(Formerly Texada Software Inc.)

Management Discussion and Analysis

Six Months Ended June 30, 2012

NOBLE IRON INC.

(**Formerly Texada Software Inc.**)

MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A")

Basis of Presentation

The following discussion of the financial condition and results of operations should be read in conjunction with the Interim Condensed Consolidated Financial Statements for the six month period ended June 30, 2012 and the Consolidated Financial Statements and the MD&A for the year ended December 31, 2011 which were prepared under International Financial Reporting Standards ("IFRS"). This MD&A has been prepared as of August 29, 2012 to help investors understand the financial performance of the Company and provides information that we believe is relevant to an assessment and understanding of Noble Iron Inc.'s ("Noble" or the "Company" or the "Group") business, risks, opportunities and performance measures. We have prepared this document in conjunction with our broader responsibilities for the accuracy and reliability of the financial statements and the development and maintenance of appropriate internal controls in our efforts to ensure that the financial information is complete and reliable. It should be noted that in the course of evaluating internal controls over financial reporting, we have identified weaknesses in areas of complex transactions and segregation of duties. These weaknesses are commonly considered areas of deficiency for smaller listed entities in Canada. The Audit Committee of the Board of Directors, consisting of three directors, has reviewed this document and all other publicly reported financial information for integrity, usefulness and consistency.

Additional information about Noble, including copies of continuous disclosure materials, is available on Noble's website at www.nobleiron.com, or the SEDAR website at www.sedar.com. Noble can be reached at 1-800-361-1233 or 1-519-836-7073. The information on the Company's website is not to be considered a part of this MD&A.

Forward Looking Statements

This document may contain forward-looking statements which reflect the Company's current expectations regarding future events. The forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "estimate", "expect", "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These forward-looking statements involve risk and uncertainties, including the difficulty in predicting acceptance of and demands for new products, the impact of the products and pricing strategies of competitors, delays in developing and launching new products, fluctuations in operating results and other risks, any of which could cause actual results, performance, or achievements to differ materially from the results discussed or implied in the forward-looking statements. Many risks are inherent in the industry; others are more specific to the Company. You should consult Noble Iron's ongoing quarterly filings for additional information on risks and uncertainties relating to these forward-looking statements. You should not place undue reliance on any forward-looking statements. Management assumes no obligation to update or alter any forward-looking statements whether as a result of new information, further events or otherwise other than as required by law.

Non-IFRS Measures

The term ''Adjusted EBITDA'' refers to net earnings (loss) before gain on fair value increment on acquisition, acquisition expenses, depreciation, amortization, interest expense, interest expense on convertible debentures, accretion on convertible debentures, foreign exchange and stock-based compensation. The Company believes that Adjusted EBITDA is useful supplemental information as it provides an indication of the results generated by the Company's main business activities prior to taking into consideration how those activities are financed and taxed and also prior to taking into consideration the other items listed above.

Adjusted EBITDA is not a recognized measure under IFRS and, accordingly, readers are cautioned that Adjusted EBITDA should not be construed as an alternative to net earnings (loss) determined in accordance with IFRS as an indicator of the financial performance of the Company or as a measure of the Company's liquidity and cash flows. The

Company's method of calculating Adjusted EBITDA may differ from other issuers and, accordingly, Adjusted EBITDA may not be comparable to similar measures presented by other issuers. See ''Reconciliation of Adjusted EBITDA to Net Earnings (Loss)'' for a reconciliation of Adjusted EBITDA to net earnings (loss).

Background of Noble Iron Inc. (formerly Texada Software Inc.)

Overview:

Noble Iron Inc. (TSX Venture Exchange: NIR) is the parent company of the Group, operating within the construction and industrial equipment rental and distribution industry as well as in enterprise asset management software and technology, with products that primarily serve the rental equipment industry.

Through the Company's wholly owned U.S. subsidiary Noble Rents, Inc. ("Noble Rents"), the business has operated in the construction and industrial equipment rental industry through four locations, 50 employees and over 1,100 rental assets in Southern California since August 2011.

On July 9, 2012, the Company expanded its construction and industrial equipment rental and sales operations to the greater Houston, Texas area through the acquisition of assets of Bane Machinery Houston, L.P. ("Bane"). In conjunction with the asset acquisition, the Company entered a real estate lease on the property currently occupied by Bane's Houston operations. The Bane acquisition provides a physical outlet on which to conduct the Company's exclusive construction and industrial equipment distribution agreement with LiuGong Construction Machinery, covering the twenty counties that make up the greater Houston, Texas geographical area, which was signed on May 15, 2012.

Through Systematic Computer Services Corp. ("SCS"), an indirect operating subsidiary, the Company was founded in the early the 1980's and has been developing and marketing rental and asset management software worldwide for over 25 years.

Historical Timeline:

SCS was acquired in 2001 by RentOnTheDot Inc, which in turn was acquired by the Company. Noble Iron Inc. was incorporated on March 21, 2000 as Aqua Capital Corp. and on May 13, 2002 acquired RentOnTheDot Inc. ("ROTD"), which constituted the Company's "Qualifying Transaction" under Policy 2.4 of the TSX Venture Exchange. As the acquisition of ROTD resulted in the shareholders of ROTD owning greater than 50% of the Company's common shares, it was accounted for as an acquisition of the Company by ROTD using the purchase method with ROTD being identified as the acquirer.

Effective May 15, 2002, the Company changed its name to "Texada Software Inc." carrying on the business of ROTD and its principal subsidiary, SCS, of developing and providing enterprise software solutions, primarily to the equipment rental industry.

On October 22, 2010, the Company announced that with the appointment of William Swisher as Chief Executive Officer that the Board of Directors was encouraging management to investigate business expansion opportunities, including the potential acquisition of related businesses. It was also announced on that date that Mr. Swisher's focus would be to build on the Company's existing business with long-term strategies to enhance shareholder value. The Company noted at that time that these initiatives would increase the operating expenses of the business in the near term as the necessary work was undertaken to investigate these opportunities.

On August 30, 2011, the Company announced that it had concluded the acquisition of operating assets of a U.S. based equipment rental business, Rolls Scaffold & Equipment Inc., dba Rolls High Reach ("Rolls"). Rolls was a Southern California-based, four location, 50 employee equipment rental business focused on aerial reach equipment which was established in 1958 (the "Rolls Acquisition"). The acquisition was completed through two separate transactions, namely: (a) the acquisition of certain rental fleet and other operating business assets (excluding scaffolding assets and certain other assets which were retained Rolls) from Rolls for cash and assumed liabilities totalling approximately $1.1 Ml. U.S.; and (b) the acquisition of rental fleet from an existing lender to Rolls. The lender provided term financing of approximately $9.6 Ml. U.S. (the "Lender Financing") in conjunction with this acquisition, repayable over a 48 month period and carrying an interest rate of 7.0% per annum. The Lender Financing was secured by a first security interest over all of the assets of the Company's subsidiary. The Company provided a guarantee for the Lender Financing. The lender also agreed to provide additional rental fleet financing of up to $3.4 Ml. U.S. post-closing to assist Rolls in the expansion of its rental fleet.

Also on August 30, 2011 and on September 15, 2011, the Company announced that it had completed a non-brokered private placement (the "Private Placement") of 8,000,000 common shares of the Company (the "Common Shares") at a price of $0.50 per share for gross proceeds of $4.0 Ml. The Company noted at that time that it intended to use the net proceeds of the Private Placement to satisfy certain liquidity conditions of the Lender Financing in connection with the Rolls Acquisition, to acquire additional rental fleet for its rental business, and for general working capital purposes. Insiders of the Company subscribed for greater than 25% of the Private Placement, on the same terms as arm's length investors.

On November 9, 2011, the Company completed a multi-year extension of its licensing agreement with PROIV Technology, LLC ("PROIV"). PROIV provides software development tools to Noble Iron and has been a strategic partner of the Company since 1992. This long-term agreement demonstrated the Company's strategic intent to remain a premier provider of enterprise asset management software to the rental and construction industries.

On November 10, 2011, Noble Iron announced that Nabil Kassam, a current director of the Company, had been appointed to the role of Executive Chairman, replacing William Swisher who had held the Chairman role and continues as the Company's Chief Executive Officer and as a director. Also on that date, the Company announced that two new directors had been appointed to its Board of Directors. The two new appointees are Samir Manji, the founder, President & CEO of Amica Mature Lifestyles Inc., an industry leading TSX-listed company that manages and owns luxury independent living retirement communities and William Palmer, a seasoned entrepreneur and executive with over 35 years of starting, operating, growing and financing a variety of businesses with operating experience in the United States, Canada and Europe, including as the founder and CEO of one of Europe's largest self-storage companies with 65 locations in England, France and Germany.

On December 2, 2011, the Company's convertible debentures in the original face amount of $1.1 Ml. matured. On that date, the debentures, which with accrued interest totalled $1.74 Ml., were retired. Of the total due outstanding, $0.61 Ml. was paid in cash to five debentures holders and the balance of $1.13 Ml. was converted into 1,998,996 common shares of the Company by the remaining five holders at an average price of $0.5675 per share.

On May 15, 2012, Noble Iron announced that the Company entered into an exclusive distribution agreement with LiuGong Construction Machinery ("LiuGong") for 20 counties that make up and surround the market of Houston, TX and that the Company will purchase 20 LiuGong equipment units over the initial 12 month period. This exclusive distribution agreement marked the entrance of the Company into construction and industrial equipment distribution, establishing a third segment of business.

On May 16, 2012, the Company announced a non-brokered private placement (the "Private Placement") of up to 4,500,000 common shares of the Company at a price of $1.00 CDN per share for anticipated gross proceeds of up to $4.5 Ml. The Company announced at that time that it intended to use the net proceeds of the Private Placement for working capital, equipment, and other asset purchases.

On May 31, 2012, the Company announced the closing of a $25.0 Ml. U.S. revolving secured line of credit facility from a lender for the recapitalization of all debt outstanding of Noble Rents. A total of $13.2 Ml. was funded at the closing, leaving $11.8 Ml. undrawn and available, subject to applicable borrowing base, while interest payments will be based on a variable interest rate calculated at the one month LIBOR rate plus 325 basis points, being 3.50% at closing. The new facility operates with a daily cash sweep against outstanding debt with no scheduled principal payments during the term of the loan, and the facility is guaranteed by Noble Iron Inc. Under the terms of the financing, Noble Rents can borrow up to $25.0 Ml. U.S. based upon its borrowing base, determined by the value of its rental fleet, accounts receivable and inventory.

On June 29, 2012, the Company announced the completion of the closing of the non-brokered private placement, previously announced on May 16, 2012, of 4,500,000 common shares of the Company at a price of $1.00 per share for gross proceeds of $4.5 Ml.

On July 9, 2012, the Company announced the closing of an Asset Purchase Agreement to acquire assets of Bane Machinery Houston L.P. ("Bane"), located in Houston, Texas. Along with the purchase of certain Bane assets, including earth moving equipment, the Company retained all employees and an active, extensive customer list. Total consideration for the acquisition was approximately $2.3 Ml. U.S.

On July 23, 2012, the Company announced the completion of a Company name change from “Texada Software Inc.” to “Noble Iron Inc.” and that shares of the Company now trade under the symbol “NIR” on the TSX Venture Exchange (“TSXV”).

Also on July 23, 2012, the Company announced the completion of a stock consolidation on the basis of one (1) new common share for every five (5) old common shares. Post-consolidation, the Company has 17,181,635 common shares outstanding. All references in this MD&A as to number of shares and per share amounts reflect this consolidation as if it had been placed on December 31, 2010.

Description of Noble Iron’s Businesses:

At the quarter ended June 30, 2012, the Company operates within three complementary business platforms, as follows:

a) Construction and Industrial Equipment Rental

Through its wholly-owned U.S. subsidiary, Noble Rents, Inc., the Company operates in the construction and industrial equipment rental industry in Southern California. The rental business segment was established in August 2011 via the Rolls Acquisition, an equipment rental business that was established in 1958. To date, its largest logistics and support location is situated at a leased facility in Ventura County, California. Additionally, this business segment has three other Southern California leased locations located in Long Beach, Riverside and San Diego. With these four locations, the rental business segment effectively serves three of the largest Metropolitan Statistical Areas (“MSAs”) in the United States; being Los Angeles, San Diego and Riverside-San Bernardino.

As of July 9, 2012, with the acquisition of the Bane assets, the Company has expanded rental operations to the greater Houston, Texas area. Bane, established in 1963, expanded to Houston in 2007 and is situated on approximately five acres of land with approximately 30,000 square feet of building space.

In conjunction with the entrance into the equipment rental industry in 2011, the Company launched an active project implementation plan of what management calls “NiCC,” or, “Noble Interactive Customer Center”, which is a proprietary customer interface program that integrates technology, software, customer/call center interaction and a variety of other business processes that is unique to the Company. This technology development and implementation project is expected to be ongoing over the balance of 2012.

The Company’s rental business has approximately 65 employees and a modern rental fleet of over 1,200 pieces of aerial, forklift and light compact equipment supplied by Genie and other name brand manufacturers such as LiuGong, Kobelco and New Holland. Management has identified numerous strategic and operational enhancements in regards to this fleet which it expects to continue to implement at the business over the balance of 2012, including the continual process improvements resulting from the installation of the Company’s SRM enterprise asset management software in the second quarter at Noble Rents and through the migration to the Company’s SRM in the third quarter at the former Bane operation. This software is expected to be a key factor in more efficiently and profitably running the rental business day to day, and is ultimately a key component of integrating multiple software based technologies together within NiCC.

On May 31, 2012, the Company refinanced all existing debt owed by Noble Rents. This refinancing amounted to approximately $13.2 Ml. U.S. against a revolving facility of $25.0 Ml. U.S. As of June 30, 2012, the Company has subsequently received and paid for additional equipment and extended the balance of borrowings to $15.1 Ml. U.S. after taking delivery of $2.1 Ml. of additional fleet.

Rental revenue primarily consists of short term rental of aerial, forklift and light compact fleet to third parties along with delivery and other ancillary revenue. At present, there is a negligible amount of parts and new equipment sold to the customer base. Other ordinary and typical revenue includes the proceeds on the disposition of existing rental assets in the ordinary course as part of the ongoing capital expenditure plan for the business. These sales are utilized to maintain targeted average fleets ages and to provide capital for the purchases of new fleet.

Cost of revenue consists primarily of depreciation on rental fleet and other capital assets, including vehicles, and the cost of fleet disposals conducted in the ordinary course of business. The cost of re-rentals is also included in this area but at present is negligible. Re-rental business is expected to expand to some extent in the second half of 2012.

Support, maintenance and delivery expenses include the cost of personnel directly associated with the delivery and maintenance of rental fleet, the cost of repair and maintenance of rental fleet and rolling stock, real estate, fuel and supplies. Sales and marketing expenses consist of personnel and related costs associated with selling and marketing functions, including advertising, commissions and other promotional materials and activities. General and administration expenses include personnel and related costs associated with the administration of the business and other expenses including insurance, professional fees and other related expenses.

b) Construction and Industrial Equipment Sales and Distribution

With the announcement of the exclusive distribution agreement with LiuGong on May 15, 2012, the Company now operates in construction and industrial equipment sales and distribution in the greater Houston, Texas metropolitan area. This exclusive agreement with LiuGong is expected to be carried out at the physical location of Bane. Under this agreement, the Company holds a long-term agreement with LiuGong as the exclusive distributor of LiuGong Construction Machinery equipment for 20 counties making up and surrounding the greater Houston, Texas area, regarded as one of the top 10 MSAs within the United States.

The Company is under contract to procure 20 units of equipment in the first 12 months of the agreement. The initial order of 13 units, valued at a purchase price of $1.4 Ml. U.S., is expected to be delivered in the third quarter of 2012. The Company's future revenue from Construction and Industrial Equipment Sales and Distribution will consist of direct sales of equipment as well as rental revenue from equipment sold to affiliated parties within the Company. Costs of revenue for the balance of 2012 will consist of the equipment cost to the Company for the purchase of equipment for sale as well as marketing expense to promote the Noble brand within this segment of business.

c) Enterprise Asset Management Software

The Company is the premier provider of enterprise software solutions for rental management and mobile equipment under its brand name "Systematic Rental Management" ("SRM"). Noble Iron's solutions are fully flexible and scalable to meet the unique needs of any sized operation and are backed by proven implementation, services and support.

Noble Iron's market-driven software products combine knowledge and best practices from over 5,000 users worldwide, resulting in solutions that manage the complete asset life-cycle from acquisition through disposal. Noble Iron's customers enjoy the benefits of enhanced efficiency through better asset utilization, effective location tracking, and optimized scheduling.

The Company's revenue from enterprise software consists of software license revenue, which includes server license fees, user license fees, SaaS subscription fees, upgrade fees and maintenance fees and service revenue. Software license revenue is comprised of license fees charged for the use of the Company's software products generally licensed under single-year, multiple-year or perpetual arrangements in which the fair value of the license fee is separately determinable from service fees. Maintenance fee arrangements generally include ongoing customer support and rights to certain product updates "if and when available". Service revenue consists of professional service fees charged for product training, consulting, implementation, and programming services. Customers typically purchase a combination of software, maintenance and professional services, although the type, mix and quantity of each solution vary by customer and by product.

Cost of revenue consists primarily of the costs directly related to revenues including third party software license costs and third party costs related to the delivery of professional services and maintenance.

Support, maintenance and delivery expenses include personnel and related costs associated with maintenance, training and professional services efforts. Research and development expenses include personnel and related costs associated with the Company's research and development efforts. Sales and marketing expenses consist primarily of personnel and related costs associated with selling and marketing functions, including advertising, commissions, trade shows and other promotional materials and activities. General and administration expenses include personnel and related costs associated with the administration of the business, rental of office space, legal and professional fees, and insurance.

Noble Iron's Markets:

a) <u>Construction and Industrial Equipment Rental and Distribution</u>

The equipment rental market consists of companies renting various types of equipment, on both short and long-term basis, in return for a rental fee. The rental industry is highly fragmented and consists of a small number of multi-location regional or national operators and a large number of relatively small, independent businesses serving discrete local markets. The industry is driven by a broad range of economic factors including residential and non-residential construction trends, and overall economic activity.

Construction equipment is largely distributed to end users through two channels: equipment rental companies and equipment dealers. Examples of other national rental equipment companies include United Rentals, Hertz Equipment Rental and Sunbelt Rentals.

Management estimates that the total North American industrial and construction related equipment rental and distribution market is currently $100 Bl. U.S., with $34 Bl. U.S. being the size of the equipment rental market as published by the American Rental Association ("ARA"). The relative sizes of the three primary areas of the equipment rental market as published by the ARA, on the basis of total revenue generated, are approximately:

• Heavy and Light Construction - 67%
• General Tool - 25%
• Party/Event - 8%

The Company's rental operations operate exclusively, at this time, in the heavy and light construction equipment rental market, with 100% its existing rental fleet being aerial reach, forklift and light compact equipment. The heavy and light construction equipment rental market consists of equipment with a significant capital cost that is deployed to contractors to meet the demands of their construction projects. Examples of this type of equipment are aerial reach equipment, bulldozers, skid steer loaders, forklifts, compaction equipment and excavators. Customers in this market are generally repeat customers, having long-standing relationships with equipment rental companies and, in some instances, may have contractual supply arrangements for certain types of equipment.

In the second quarter of 2012, the Company has received and put into service earth moving pieces of rental equipment at Noble Rents in California. This equipment will serve many of the Company's existing customers and will also open up an avenue into an even larger pool of customers in the Company's marketplace.

With the market for construction and industrial equipment improving over the past several quarters, and with market studies continuing to predict a prolonged and sustainable recovery, even if erratic at times, the Company believes that there will be continued growth within the estimated $100 Bl. U.S. North American equipment rental and distribution industry that will outpace the general economic improvements of North America. Because of this, the Company will continue to seek out opportunistic advancement, such as through the LiuGong exclusive dealership arrangement, acquisitions such as that of Bane, and strategic purchases of fleet throughout the balance of 2012.

b) <u>Enterprise Asset Management Software</u>

The equipment rental industry is Noble Iron's dominant market, accounting for approximately 90% of the Company's enterprise software related revenue. The rental market is generally divided into three segments - (i) heavy and light construction, (ii) general tool and (iii) party/event. While the Company has customers in all three segments, Noble Iron sells primarily to companies operating in the approximately $34 Bl. U.S. construction equipment rental market, with more than 30,000 companies worldwide who rent equipment, 12,000 of which conduct business in the United States and Canada. Most companies of any size servicing this market require dedicated software to operate the contract management and asset management functions within their business.

The market for rental management software is fairly well defined, has existed for over 30 years and management estimates its growth at generally less than 10% per year. However, most of the characteristics of a typical mature market are absent from the rental management software market. Instead of a market dominated by a very few number of major brand-name companies, the rental management software market is highly fragmented.

Management estimates that there are over 200 suppliers of rental management software to all three segments of the rental market and that there are no competitors who service the global market. Management believes that rental companies traditionally have viewed rental management software and technology as an overhead expense, rather than a value-added investment. Management further believes that no single software company has achieved sufficient size and scope to fully take advantage of economies of scale. However, the industry has indicated a willingness to evolve, as evidenced by the acquisition of the industry's largest enterprise asset management software company Wynne Systems, Inc. by Constellation Software's Volaris Group in May 2012, indicating action of de-fragmentation within the industry.

While in traditional industries that experience high levels of fragmentation such as in enterprise asset management software there is an expectation of eventual consolidation, the consolidation of Noble Iron's software niche is generally not perceived by management to be imminent, even given the acquisition of Wynne Systems, Inc. by Constellation Software. With minimal overall market size, the cost of increasing one's market share specifically within this niche, organically as well as inorganically, is considered to be high. Furthermore, with technology development being cost prohibitive within this niche, it would take a significant partnership within this industry to achieve enough economy of scale to significantly alter and improve the quality of enterprise asset management software.

Management estimates that the size of the North American enterprise software solutions market for rental equipment is $50 Ml. U.S. annually. This estimate places the Company as the second largest provider of these software solutions. With growth in this niche market estimated at 3-4% per year, combined with an elevated cost to acquire market share, management of the Company foresee Noble Iron remaining a strong, stable and established player in this market well into subsequent years.

Overview of the Three and Six Months Ended June 30, 2012:

The Company achieved substantial quarter-over-quarter increases in its operating results for the three and six months ended June 30, 2012. Revenue and Adjusted EBITDA both increased materially during the period ended June 30, 2012 as compared to June 30, 2011 as displayed in the following chart:

Selected Financial Information	**Three Months Ended June 30,**			**Six Months Ended June 30,**		
(In thousands of dollars)	**2012**	**2011**	**Change**	**2012**	**2011**	**Change**
Revenue	$4,047	$1,198	$2,849	$8,049	$2,300	$5,749
Adjusted EBITDA	$444	($19)	$463	$963	($76)	$1,039

These increases continue to be for the most part made due to the Rolls Acquisition completed on August 30, 2011. This acquisition and the entrance into equipment rental substantially grew the size of the Company's revenue. The results of rental operations are included in the Company's operating results from the date of acquisition only, with data provided for pre-acquisition financial results for comparison purposes only.

The Company's rental business segment, in the second quarter of 2012, continued to seek new opportunities for growth. The Company continues to invest into additional growth fleet for rental operations in an effort to increase both the breadth of the equipment offered for rent as well as to fulfill the needs of increased market share achieved through customer relationship and pricing initiatives. Additionally, the Company continues to seek out acquisition opportunities of both operable construction equipment rental businesses as well as purchases of new and used equipment rental fleet.

The substantial focus of management effort on the expansion of the equipment rental based business unit marks a continuous and consistent strategic direction of the Company for growth within the equipment rental industry. Significant efforts, in addition to revenue growth initiatives, are being expended on proprietary technological advances within the construction equipment industry, designed to minimize operational costs while driving revenue growth from existing and new customers.

Management also continues to focus on the enterprise software management business line, expending efforts to maximize the value of the PROIV strategic initiative completed in the fourth quarter of 2011 while concentrating efforts on customer conversions from the Company's ERP products to the SaaS based model launched in 2011. This continued commitment by the Company reaffirms Noble Iron's strategic intent to continue as an industry leading provider of enterprise asset management software solutions to existing customers and to continue to expand the Company's installation base in the future.

The following chart outlines in summary form the Company's results for the comparative quarters ended June 30, 2012 and June 30, 2011.

Financial Performance:

Three and Six Months ended June 30, 2012 and June 30, 2011 and as at June 30, 2012 and December 31, 2011

Selected Financial Information	**Three Months Ended June 30,**			**Six Months Ended June 30,**		
(In thousands of dollars except per share amounts)	**2012**	**2011**	**Change**	**2012**	**2011**	**Change**
Revenue	$ 4,047	$ 1,198	$ 2,849	$ 8,049	$ 2,300	$ 5,749
Adjusted EBITDA	444	(19)	463	963	(76)	1,039
Net Loss for the Period	(526)	(108)	(418)	(932)	(274)	(658)
Weighted Avg. Shares Outstanding (Basic)	12,671,262	2,555,470	10,115,792	12,613,187	2,555,470	10,057,717
Weighted Avg. Shares Outstanding (Diluted)	13,151,056	2,555,470	10,595,586	13,092,981	2,555,470	10,537,511
Net Loss per Share (basic)	$ (0.04)	$ (0.04)	$ 0.00	$ (0.07)	$ (0.11)	$ 0.04
Net Loss per Share (diluted)	$ (0.04)	$ (0.04)	$ 0.00	$ (0.07)	$ (0.11)	$ 0.04
				As at June 30, 2012	**As at Dec 31, 2011**	**Change**
Total Assets				$ 29,973	$ 24,220	$ 5,753
Total Liabilities				$ 20,040	$ 18,086	1,954
Total Shareholder Equity				$ 9,933	$ 6,134	3,799

For the six month period ended June 30, 2012, the Company incurred a net loss of $0.93 Ml. while generating EBITDA of $0.96 Ml. on $8.05 Ml. of revenue, compared to a net loss of $0.27 Ml., an EBITDA loss of $0.08 Ml. and revenue of $2.3 Ml. for the six month period ended June 30, 2011. This growth in revenue and EBITDA is primarily a result of the Company's entrance into the equipment rental business. Year over year growth in revenue and EBITDA is expected to remain elevated through the balance of 2012.

Noble Iron had a net loss of $0.53 Ml. for the three month period ended June 30, 2012 compared to a net loss of $0.11 Ml. for the three month period ended June 30, 2011. This change is primarily due to the change in the business of the Company created by the entry into the equipment rental market in August 2011. The acquisition has added significant depreciable assets to the Company, creating a $0.87 Ml. expense for depreciation and amortization in the second quarter of 2012 compared to $0.004 in the second quarter of 2011.

Adjusted EBITDA was $0.44 Ml. in the second quarter of 2012 compared to a loss of $0.02 Ml. in the prior year's comparable quarter. The significant improvement in Adjusted EBITDA between the two quarters is primarily due to the rental business acquisition which generated quarter ended June 30, 2012 Adjusted EBITDA of $0.95 Ml. during the period.

Shareholders' equity increased substantially from December 31, 2011 to June 30, 2012. This increase of $3.8 Ml. is primarily due to the private placement of 4,500,000 shares at $1.00 per share for gross proceeds of $4.5 Ml. completed on June 29, 2012. The main offset to the increase in shareholder equity is the net loss during the period which includes the effect of depreciation of capital assets in the rental business and the continued investment into strategic initiatives across all business segments.

Segmented Operating Results:

Following the May 15, 2012 LiuGong exclusive dealership agreement, the Company operates in three business segments, being 1) Construction and Industrial Equipment Rental, 2) Enterprise Asset Management Software and 3) Construction and Industrial Equipment Distribution. A summary overview of the segments having financial activity in the quarter ended June 30, 2012 is provided below. Revenue Assistance Operations ("RAO") expenses are not specific to a singular business segment and are provided as a separate summary so as to maintain integrity within the financial information provided for all business segments.

A) Equipment Rental

As the Company entered the equipment rental segment via acquisition, the financial results for this business are only included in the Company's operating results from the effective acquisition date of August 30, 2011. Certain comparative pre-acquisition financial information is provided below in order to assist in providing a comparison to the prior year.

The following chart outlines in summary form the equipment rental segmented financial results for the three and six months ended June 30, 2012 along with select comparable results for the three and six months ended June 30, 2011, which was prior to Noble Iron's ownership of the operations.

Summary of Financial Results (in thousands of dollars)	**3 Months Ended June 30, 2012**	**% of Revenue**	**3 Months Ended June 30, 2011**	**% of Revenue**	**6 Months Ended June 30, 2012**	**% of Revenue**	**6 Months Ended June 30, 2011**	**% of Revenue**
Revenue	**$2,925**		**$2,090**		**$5,485**		**$3,842**	
Cost of Revenue	(921)	31%	(642)	31%	(1,826)	33%	(1,330)	35%
Summary Expenses								
Support, Maintenance and Delivery	(1,104)	38%	(947)	45%	(2,158)	39%	(1,827)	48%
Sales and Marketing	(210)	7%	(246)	12%	(408)	7%	(498)	13%
General and Administration	(568)	19%	(359)	17%	(1,083)	20%	(783)	20%
Deferred Income Tax Recovery	180	(6%)	0	0%	260	(5%)	0	0%
Interest	(198)	7%	(156)	7%	(421)	8%	(321)	8%
Net Earnings (Loss)	**$103**	**3.5%**	**($261)**	**(12.5%)**	**($151)**	**(2.8%)**	**($918)**	**(23.9%)**
Add Back Depreciation/Amortization	830	28%	651	31%	1,508	27%	1,354	35%
Deferred Income Tax Recovery	(180)	(6%)	0	0%	(260)	(5%)	0	0%
Add Back Interest Expense	198	7%	156	7%	421	8%	321	8%
Adjusted EBITDA	**$952**	**33%**	**$546**	**26%**	**$1,518**	**28%**	**$757**	**20%**

Total revenue generated from equipment rental for the six months ended June 30, 2012 was $5.49 Ml. resulting in a net loss of $0.15 Ml. and an Adjusted EBITDA of $1.52 Ml. For the six months ended June 30, 2011, the rental business, under previous ownership, generated revenue of $3.84 Ml. while incurring a net loss of $0.92 Ml. and an Adjusted EBITDA of $0.76 Ml.

Total revenue for the three month period ended June 30, 2012 was $2.93 Ml. compared to $2.09 Ml. for the three months ended June 30, 2011. Revenue in both years was derived substantially from equipment rental related revenue, including delivery, ordinary fleet disposal and other ancillary revenue from the rental process. For the three months ended June 30, 2012, there was an approximate 7% increase in original rental equipment asset cost ("OEC") due to rental fleet deliveries of orders placed in prior periods that was not rent ready until the end of the quarter. In the six month period ended June 30, 2012, total OEC increased approximately 10%. Due to this timing of fleet delivery, the size of rentable fleet in the comparative quarters is considered by management to be relatively equal, and therefore the revenue producing potential of the business was, for the most part, consistent with the comparative quarter. The increased revenue was due to the improvement in the marketplace in general, management's ability to keep a greater percentage of fleet available for and on rent and the utilization of an improved pricing matrix.

Cost of revenue in the quarter ended June 30, 2012 was $0.92 Ml. comprised primarily of depreciation of $0.82 Ml. Cost of revenue for the six month ended June 30, 2012 was $1.83 Ml. comprised primarily of depreciation of $1.48 Ml.

Total operating expenses for the quarter ended June 30, 2012 were $1.88 Ml. The component breakdown of operating expenses in the quarter was i) Support, maintenance & delivery $1.10 Ml.; ii) Sales & marketing $0.21 Ml. and iii) General and administration $0.57 Ml. Depreciation and amortization expense in the quarter totalled $0.83 Ml. of which $0.82 Ml. is included in cost of revenue and $0.01 in sales & marketing.

Total operating expenses for the six months ended June 30, 2012 were $3.65 Ml. The component breakdown of operating expenses in the six month period was i) Support, maintenance & delivery $2.16 Ml.; ii) Sales & marketing $0.41 Ml. and iii) General and administration $1.08 Ml. Depreciation and amortization expense in the quarter totalled $1.51 Ml. of which $1.48 Ml. is included in cost of revenue and $0.03 Ml. in sales & marketing.

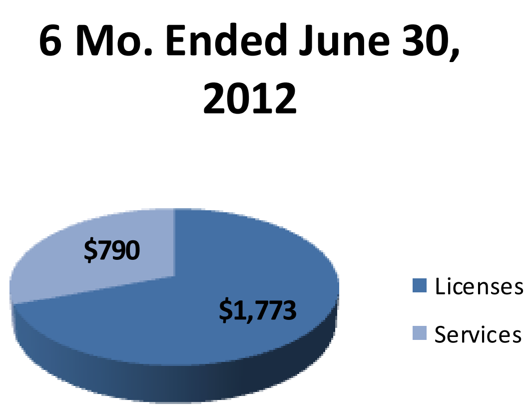
Equipment rental Adjusted EBITDA for the quarter ended June 30, 2012 was $0.95 Ml. as compared to $0.55 Ml. for the same period in 2011 when the Company did not own the business. The increase in Adjusted EBITDA compared to 2011 is a combined result of a number of initiatives, including sales and marketing refinements, reduced marginal cost expenditures created through increased efficiency and as a result of general improvement in market demand over the past 12 months in the Southern California rental marketplace.

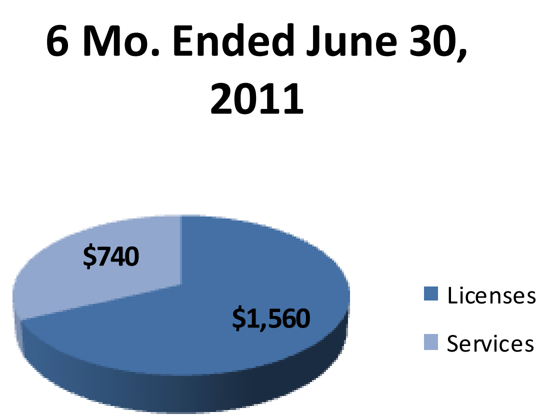
The construction and industrial equipment rental segment of the Company had 54 full-time employees as of June 30, 2012, located in Southern California and Houston, Texas.

B) Enterprise Asset Management Software

Revenue

Revenue *(in thousands of dollars)*	**Q2 2012**	**Q2 2011**	**Change**	**6 Mo. Ended June 30, 2012**	**6 Mo. Ended June 30, 2011**	**Change**
Licenses	$733	$826	($93)	$1,773	$1,560	$213
Services	389	372	17	790	740	50
Total	$1,122	$1,198	($76)	$2,564	$2,300	$264





For the six months ended June 30, 2012, total revenue increased to $2.56 Ml. as compared to $2.30 Ml. for the six month period in 2011, representing an increase of 11.5% over the same period of 2011.

For the quarter ended June 30, 2012, total revenue of $1.12 Ml. decreased 6% compared to the quarter ended June 30, 2011 revenue of $1.20 Ml., due to a decline of license revenue of $0.09 Ml. in the quarter.

License based revenue decreased 11% to $0.73 MI. for the three months ended June 30, 2012 from $0.83 MI. in the comparable 2011 period primarily due to a decrease in revenue from the sale of new licenses in the quarter. Revenue from ongoing, recurring license maintenance fees was $0.69 Ml. for the quarter, up $0.07 Ml. from 2011, primarily due to an increase in the number of users and implementations on the SaaS platform. Service based revenue increased marginally to $0.39 Ml. in 2012 from $0.37 Ml. in 2011 due to increased professional services revenue.

Gross profit for Q2 2012 decreased 7.6% to $0.98 Ml from $1.06 Ml. in Q2 2011. As a percentage of revenue, gross profit was 87.7% and 88.8% for the three and six months ended June 30, 2012, compared to 88.9% and 87.0% for the comparative three and six month periods ended June 30, 2011. Cost of revenue in the quarter was relatively consistent in the current year compared to 2011. Cost of revenue consists primarily of the costs directly related to revenues including third party software license costs and third party costs related to the delivery of professional services and maintenance. During the fourth quarter of 2011 the Company entered into a revised agreement with its development tools provider, as discussed earlier under “Background of Noble Iron”.

Operating Expenses

Software Operating Expenses by Departmental Category *(in thousands of dollars)*	**Three Months Ended June 30,**			**Six Months Ended June 30,**		
	2012	**2011**	**Change**	**2012**	**2011**	**Change**
Support	$374	$358	4.4%	$740	$683	8.3%
Sales and marketing	79	75	5.4%	166	176	(5.7%)
Research and development	149	184	(18.9%)	409	375	9.1%
General and Administration	137	245	(44.1%)	353	514	(31.3%)
Total Software Operating Expenses	**$739**	**$862**	**(14.3%)**	**$1,668**	**$1,748**	**(4.6%)**

Total operating expenses for the quarter June 30, 2012 decreased by $0.12 Ml. or 14.3%, and expenses for the six month period declined by $0.08 Ml. or 4.6%. This decrease is primarily attributed to the scientific research and development claims noted below and the allocation of certain professional fees and other expenses to RAO which have been incurred in the software business in prior years.

Support expenses include personnel and related costs associated with maintenance, training and professional services efforts. Support expenses increased by $0.02 Ml. for the second quarter of 2012 and $0.06 Ml. for the six month period compared to 2011 due to increased wages, benefits and staffing levels. Support expenses increased and are expected to continue to increase as the Company adds new customers, new projects from existing customers and increases the number of users in its customer base.

Research and development expenses include personnel and related costs associated with improvements to the Company’s technology and software. Expenses in this area for the three months ended June 30, 2012 decreased by $0.04 Ml. in 2012 compared to 2011. For the six month period, research and development costs increased 9.1%, or $0.03 Ml., relating to an increase in salaries, benefits and outside contractors used in 2012 as compared to the same period in 2011. Additionally, in the three month period ended June 30, 2012, the Company received cash payment of certain scientific research and development claims of $0.09 Ml. which are reflected in the three and six month period ended June 30, 2012 as an expense reduction.

Sales and marketing expenses consist primarily of personnel and related costs associated with selling and marketing functions, including advertising, commissions, trade shows and other promotional materials and activities.

General and administration expenses include personnel and related costs associated with the administration of the business segment, rental of office space, legal and professional fees, bad debt and insurance. General and administration expenses for the quarter ended June 30, 2012 decreased $0.11 Ml. as compared to the quarter ended June 30, 2011, and by $0.16 Ml. for the six month period, primarily due to the reasons outlined above.

The major components of enterprise software operating expenses are as follow:

Components of Operating Expenses *(in thousands of dollars)*	Three months ended June 30, 2012 $ (000's)	 %	 2011 $ (000's)	 %	6 Mo. Ended June 30, 2012 $ (000's)	 %	 2011 $ (000's)	 %
Expense Category:								
Salaries and Benefits	$657	88.9%	$599	69.5%	$1,328	79.1%	$1,129	64.6%
Outside Contractors	56	7.6%	74	8.6%	$144	8.6%	164	9.4%
Travel	19	2.5%	16	1.8%	$36	2.1%	29	1.6%
Rent and Utilities	22	3.0%	23	2.7%	$47	2.8%	46	2.6%
Other Expenses	(15)	(0.5%)	150	17.5%	$125	7.4%	380	21.8%
Total Software Operating Expenses	**$739**	**100%**	**$862**	**100%**	**$1,680**	**100%**	**$1,748**	**100%**

Approximately 88% of operating expenses in the first six months of the current year related to personnel and contractors (2011 Q2 - 74%). As mentioned above, in the three month period ended June 30, 2012, the Company received cash payment of certain scientific research and development claims of $0.09 Ml. which are reflected in the three and six month period ended June 30, 2012 as a reduction in other expenses.

The Texada Software enterprise asset management software business of Noble Iron has 29 full time employees as of June 30, 2012 and all are based out of the Company's offices in Guelph, Ontario, and Brisbane, Australia.

C) Revenue Assistance Operations

The Company incurs certain macro-level expenses that are not directly attributable to any single segment of business, which are presented in this MD&A as Revenue Assistance Operations ("RAO") expenses as opposed to micro-level overhead expenses within an individual business segment. These corporate expenses represent costs associated with, but are not limited to, being a public entity, growth and strategic plan execution, technological advances not attributed to any one segment, corporate level management not employed at the segmented business level, Company-wide branding and trademark activity and the ancillary costs to support these functions. A summary of these financial expenses are as follows:

RAO Operating Expense Components	Three Months Ended June 30, 2012 $ (000's)	 %	 2011 $ (000's)	 %	Six Months Ended June 30, 2012 $ (000's)	 %	 2011 $ (000's)	 %
Expense Category:								
Salaries, Benefits & Contractors	$488	57.9%	$128	52.6%	$892	67.4%	$229	61.4%
Travel	39	4.7%	31	12.8%	60	4.5%	47	12.6%
Professional fees	206	24.5%	65	26.5%	227	17.2%	65	17.4%
Rent and Utilities	22	2.6%	2	0.8%	32	2.4%	5	1.3%
Advertising and Marketing	36	4.2%	0	0.0%	39	2.9%	0	0.0%
Other Expenses	53	6.3%	18	7.3%	74	5.6%	27	7.2%
Total RAO Operating Expenses	**$843**	**100%**	**$244**	**100%**	**$1,323**	**100%**	**$372**	**100%**

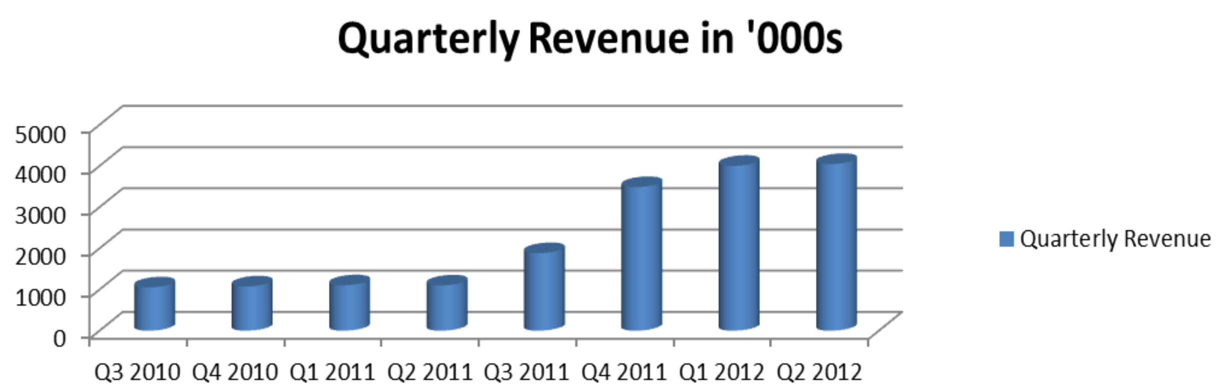
RAO expenses increased significantly over the comparable periods in 2011 due to aggressive growth initiatives, costs associated with the June 29, 2012 private stock placement, increasing public disclosure requirements, and consolidating a number of corporate level activities out of individual business segments. These activities were handled primarily through the addition of personnel and the contracting of outside professionals to handle the increasing level of corporate level demands and complex transactions.

RAO has 6 full time staff as of June 30, 2012, all based out of Houston, TX.

Summary of Quarterly Results

Summary of Quarterly Results (in thousands except per share amounts)	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Q4 2010	Q3 2010
Revenue	$4,047	$4,002	$3,487	$1,883	$1,098	$1,102	$1,074	$1,052
Adjusted EBITDA (loss)	444	520	78	96	(19)	(57)	140	138
Net earnings (loss) for the period	(526)	(406)	(888)	4,358	(107)	(165)	(2)	(2)
Earnings (loss) per share - basic *	($0.04)	($0.03)	($0.35)	$1.71	($0.04)	($0.07)	($0.00)	($0.00)
Earnings (loss) per share - diluted *	($0.04)	($0.03)	($0.35)	$1.71	($0.04)	($0.07)	($0.00)	($0.00)

*All per share earnings (losses) reflect the July 23, 2012 five (5) for one (1) share consolidation and are presented as if the consolidation took place on December 31, 2010



Reconciliation of Adjusted EBITDA to Net Earnings (Loss) (in thousands of dollars)	2012		2011				2010	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Adjusted EBITDA	**$444**	**$520**	**$78**	**$96**	**($19)**	**($57)**	**$140**	**$138**
Gain on fair value increment on acquisition, net of deferred income tax	-	-	(1,943)	5,161	-	-	-	-
Business acquisition expenses	-	-	(9)	(300)	-	-	-	-
Amortization	(870)	(714)	(724)	(240)	(5)	(4)	(9)	(6)
Interest expense	(240)	(265)	(278)	(19)	(16)	(17)	(14)	(25)
Interest expense on convertible debentures	-	-	(79)	(303)	(36)	(34)	(32)	(31)
Accretion on convertible debentures	-	-	(13)	(19)	(19)	(18)	(18)	(17)
Deferred Income Tax Recovery	180	80	618	-	-	-	-	-
Foreign exchange	10	8	(6)	(1)	5	(17)	(15)	(58)
Stock based compensation	(50)	(35)	(54)	(17)	(17)	(18)	(54)	(3)
Net earnings (loss) for the period	**($526)**	**($406)**	**($2,410)**	**$4,358**	**($107)**	**($165)**	**($2)**	**($2)**

Note: Amortization and stock-based compensation are included in operating expenses in the Company's Consolidated Statement of Operations.

For the three month period ended June 30, 2012, rental operations recorded $0.95 Ml. of Adjusted EBITDA, software operations $0.28 Ml. and RAO recorded an EBITDA loss of $0.79 Ml. The aggregate quarter ending June 30, 2012 Adjusted EBITDA of $0.44 Ml. is compared to an Adjusted EBITDA loss of $0.02 Ml. for the quarter ended June 30, 2011.

For the six month period ended June 30, 2012, rental operations recorded $1.52 Ml. of Adjusted EBITDA, software operations $0.68 Ml. and RAO recorded an EBITDA loss of $1.24 Ml. The aggregate six month ending June 30, 2012 Adjusted EBITDA of $0.96 Ml. is compared to an Adjusted EBITDA loss of $0.08 Ml. for the six months ended June 30, 2011.

Effect of Seasonality*:*

The seasonality of the Company's business platforms is expected to impact its quarterly operating results as follows:

1) **Construction and Industrial Equipment Rental**

   The Company's equipment rental business will generally be lower from January through March as the winter weather and seasonal migration of construction workers hampers construction activity. This is not a geographically limited occurrence. From April through July, the rental demand for construction and general rental equipment grows gradually as rental activities accelerate into the summer months. From August through November the demand for rental equipment continues as construction companies strive to meet construction targets prior the start of the holiday season in December. This general equipment rental seasonality is to some extent mitigated as the Company's entire rental operations are located in California.

2) **Enterprise Asset Management Software**

   As more than 50% of the Company's revenue generated from this platform is recurring license fees which accrue equally each month and quarter, seasonality is not a large factor in this business.

   The balance of the revenue streams do have a limited amount of seasonality stemming from a reduction in available resources during the summer vacation season and to some extent from potential new installations which tend not to be prevalent again during the summer months.

Cash Flow, Liquidity and Capital Resources

Cash flow from operations for the quarter ended June 30, 2012 was $0.5 Ml. compared to negative $0.1 Ml. for the quarter ended June 30, 2011. As at June 30, 2012, the Company had working capital of $6.2 Ml. and cash of $5.6 Ml. compared to working capital of $1.2 Ml. and cash of $2.0 Ml. as at December 31, 2011. Working capital has shown a marked improvement in 2012 due to the elimination of current portion of long term debt on the May 2012 refinancing and as a result of the June 2012 private placement. The substantial increase in cash is primarily related to the private placement of Noble Iron shares completed on June 29, 2012 in an issuance of 4,500,000 shares at a price of $1.00 per share for gross proceeds of $4,500,000.

As at recent year and quarter ends, the Company has one large item which is accrued in current liabilities within the financial statements as of June, 2012, the ultimate quantum and timing of payment which is difficult to forecast. This item is an accrual in respect of a default judgment in favour of a former landlord which resulted from the non-payment of rent relating to leased office premises in the United States which were vacated in 2001. The original amount of the judgment in 2002 was $0.22 Ml. U.S. The present balance accrued, including accrued interest to June 30, 2012, is $0.68 Ml. using current exchange rates.

On May 31, 2012, the Company recapitalized all existing debt of the Noble Rents operation in Southern California under a single revolving secured line of credit of up to $25.0 Ml. U.S. This debt facility is secured by the assets of Noble Rents with a guaranty and pledge of the Noble Rents stock provided by Noble Iron Inc. The amount refinanced at closing totaled $13.2 Ml. leaving $11.8 Ml. U.S. undrawn and available, subject to adequate borrowing base as determined by the value of the rental assets of Noble Rents as well as a percentage of accounts receivable and inventory. There is no required principle payment required under this financing arrangement, which has a four year term. The interest rate on this debt facility is the one month LIBOR rate plus 325 basis points, which on June 30, 2012 amounted to 3.50%.

As of June 30, 2012, the total amount drawn on this debt facility totaled $15.1 Ml. U.S., leaving $9.9 Ml. U.S. undrawn and available, subject to borrowing base availability. The additional amounts drawn were used for the purchase of additional rental equipment fleet ordered in prior quarters and substantially delivered during the month of June.

On June 29, 2012, the Company announced the closing of a private placement of 4,500,000 shares at $1.00 per share, resulting in gross cash proceeds of $4,500,000. The expected use of the proceeds is to fund future growth of the Company through acquisitions and as capital required to continue increasing the value and quantity of the Company's rental fleet.

Subsequent to June 30, 2012, on July 9, 2012, the Company completed the purchase of selected operating assets of Bane Machinery Houston L.P. ("Bane"), located in Houston, Texas. Along with the purchase of certain Bane assets, including earth moving equipment, the Company retained all employees and an active, extensive customer list. Total cash consideration for the acquisition was approximately $2.3 Ml. U.S. No liabilities were assumed as part of the acquisition of the assets.

The Company has a cash balance of $3.6 Ml. as of August 28, 2012. However, there can be no assurances that these resources, combined with cash generated from future operations, will be adequate to allow the Company to continue to fund its operations in the manner intended under its strategic growth plan.

Outstanding Share Data:

As at August 29, 2012, and following the July 23, 2012 five-for-one share consolidation, the Company had 17,181,635 issued and outstanding common shares. Further information can be found in the Company's Consolidated Financial Statements for the years ended December 31, 2011 and 2010.

Risks and Uncertainties:

Noble Iron's management team is responsible for the evaluation and management of risk factors affecting the Company. The following is Management's assessment of the most significant potential risks which would have the greatest impact on the Company over the ensuing 12 to 24 months given currently available information. This analysis contains forward looking statements that may differ materially from future actual results.

As described under "Liquidity and Capital Resources", the Company had a cash balance of approximately $3.6 Ml. as at the close of business on August 28, 2012 and has working capital of $6.2 Ml. as at June 30, 2012. However, there can no assurances that these resources, combined with cash generated from future operations, will be adequate to allow the Company to continue with normalized operations, including adequate funding to grow the equipment rental fleet and operational CELL locations.

Revenue and Collection Risks:

The Company derives significant revenue from its top five customers in its enterprise software business with one customer accounting for 10% of the Company's total revenue (31% of enterprise asset management software revenue) for the six months ended June 30, 2012. Should any key customers, in particular the customer accounting for 31% of enterprise asset management software, be lost for any reason, the resulting impact on the Company's performance could be material.

For the six months ended June 30, 2012, the rental segment has no one customer which accounted for more than 3% of rental segment revenue. Having high customer counts with lower average account balances opens the Company up to risk within the billing and collection of customer accounts due to the high quantity of transactions. Diligent efforts are being exerted to continue strengthening account credit approval processes to be inclusive of customers that are likely to remit payment within issued credit terms while mitigating the risk of less credit worthy ones through the use of pre-payment and accelerated payment terms. Additional efforts are being concentrated on the accounts receivable collection process to reduce the number of day's sales outstanding and to identify potential non-payment threats sooner and more efficiently.

The Company is also subject to other credit and collections risk on its company-wide outstanding accounts receivable. Given the current global economic climate, this area is presently even more critical. In order to mitigate the quantum of possible losses in this area, management reviews the Company's exposure on a regular basis and takes the necessary steps to remedy delinquencies as quickly as possible. By entering the construction and industrial equipment rental industry, risk in this area increased significantly.

Technology and Software Development:

The process of developing technology from concept stage, through design and to final production involves time to complete proper testing, redesigning as required and acceptance and adoption by customers. Unexpected testing results or performance irregularities are the norm in a development process and can result in new product offerings being delayed beyond projected time frames as can a slow adoption rate from customers. The risk of not developing and introducing reliable product and a timely basis into customer tests or pilots presents one of the greatest risks to the Company's Texada Software business. Management can mitigate this risk through its product development plan, continuous communications with customers and partners and continuous assessment of and adjustment to market trends.

In an expanding market where innovation, new product development and customer support require specialized technical knowledge, there is an increased demand for skilled resources. The Company attempts to maintain market accepted remuneration levels and continuously seeks to complement strategic needs with a qualified workforce. Noble Iron faces the risk of not being able to meet the increasing market expectations or faces the loss of current employees for any number of reasons. The risk of loss is managed through communication of corporate goals and strategy, individual contribution to achieve these goals and remuneration emphasizing longer term commitment to the Company.

Foreign Currency and Exchange Risk:

Foreign currency risk is the risk that variations in foreign currency between the Canadian dollar and foreign currencies could affect the Company's operating and financial results. The Company is exposed to foreign currency risk as substantially all of its assets and liabilities are denominated in foreign currency, particularly the U.S. dollar.

Future growth of the Company is also expected to be in assets denominated in foreign currencies. To date, the Company has funded its growth by issuing equity in Canadian funds and raising debt in U.S. dollars. The Company's management monitors the exchange rate fluctuations on a regular basis and presently does not use currency derivative instruments to manage its exposure to foreign currency fluctuations.

Asset and Leverage Risk, Rental and Sales Divisions:

The integration of the Company's operations into the rental equipment business is not without risk. These risks include, but are not limited to, the considerable financial leverage and annual debt repayment requirements relative to anticipated cash flows, the execution of an operational turnaround for both acquisitions, the effect on operations as a result of any reaction of the Company's rental industry competitors to its expansion into the rental equipment sector, the reaction of the Company's existing equipment rental customers for its asset management software and the availability of additional capital to grow the rental business beyond the platform of the initial acquisition. There can be no assurances that sufficient capital will be available on acceptable terms and conditions, or at all.

Having recapitalized the debt of Noble Rents into a revolving line of credit secured primarily through regular, periodic appraised values of rental equipment, the Company is subject to the risk of market value fluctuations of construction and industrial equipment. If the market value of used rental equipment falls faster and further than under current expectations of management, the Company is at risk of having the borrowing base asset value, which secures the debt borrowings, fall below the covenant thresholds of the loan agreement. This could result in a material default on the loan agreement.

Through the first six months of 2012, the construction and industrial equipment rental industry has demonstrated 10% year over year revenue growth, far surpassing the rate of GDP growth in the United States, where all Company rental business is transacted. Should the current rate of construction and industrial equipment rental growth in the United States stagnate, or should the United States re-enter a recessionary period and cause a material decline in construction activity, a material risk can develop through unsustainable revenue growth to support the Company's rapid growth and asset procurement agenda.

Subsequent Events:

On July 9, 2012, the Company announced the closing of an Asset Purchase Agreement to acquire assets of Bane Machinery Houston LP ("Bane"), located in Houston, Texas. The transaction was completed by a wholly owned U.S. subsidiary of the Company, Noble Rents (TX), Inc. ("Noble TX"). Along with the purchase of certain Bane assets, including earth moving equipment, the Company retained all employees and an active, extensive customer list. Total consideration for the acquisition was approximately $2.3 Ml. U.S.

On July 23, 2012, the Company announced the completion of a Company name change from "Texada Software Inc." to "Noble Iron Inc." and that shares of the Company now trade under the symbol "NIR" on the TSX Venture Exchange ("TSXV").

Also on July 23, 2012, the Company announced the completion of a stock consolidation on the basis of one (1) new common share for every five (5) old common shares. Post-consolidation, the Company has 17,181,635 common shares outstanding.

Other:

Additional information relating to the Company is available on SEDAR at www.sedar.com.