December 31, 2012 - US\$ 3.0 million) and is due predominantly to corporate expenses, movements in working capital and realised foreign exchange gains/losses.

Net cash used in investing activities was US\$ 49.9 million for the year ended December 31, 2013 (year ended December 31, 2012 - US\$ 24.8 million) and predominantly relates to deferred exploration drilling at Ndablama and Weaju and development expenditure on the New Liberty Project.

Net cash proceeds from financing activities were US\$ 15.2 million for the year ended December 31, 2013 (year ended December 31, 2012 - US\$ 76.0 million) relating to the issue of common shares and the exercise of stock options.

On October 10, 2013, the Company concluded a private placement offering issuing 30,900,000 common shares at a price of £0.32 each raising gross proceeds of US\$15.8 million. The direct costs to issue that have been charged to share capital amounted to US\$0.8 million.

In the year ended December 31, 2013, the Company issued 205,625 new common shares following the exercise of share options at a weighted average exercise price of C\$ 0.58 raising proceeds of US\$ 0.1 million.

(C) OTHER INFORMATION

(i) Outstanding share data

	Shares	Amount \$'000
Balance at December 31, 2011	117,829,802	39,065
Shares issued on Weaju settlement	1,550,930	1,202
Shares issued on prospectus offering and private placement	99,700,000	75,789
Shares issue costs	-	(4,391)
Exercise of stock options	2,154,311	1,312
Balance at December 31, 2012	221,235,043	112,977
Exercise of stock options	205,625	121
Shares issued on private placement	30,900,000	15,823
Share issue costs	-	(763)
Balance at December 31, 2013	252,340,668	128,158

As at March 6, 2014 the Company had 252,685,668 shares issued and fully paid.

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(ii) Going concern

The Company has prepared its consolidated financial statements on a going concern basis which assumes that the Company will be able to realise assets and discharge liabilities in the normal course of business. The directors believe that the current funds will be sufficient to finance the committed capital expenditure, general working capital and corporate costs over the next twelve months.

(iii) Subsequent events

On January 21, 2014 the Company granted stock options over a total of 4,705,916 common shares, representing approximately 1.86% of the issued share capital of the Company at an exercise price of C\$0.51 per share. 520,000 of the stock options were exercisable immediately and the remainder vest over the next two years upon completion of certain service and performance vesting conditions. The stock options issued are capable of being exercised up to 19 January 2019.

(iv) Related party transactions

During the year ended December 31, 2013 the Company incurred management and office service fees of \$223,280 (2012- \$318,000) payable to Afferro Mining Inc., a related party at the time, environmental consulting fees of \$643,004 (2012 – \$223,785) payable to a company with a common director and \$17,750 (2012 - \$12,800) was payable to a director for consulting services performed outside the directorship role. \$54,589 was payable to related parties as at December 31, 2013 (2012 - \$484,926). Related party transactions are in the normal course of business and occur on terms similar to transactions with non-related parties on an arm's length basis. Afferro Mining Inc. ceased to be a related party during the year.

(v) Off balance sheet arrangements

Other than the NPI interests disclosed in Section 2(c), the Company does not have any off-balance sheet arrangements and does not contemplate having any in the foreseeable future.

(vi) Operating segments

The Company is engaged in the acquisition, exploration and development of gold properties in the West African countries of Liberia and Cameroon. Information presented to the Chief Executive Officer for the purposes of resource allocation and assessment of segment performance is focused on the geographical location. The reportable segments under IFRS 8 are as follows:

- Liberia development (New Liberty);
- Liberia exploration;
- Cameroon exploration; and
- Corporate.

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Following is an analysis of the Group's results, assets and liabilities by reportable segment for the year ended December 31, 2013:

	Liberia development (New Liberty)	Liberia exploration	Cameron exploration	Corporate	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Loss for the year	243	40	42	7,096	7,421
Segment assets	99,314	19,677	5,916	41,169	166,076
Segment liabilities	4,135	472	1	2,328	6,936
Depreciation of property, plant and equipment	243	40	42	50	375
Capital additions					
– property, plant and equipment	43,843	138	4	7	43,992
– intangible assets	-	7,546	600	-	8,146

(vii) Critical accounting estimates

In the application of the Company's accounting policies, as disclosed in note 2.14 of the Company's annual financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty and judgements made in applying specific accounting policies are as follows:

Share based payments and warrants

The amounts used to estimate fair values of stock options and warrants issued are based on estimates of future volatility of the Company's share price, expected lives of the options, expected dividends to be paid by the Company and other relevant assumptions.

By their nature, these estimates are subject to measurement uncertainty and the effect of changes in such estimates on the consolidated financial statements of future periods could be significant.

Carrying value of non-current assets

The outcome of on-going exploration and development programmes, and therefore whether the carrying value of plant, property and equipment and acquisition, exploration and evaluation and development expenditures will ultimately be recovered is inherently uncertain.

The ability of the Company to realise the carrying values of these assets is contingent upon discovery of economically recoverable mineral reserves, the on-going title to the resource properties, the ability of the Company to finance the development of the properties and on the future profitable production or proceeds from the property. The success of the Company's mineral exploration properties is also influenced by

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operational risks, legal and political risks and future gold prices.

Management makes the judgements necessary to implement the Company's policy with respect to capitalisation of these assets and consider them for impairment at least annually with reference to indicators in IAS 36 and IFRS 6. If an indication exists, an assessment is made of the recoverable amount. The recoverable amount is the higher of value in use (being the net present value of expected future cash flows) and fair value less costs to sell. Value in use is estimated based on operational forecasts for advanced stage projects with key inputs that include mineral resources, gold prices, production levels including grade and tonnes processed, production costs and capital expenditure. Because of the above-mentioned uncertainties, actual future cash flows could materially differ from those estimated.

4. QUALIFIED PERSON

The Company's Qualified Person as defined in NI 43-101 responsible for preparing this Management Discussion and Analysis is David Reading, who holds an MSc in Economic Geology from University of Waterloo, Canada and is a Fellow of the Institute of Materials, Minerals and Mining. David Reading is the President and Chief Executive Officer of Aureus Mining and consents to the inclusion in the announcement of the matters based on their information in the form and context in which it appears and confirms that this information is accurate and not false or misleading.

Assay and sampling information are taken from the Company's database as prepared on New Liberty site by the project geologists. Drill core is split on site and sent under custody to the Alex Stewart-OMAC sample preparation facility in Monrovia where pulps are prepared and dispatched to the OMAC laboratory in Ireland, or to the SGS assay facility in Monrovia, for analysis by fire assay with an atomic absorption finish.

Quality control and quality assurance procedures include the regular and methodical implementation of field duplicates, blank samples, standards and laboratory repeats as well as regular and specific programmes of re-assaying and umpire laboratory assaying.

5. FORWARD-LOOKING STATEMENTS

Certain information included in this document may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different from those expressed or implied. Factors that could cause actual results or events to differ materially from current expectations include but are not limited to: the grade and recovery of ore which is mined varying from estimates; estimates of future production, mine development costs, timing of commencement of operations; changes in exchange rates; access to capital; fluctuations in commodity prices; and adverse political and economic developments in the countries in which we operate. 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 statement, 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 statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

6. INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for the design and effectiveness of internal controls over financial reporting (as such term is defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109")), to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements in accordance with accounting principles generally accepted in Canada. The Company maintains an effective control environment and has used the *Internal Control - Integrated Framework* (COSO Framework) published by The Committee of Sponsoring Organizations of the Treadway Commission to design the Company's internal controls over financial reporting.

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The Company's CEO and CFO are also responsible for the design and effectiveness of disclosure controls and procedures (as such term is defined in NI 52-109) to provide reasonable assurance that material information related to the Company, including its consolidated subsidiaries, is made known to the Company's certifying officers. The Company's CEO and CFO believe that the Company's disclosure controls and procedures are effective in providing reasonable assurance that information required to be disclosed under applicable securities legislation is recorded, processed, summarized and reported in a timely manner.

7. OUTLOOK

The Company has achieved its key objectives and deliverables for 2013, namely securing project financing for the development of New Liberty, continuing with the construction of New Liberty, defining a resource at Ndablama and Weaju and increasing the Company's ground holding in Liberia with the addition of four new exploration licenses.

The company has now received all necessary permits for development of the New Liberty Gold Project and the Project is advancing rapidly, with earthworks having been completed and work progressing well on the civils and village relocation. Key mechanical supply items have been ordered, with the ball mill due for delivery to site in Q2 2014. The EPCM consultants are finalising detailed plant design with plant construction scheduled to commence in the first quarter of 2014. Aureus remains on track to achieve first gold production in Q1 2015.

Following detailed due diligence full credit committee approvals for the project finance facility were obtained in Q3 2013 with loan documentation finalised in December 2013. First drawdown is expected in April 2014.

Management believes that there is significant further exploration potential in Liberia and Cameroon. Exploration programmes continue in Liberia with analysis and licence wide generative studies being performed over the wet season. Our recently announced maiden resources at Ndablama and Weaju along with the four new exploration licenses acquired are very encouraging and confirm our strategy and commitment to Liberia as an exciting new gold district in West Africa. In addition, generative studies continue at the Company's prospects in Cameroon.