



MANAGEMENT DISCUSSION AND ANALYSIS (“MD&A”)

For the Three Months Ended March 31, 2014

NOBLE IRON INC.

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 three month period ended March 31, 2014 and the Consolidated Financial Statements for the year ended December 31, 2013, which were prepared under International Financial Reporting Standards (“IFRS”), and the MD&A for the year ended December 31, 2013. This MD&A has been prepared as of May 29, 2014 to help investors understand the financial performance of the Company and provide information that management believes is relevant to an assessment and understanding of Noble Iron Inc.’s (“Noble Iron” 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. 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 Iron, including copies of continuous disclosure materials, is available on Noble Iron’s website at www.NobleIron.com or the SEDAR website at www.sedar.com. Noble Iron maintains the registered head office in Guelph, Ontario, Canada, with executive management offices located in Houston, Texas. Noble Iron’s Investor Relations department can be reached at 1-832-767-4424. 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 and services, the impact of the products, services and pricing strategies of competitors, delays in developing and launching new products and services, 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. There are many inherent risks in the industries in which Noble Iron operates; some are more specific to the Company. The reader should consult Noble Iron's ongoing quarterly filings for additional information on risks and uncertainties relating to these forward-looking statements. The reader 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 interest expense, income taxes, depreciation, amortization, gain on fair value increment on acquisition, acquisition expenses, stock-based compensation, gain on expiry of default judgement, severances, and foreign exchange. 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 Working Capital” is defined by Management as working capital excluding current liabilities for equipment purchases that remain secured by the equipment. Management believes Adjusted Working Capital is more indicative of the Company’s working capital position. Adjusted EBITDA and Adjusted Working Capital are not recognized measures under IFRS. Readers are cautioned that Adjusted EBITDA and Adjusted Working Capital should not be construed as an alternative to net earnings (loss) or working capital determined in accordance with IFRS as an indicator of the financial performance of the Company or as a measure of the Company’s liquidity or cash flows. The Company’s method of calculating Adjusted EBITDA and Adjusted Working Capital may differ from that of other issuers or companies operating in similar sectors and, accordingly, may not be comparable to similar measures presented by other issuers.

NOBLE IRON INC.

Overview:

Noble Iron Inc., a TSX Venture Exchange listed company (symbol NIR.V), operates in three primary sectors:

- Construction and Industrial Equipment Rental
- Construction and Industrial Equipment Sales and Dealership
- Enterprise Resource Planning (“ERP”) and Equipment Asset Management Software

Noble Iron Inc.’s ERP and Equipment Asset Management Software customers include rental companies, construction companies, contractors, dealers, and other users and owners of equipment assets. The Company’s software business operates under the name “Texada Software”.

In August of 2011, the Company began operating directly in construction and industrial equipment rental under the name “Noble Iron”. The Company’s equipment rental offering is currently available in Southern California and Houston, Texas.

In May 2012, the Company expanded its platform by launching its equipment dealership, offering select manufacturers’ equipment for sale. The Company’s dealership also operates under the name, “Noble Iron”. Prior to launching its dealership, the Company announced an agreement with LiuGong (“LiuGong”), a global construction equipment manufacturer, for Noble Iron to represent LiuGong as its dealer with exclusive territory distribution rights for the 20 counties making up the greater Houston, Texas, market. In 2013, Noble Iron also began representing Allied Construction Products under an exclusive dealership agreement.

Historical Timeline and Background:

Noble Iron Inc. was incorporated on March 21, 2000 as Aqua Capital Corp. On May 13, 2002 Aqua Capital Corp. was acquired by RentOnTheDot Inc. (“ROTD”), which constituted the Company’s “Qualifying Transaction” under Policy 2.4 of the TSX Venture Exchange. As the acquisition 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. Systematic Computer Services Corporation (“SCSC”) was acquired in 2001 by ROTD.

Effective May 15, 2002, the Company changed its name to “Texada Software Inc.” carrying on the business of ROTD, and its principal subsidiary SCSC, developing and providing enterprise asset management software solutions to the equipment rental and construction services sector.

On October 22, 2010, the Company announced the appointment of William Swisher as Chief Executive Officer and Nabil Kassam as a director on the board. The Company also announced its intention to pursue strategic expansion directly into the construction and industrial equipment rental and distribution sectors.

On August 30, 2011, the Company announced it had concluded the acquisition of certain operating assets of a U.S.-based construction and industrial equipment rental business, Rolls Scaffold & Equipment Inc., dba Rolls High Reach (“Rolls”). Established in 1958, Rolls was a Southern California-based rental business focused on aerial reach equipment. The Company acquired certain rental fleet and operating assets from Rolls for cash and assumed liabilities of approximately \$1.1 million USD. In addition, the Company purchased rental fleet from an existing lender to Rolls, Terex Corporation, a leading global construction equipment manufacturer. The lender provided term financing in conjunction with the acquisition and took a first preferred security interest in all assets of the Company’s wholly owned U.S. subsidiary, Noble Rents, Inc.

On September 15, 2011, the Company completed a non-brokered private placement for 8,000,000 common shares of the Company at a price of \$0.50 per share, for gross proceeds of \$4.0 million. The Company used the proceeds to satisfy liquidity conditions related to the Rolls acquisition, fleet expansion, and provide for general working capital.

On November 10, 2011, Noble Iron announced the appointment of Nabil Kassam to the role of Executive Chairman, replacing William Swisher who had held the role of Chairman and subsequently continued as a director and Chief

NOBLE IRON INC.

Executive Officer of the Company. In addition, the Company announced the appointment of Samir Manji and William Palmer to its Board of Directors. Samir Manji is the founder, President and CEO of Amica Mature Lifestyles Inc. (“Amica”). Amica is an industry leading TSX-listed company which manages and owns luxury independent living retirement communities. William Palmer is an independent entrepreneur whose experience includes starting and operating a variety of businesses in the United States, Canada and Europe over 35 years. William Palmer founded and was previously the CEO of what became one of Europe's largest self-storage companies with locations in England, France and Germany.

On May 31, 2012, the Company announced the closing of a \$25.0 million USD revolving secured line of credit facility from a large U.S. lender for the recapitalization of all outstanding debt of its wholly owned subsidiary Noble Rents Inc. A total of \$13.2 million was funded at closing. Interest on the variable rate facility was equal to LIBOR plus 325 basis points, totaling approximately 3.50% at closing. The facility has no scheduled principal payments during the four year term, and is guaranteed by Noble Iron Inc. Under the terms of the financing, Noble Rents, Inc. can borrow up to \$25.0 million US based upon borrowing base availability as supported by the subsidiary's assets, including its equipment rental fleet, accounts receivable and parts inventory.

On June 28, 2012, the Company announced the addition of Malcolm Hunter and Ron Schwarz to the Board of Directors. Malcolm Hunter is an Owner, as well as the President and Chief Operating Officer, of Deeley Harley-Davidson® Canada. Deeley Harley-Davidson® Canada is the single largest customer of Harley-Davidson Inc. globally, and has earned the designation of being one of the 50 Best Managed Companies in Canada for 15 consecutive years. Ron Schwarz is an independent investor with experience as a senior executive in equity research, wholesale banking and asset management. Mr. Schwarz has held the positions of Executive Director of UBS Global Asset Management Canada, and CIBC's Managing Director and Head of Canadian Cash Equities.

On June 29, 2012, the Company closed a non-brokered private placement of 4,500,000 common shares at a price of \$1.00 per share for gross proceeds of \$4.5 million. The proceeds were used to acquire certain assets of Bane Machinery Houston L.P. (“Bane”), additional equipment fleet, and working capital to launch Noble Iron's operations in Houston, Texas.

On July 9, 2012, the Company purchased certain assets of Bane Machinery Houston L.P., located in Houston, Texas. Along with the purchase of earth moving assets from Bane, the Company retained all of the Houston-based employees and an active customer list.

On July 23, 2012, the Company announced the completion of a name change from “Texada Software Inc.” to “Noble Iron Inc.”, and that the Company's shares would trade under the ticker symbol “NIR” on the TSX Venture Exchange. The Company also announced the completion of a stock consolidation on the basis of one new common share for every five existing common shares. All references in this MD&A, as to the number of shares and per share amounts, reflect this consolidation as if it had taken place on December 31, 2011.

On May 6, 2013, the Company closed a non-brokered private placement of 3,846,154 common shares at a price of \$1.30 per share for gross proceeds of \$5.0 million. The proceeds were used to satisfy liquidity conditions related to the refinancing of debt in support of the Company's Houston, Texas, operations, fleet expansion, and to provide for general working capital.

On May 31, 2013, the Company announced the closing of a \$15.0 million USD revolving secured line of credit facility from a large U.S. lender for the recapitalization of all outstanding debt of its wholly owned subsidiary Noble Rents (TX) Inc. A total of \$5.4 million USD was funded at closing. Interest on the variable rate facility was equal to LIBOR plus 275 basis points, totaling approximately 3.00% at closing. The facility has no scheduled principal payments during the four year term, and is guaranteed by Noble Iron (U.S.), Inc. and Noble Iron Inc. Under the terms of the financing, Noble Rents (TX) Inc. can borrow up to \$15.0 million USD based upon borrowing base availability as supported by the subsidiary's equipment rental fleet, accounts receivable and parts inventory.

NOBLE IRON INC.

On January 1, 2014, Nabil Kassam, previously Founder & Executive Chairman, was appointed to the role of Founder, Chairman & CEO following his election by the board of directors. Willie Swisher retained his seat on the board following his resignation from the role of President & CEO and the Company's management, effective December 31, 2013.

Description of Noble Iron's Business:

Construction and Industrial Equipment Rental

Through wholly-owned subsidiaries, the Company operates in the construction and industrial equipment rental sector in the Southern California and Houston, Texas markets. Established in August 2011, the Company's Southern California operations serve two major MSAs ("Metropolitan Statistical Areas") in the United States, including Los Angeles, and Riverside-San Bernardino.

In July 2012, The Company expanded its construction and industrial equipment rental operations to the greater Houston, Texas, market.

The Company's construction and industrial rental operations deploy fleets of aerial, forklift, heavy construction, and light compact construction equipment. Segment revenues consist of equipment rental revenue along with other ancillary rental associated revenues. Other revenues include proceeds from the disposition of rental fleet in the ordinary course as part of the Company's ongoing capital expenditure plan.

Construction and Industrial Equipment Sales and Dealership

The Company also sells equipment, services and provides parts for new and used equipment through its construction and industrial equipment dealership. On May 15, 2012, Noble Iron announced the launch of its dealership, as well as a dealership agreement with exclusive territory rights to represent and distribute with LiuGong Construction Machinery in the 20 counties that make up the greater Houston, TX, market. The Company's appointment as a LiuGong dealer required an initial fleet purchase, as well as minimum unit purchases during the succeeding two years of the multi-year agreement. The Company met this purchase requirement for 2013.

Enterprise Resource Planning and Equipment Asset Management Software

The Company's software division operates under the brand name Texada Software, and is a premier provider of enterprise asset management software solutions for users of construction and industrial equipment and other rentable assets. Texada's current customers include construction equipment rental companies, equipment dealerships, contractors and construction companies. Texada software applications manage the complete equipment asset life-cycle from acquisition through to disposal, offering enhanced efficiency through better asset utilization, effective location tracking, optimized scheduling, reservation management and other business critical processes. The Company's technology solutions are scalable to meet the unique needs of any sized operation and are backed by proven implementation, services, and support.

The segment's revenues are derived from license revenues, which include server license fees, user license fees, Software as a Service ("SaaS") subscription fees and upgrade fees. In addition to these fees, the segment generates maintenance and service revenue. The products are generally licensed under single-year, multi-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. Service revenue consists of professional fees charged for product training, consulting, implementation, and programming services. Customers typically purchase a combination of software, maintenance, and professional services.

In conjunction with its entrance into the equipment rental industry in 2011, the Company launched a proactive project, and implementation plan, for Noble Interactive Customer Care ("NiCC"). NiCC is a proprietary technology architecture that integrates call center interactions, as well as a variety of other business processes unique to the Company.

NOBLE IRON INC.

Noble Iron's Markets:

Construction and Industrial Equipment Rental and Distribution

The equipment rental market consists of companies renting various types of construction and industrial equipment, on both short and long-term contracts, in return for rental fees. The rental industry is highly fragmented and consists of a small number of multi-location, regional or national rental houses, as well as large number of 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, infrastructure investment and maintenance, as well as overall economic activity.

Construction and industrial equipment is largely provided 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.

Incorporating ARA (American Rental Association) and other industry research, Management estimates that the total North American construction and industrial related equipment rental market could exceed \$40 billion in 2014. The equipment rental industry experienced approximately 7% growth during the calendar year 2013. Growth within the North American Rental Industry has outpaced that of the general US economy since 2010 and is expected to grow at a compounded annual growth rate in excess of 8.8% through 2017.

The relative sizes of the three primary revenue generating segments of the equipment rental market, as previously published by the ARA (American Rental Association), are:

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

The Company currently operates in the heavy and light construction equipment rental market. The majority of its rental fleet is comprised of aerial reach, forklift and earth moving equipment. The heavy and light construction equipment rental market consists of equipment with a significant capital cost, and is deployed to contractors to meet the demands of their construction projects. Customers in this market are generally repeat customers with longstanding relationships with equipment rental companies, and in some instances may have contractual supply arrangements for certain types of equipment.

NOBLE IRON INC.

Enterprise Resource Planning and Equipment Asset Management Software

Customers in the US construction equipment rental industry currently account for approximately 90% of the software segment's revenue. It is estimated that there are more than 30,000 companies worldwide that rent various types of equipment, 12,000 of which conduct business in the United States and Canada.

The market for rental management software has existed for over 30 years, and management estimates its growth at generally less than 10% per year. Management estimates there are more than 200 providers of rental management software to the three primary segments of the rental market, and that current annual revenues in the North American enterprise asset management software solutions market are approximately \$50 million USD, as it relates to the equipment rental industry. This estimate places the Company's software company as the second largest provider of these solutions.

Financial Overview:

Company Results

The Company continues to pursue growth opportunities within the construction and industrial equipment rental segment, and has continued investing in additional equipment fleet. These initiatives are expected to increase the breadth of equipment offered for rent, while filling existing demand that has been achieved through customer relationships.

In addition to growth opportunities, resources are being allocated towards further proprietary technology development designed to improve processes, minimize operational costs and further drive economies of scale.

At the Company's Enterprise Asset Management Software segment, objectives include migrating existing customers from customized software products to the current standard version of Texada's ERP software; and, to convert on premise software clients to Texada's SaaS (Software-as-a-Service) cloud-based offering, which was launched in 2011. This commitment reaffirms the Company's strategic intent to continue as an industry leading provider of enterprise asset management software solutions to existing customers while continuing to expand its customer base.

Consolidated Quarterly Results

The following chart outlines, in summary form, the Company's comparative results for the last eight quarters along with summarized Statement of Financial Position information presented for 2014 and 2013:

Quarterly Results (000's)	2014	2013				2012		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenue	\$5,221	\$5,172	\$4,993	\$5,567	\$4,519	\$4,146	\$3,970	\$4,047
Adjusted EBITDA (loss)	841	524	755	629	277	(164)	145	444
Net earnings (loss) for the period	(913)	(1,188)	(1,270)	(1,146)	(1,339)	(593)	(290)	(526)
Earnings (loss) per share - basic *	(\$0.04)	(\$0.05)	(\$0.06)	(\$0.06)	(\$0.08)	(\$0.03)	(\$0.02)	(\$0.04)
Earnings (loss) per share - diluted *	(\$0.04)	(\$0.05)	(\$0.06)	(\$0.06)	(\$0.08)	(\$0.03)	(\$0.02)	(\$0.04)
Weighted Avg. Shares Outstanding (Basic)	21,355,479	21,265,627	20,572,933	19,900,117	17,331,635	17,194,970	17,133,042	12,671,262
Weighted Avg. Shares Outstanding (Diluted)	21,355,479	21,265,627	20,572,933	19,900,117	17,331,635	17,194,970	17,133,042	12,671,262

Selected Information (000's)	Q1 2014	Q4 2013	Q3 2013	Q2 2013
Total Assets	\$ 42,734	\$ 44,039	\$ 40,965	\$ 40,574
Total Current Liabilities **	\$ 3,683	\$ 5,318	\$ 4,769	\$ 2,822
Total Non-Current Liabilities	\$ 29,567	\$ 29,056	\$ 25,333	\$ 25,468
Total Shareholder Equity	\$ 9,484	\$ 9,665	\$ 10,863	\$ 12,284

*All per share 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, 2011.

** The March 31, 2013 current liability balance includes \$2.4 million of obligations due to manufacturers for rental fleet purchased with extended payment terms. These obligations are scheduled to be converted to long term debt under existing borrowing facilities.

Consolidated revenues increased 16% for the quarter ended March 31, 2014 as compared to same period ended March 31, 2013. The Company achieved revenue growth in both of the Company's operating segments for the comparable

NOBLE IRON INC.

quarters ending March 31, 2014 and 2013. Overall, the Company incurred a loss of \$0.9 million for the three month period ended March 31, 2014 as compared to \$1.3 million for the same period of 2013. The quarterly loss is driven primarily by the continued acquisition of equipment, causing a significant increase in the Company's depreciable asset base. On a consolidated basis, the Company generated \$1.9 million of non-cash expense for depreciation and amortization for the three month period ended March 31, 2014, compared to \$1.4 million for the three month period ended March 31, 2013.

Consolidated Company Results

The following chart outlines, in summary form, the Company's consolidated results for the three month periods ending March 31, 2014 and March 31, 2013:

Comparative Financial Results (000's) - Consolidated Company	Three Months Ended			
	March 31, 2014		March 31, 2013	
Revenue	\$5,221	100%	\$4,519	
Cost of Revenue	(2,281)	(44%)	(1,730)	(38%)
Summary Expenses				
Support, Maintenance and Delivery	(1,813)	(35%)	(1,550)	(34%)
Research and Development	(183)	(4%)	(221)	(5%)
Sales and Marketing	(327)	(6%)	(378)	(8%)
General and Administration	(1,644)	(31%)	(1,757)	(39%)
Deferred Income Tax / Recovery	436	8%	101	2%
Stock Based Compensation	(38)	(1%)	(95)	(2%)
Interest Expense	(225)	(4%)	(227)	(5%)
Foreign Exchange Gain / Loss	(59)	(1%)	(1)	(0%)
Net Loss	(913)	(17%)	(1,339)	(30%)
Add Back:				
Depreciation / Amortization	1,868	36%	1,394	31%
Deferred Income Tax / Recovery	(436)	(8%)	(101)	(2%)
Stock Based Compensation	38	1%	95	2%
Interest Expense	225	4%	227	5%
Foreign Exchange Gain / Loss	59	1%	1	0%
Adjusted EBITDA	\$841	16%	\$277	6%

The Company's revenues grew 16% to \$5.2 million for the three month period ending March 31, 2014, a \$0.7 million increase over the same period in the prior year. The revenue growth is primarily driven by the construction and industrial equipment rental and distribution segment. This segment, and its results, is discussed in further detail below. Net loss for the Company was \$0.9, for the three month period ending March 31, 2014 as compared to a loss of \$1.3 million for the same period ended March 31, 2013. This loss was impacted by a deferred tax recovery totaling \$0.4 for the three month period ended March 31, 2014. Overall, the Company's losses are the result of depreciation totaling \$1.9 million and \$1.4 million for the three month periods ended March 31, 2014 and March 31, 2013, respectively.

The Company generated an Adjusted EBITDA of \$0.8 million on \$5.2 million of revenue for the three month period ending March 31, 2014, compared to Adjusted EBITDA totaling \$0.3 million of \$4.5 million of revenue for the same period in 2013. This Adjusted EBITDA increase was driven by operating expense improvements in both of the Company's operating segments, as well as a reduction in expenses incurred by the Revenue Assistance Operations ("RAO").

Cost of Revenue increased by \$0.6 million year over year as the result of an increase in depreciation totaling \$0.5 million. Total operating expense, as a percentage of revenue, decreased from 86% for the three months ended March 31, 2013, to 76% for the three months ended March 31, 2014.

NOBLE IRON INC.

Segment Results:

An overview of the Company's operating segments for the three months ended March 31, 2014 and March 31, 2013 is provided below. Expenses incurred by the Revenue Assistance Operations, in support of all operating segments, is also presented.

Construction and Industrial Equipment Rental and Distribution

The Company currently operates construction and industrial equipment rental and distribution operations in two major markets, Southern California and Southeastern Texas. The Company entered the segment by way of acquisition, and the operating results for the segment are included in the Company's financial statements from the effective date of acquisition. The following chart contains comparative data for the three months ended March 31, 2014 and March 31, 2013.

Comparative Financial Results (000's) - Equipment Rental & Distribution	Three Months Ended			
	March 31, 2014		March 31, 2013	
Revenue				
Rental	\$ 3,828	93%	\$ 3,139	91%
Ancillary Revenue	285	7%	304	9%
Total Revenue	4,113	100%	3,443	100%
Cost of Revenue	(2,120)	(52%)	(1,595)	(46%)
Summary Expenses				
Support, Maintenance and Delivery	(1,506)	(37%)	(1,184)	(34%)
Sales and Marketing	(285)	(7%)	(234)	(7%)
General and Administration	(782)	(19%)	(782)	(23%)
Deferred Income Tax / Recovery	516	13%	101	3%
Interest	(214)	(5%)	(208)	(6%)
Net Earnings (Loss)	(\$278)	(7%)	(\$459)	(13%)
Add:				
Depreciation / Amortization	1,816	44%	1,359	39%
Deferred Income Tax / Recovery	(516)	(13%)	(101)	(3%)
Interest	214	5%	208	6%
Adjusted EBITDA	\$1,236	30%	\$1,007	29%

Total revenue generated from the equipment rental and distribution segment for the three months ended March 31, 2014 was \$4.1 million, an increase of 19% or \$0.7 million over the same period of the prior year. Rental revenue increased 22%, while ancillary revenue from equipment disposals and other activities decreased 6% over the same period of the prior year. It is important to note, that the purchase and sale of new and used equipment do not occur evenly throughout year within the segment, and may fluctuate significantly from period to period.

Net losses for the three month period ended March 31, 2014 totaled \$0.3 million as compared to a net loss of \$0.5 million for the same three month period ended March 31, 2013. Losses for the three month period ended March 31, 2014 were offset by a \$0.5 million gain related to deferred income taxes, \$0.4 million greater than the same three month period ended March 31, 2013.

Cost of revenue in the equipment rental and distribution segment for the three months ended March 31, 2014 was \$2.1 million, and comprised primarily of depreciation and amortization totaling \$1.8 million, as well as cost of goods sold related to new and used equipment sales. Cost of revenue for the same period ended March 31, 2013 was \$1.6 million comprised primarily of depreciation and amortization. Operating expense, as a percent of total segment revenue, was

NOBLE IRON INC.

down slightly to 63% for the three month period ending March 31, 2014 as compared to 64% for the three month period ended March 31, 2013.

Adjusted EBITDA totaled \$1.2 million for the three months ended March 31, 2014, an increase of 23% over the same period in 2013. The \$0.7 million increase in revenue, when comparing the three months ended March 31, 2014 to the same period in 2013, produced an incremental Adjusted EBITDA margin of 34%.

Enterprise Asset Management Software

Comparative Financial Results (000's) - Software Segment	Three Months Ended			
	March 31, 2014		March 31, 2013	
Revenue	\$1,108	100%	\$1,076	
Cost of Revenue	(161)	(15%)	(135)	(13%)
Summary Expenses				
Support, Maintenance and Delivery	(307)	(28%)	(366)	(34%)
Research and Development	(183)	(17%)	(221)	(21%)
Sales and Marketing	(27)	(2%)	(85)	(8%)
General and Administration	(200)	(18%)	(153)	(14%)
Deferred Income Tax / Recovery	(80)	(7%)	0	0%
Interest Expense	(13)	(1%)	(19)	(2%)
Foreign Exchange Gain / Loss	78	7%	2	0%
Net Earnings (Loss)	215	19%	99	9%
Add:				
Depreciation / Amortization	36	3%	35	3%
Deferred Income Tax / Recovery	80	7%	0	0%
Interest Expense	13	1%	19	2%
Foreign Exchange Gain / Loss	(78)	(7%)	(2)	(0%)
Adjusted EBITDA	\$266	24%	\$151	14%

Enterprise asset management software revenues are derived from products comprised primarily of license fees, upgrades, and service elements, which include maintenance, implementation and training. Support, maintenance, and delivery expense primarily consists of personnel costs associated with maintenance, training and other professional services efforts. Sales and marketing expenses consist primarily of personnel costs, trade show expense and other promotional activities. Research and development expense includes personnel costs associated with software development. General and administration expense primarily consists of personnel costs associated with the administration of the segment.

Quarterly segment revenues increased 3% when comparing the three months ended March 31, 2014 to the same period in 2013. Total revenue for the segment was \$1.1 million for the three month period ended March 31, 2014. Recurring revenue, from SaaS products and software maintenance fees, increased by more than 10%, to 78% of quarterly revenues when comparing when comparing the three month period ended March 31, 2014 to the same period in 2013.

Net earnings were \$0.2 million for the three month period ended March 31, 2014 as compared to \$0.1 million for the three month period ended March 31, 2013. This year over year increase in earnings is the result of gains in operational efficiency by the segment, as it leverages the benefits from increased SaaS product deployment.

Adjusted EBITDA totaled \$0.3 million for the three month period ended March 31, 2013 as compared to \$0.1 million for the same period of 2013. The reduction in Sales and Marketing expense, quarter over quarter, was the result of the reclassification of expense within the segment more directly associated with General and Administrative expense.

NOBLE IRON INC.

Revenue Assistance Operations

The Company incurs certain macro-level expenses that are presented in this MD&A as Revenue Assistance Operations (“RAO”). These expenses represent costs associated with public entity management, planning and executing strategic initiatives, technology and process development, training, research, corporate level management, Company-wide branding, trademark and intellectual property work, as well as other ancillary costs required to support operating segments. A summary of these expenses are as follows:

Comparative Financial Results (000's) - Revenue Assistance Operations	Three Months Ended			
	March 31, 2014		March 31, 2013	
Expenses				
Sales and Marketing	(15)	2%	(59)	6%
General and Administration	(662)	78%	(822)	84%
Stock Based Compensation	(38)	4%	(95)	10%
Interest Expense	2	(0%)	0	0%
Foreign Exchange Gain / Loss	(137)	16%	(3)	0%
Total	(850)	100%	(979)	100%
Non-Cash Expenses				
Depreciation / Amortization	16	(2%)	0	0%
Stock Based Compensation	38	(4%)	95	(10%)
Interest Expense	(2)	0%	0	0%
Foreign Exchange Gain / Loss	137	(16%)	3	(0%)
Total Net of Non-Cash Expenses	(\$661)	78%	(\$881)	90%

Total expenses, net of non-cash items, at RAO decreased \$0.2 million for the three month period ended March 31, 2014 as compared to the three month period ended March 31, 2013. On a quarterly basis, comparing the three month period ended March 31, 2014 with the same period of 2013, RAO expenses net of non-cash items as a percentage of total revenue declined 35%. Overall, RAO expenses remain in line with expectations, and are primarily the result of growth initiatives, integration of acquisitions and continued development of the infrastructure required to support the Noble Iron business model, including further development of the Noble Iron Interactive Customer Care capabilities, investment in additional software modules, and data gathering and analytics capabilities.

NOBLE IRON INC.

Liquidity:

Liquidity risk is the risk the Company will not be able to meet its obligations as they become due. The Company manages its liquidity risk through cash and debt management.

The Company's centralized finance function manages liquidity by assessing future cash flow requirements and maintains sufficient borrowing base availability against the Company's debt facilities. Cash flow estimates are based upon rolling forecasts that consider borrowing limits, cash restrictions and compliance with debt covenants. Cash, which is surplus to working capital requirements, is managed by a centralized finance function. These funds are typically held as deposits, in both US and Canadian funds, with larger financial institutions.

Cash flow from operations for the three months ended March 31, 2014 was a negative \$0.01 million compared to a negative \$0.4 million for the same period ended March 31, 2013. As of March 31, 2014, the Company had cash of \$1.6 million and working capital of \$2.1 million compared to cash of \$0.3 million and negative working capital of \$2.9 million at March 31, 2013.

As of March 31, 2014, the Company had available unused approved credit facilities (operating, capital, and others combined) of \$13.5 million US subject to the borrowing base requirements. Net availability, given the value of the Company's borrowing base, was approximately \$2.2 million. The Company also had accounts receivable, net of reserves, of \$2.9 million and cash totaling \$1.6 million. Management plans to satisfy the Company's liabilities by means of cash flow generated from operations, existing cash reserves, and the refinancing of debt instruments. Management considers Adjusted Working Capital, as previously defined, as a more indicative measure of the Company's near term liquidity. Adjusted working capital was \$4.5 million as of March 31, 2014, compared to \$1.5 million at March 31, 2013.

Capital Resources:

The Company's two rental and distribution operations are supported by separate credit facilities from a single lender which include a continuing first charge security interest in all of the borrower's assets. Availability under each facility is subject to a borrowing base as determined by the value of rental fleet, accounts receivable and parts inventory. There are no required principal payments under the four year facilities and interest is charged on a floating basis using the 1-month LIBOR rate, plus a spread ranging from 225 basis points to 275 basis points. The Company has provided a corporate guarantee to the lender that is also supported by a pledge of the Company's common shares in the respective borrower.

The combined loan balance outstanding under the facilities as of March 31, 2014 was \$29.2 million (\$26.5 million US). As there are no scheduled principal repayments on the facility during the next 12 months, the full amount of the debt has been classified as long-term. The facility contains covenants requiring the Company to maintain certain financial covenants. This includes fixed charge coverage, and certain liquidity ratios. As of March 31, 2014, the Company was in compliance with all of the loan covenants, except for a minimum availability covenant supporting the Company's credit facility with its Southern California CELL. The lender has waived the right to accelerate the loan based upon existing covenant non-compliance, while the lender and the Company work to rectify the non-compliance.

The lender has also made available to the Company standby letter of credit facilities, subject to borrowing base availability, with a combined limit of \$4.0 million. No letters of credit were drawn by the Company as of March 31, 2014. The facilities also contain covenants specifying a minimum fixed charge coverage ratio, minimum availability requirements and a restriction on dividends to shareholders.

As of December 31, 2013, the Company had cash of \$1.6 million and working capital of \$2.1 million compared to cash of \$0.3 million and negative working capital of \$2.9 million at March 31, 2013.

Equipment is often procured from manufacturers who offer an extended period before payment is due. During this extended payment period, equipment payables due for these fleet purchases are recorded as Other Current Liabilities. Due to temporary timing differences associated with receipt of fleet purchases and their subsequent financing by existing borrowing facilities, these current equipment payables will then be converted to long-term debt under existing borrowing facilities. As of March 31, 2014, invoices for equipment shipped to operations amounted to \$2.4 million, \$4.4 million as

NOBLE IRON INC.

of March 31, 2013. As such, short-term borrowings under terms from manufactures related to equipment purchases are included in Other Current Liabilities on the balance sheet.

Off-Balance Sheet Arrangements:

During the three months ended March 31, 2014 the Company did not participate in any off-balance sheet arrangements.

Transactions between Related Parties:

During the three months ended March 31, 2014 the Company did not participate in any transactions between related parties.

Changes in Accounting Policies:

The significant accounting policies used in preparing the Consolidated Financial Statements are unchanged from those disclosed in the Company's 2013 annual consolidated financial statements except for the review, assessment, and implementation of new IFRS pronouncements prospectively adopted in its financial statements for the annual period beginning on January 1, 2014. The adoption of these pronouncements did not have a material impact on the financial statements. Further details can be found in the Consolidated Financial Statements for the twelve months ended December 31, 2013.

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 significant 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 actual results.

Liquidity continues to be a significant risk for the Company as it continues to grow and deploy the Noble Iron business model. As such, management understands the need to raise funds in support of the business model and anticipates doing such during 2014. As described under "Liquidity", the Company had a cash balance of approximately \$1.6 million as of the close of business on March 31, 2014 and had working capital of \$2.1 million. Management's opinion is that Adjusted working capital (defined above), which amounted to \$4.5 million on March 31, 2014, offers a better indication of the Company's financial position. However, there can be no assurances that the Company's resources, combined with cash generated from future operations, will be adequate to continue funding operations, which includes the funding needed to sustain and grow the equipment rental fleet and for further expansion.

Revenue and Collection Risk:

The Company has a large number of customers with relatively small account balances which exposes the Company to aggregate billing and collection risk. These risks can include missed billings, unwarranted credits, additional time to collect payments and greater risk of customer default. Continual process improvements are made to ensure timely collection of the Company's accounts receivable. These efforts include the positioning of resources and technology to improve the efficiency of invoicing, collections and customer credit extension.

Technology and Software Development:

The process of developing technology from concept stage, through to design and final production involves time to complete testing, redesign and adoption by customers. Unexpected testing results or performance irregularities are normal in a development process and can result in new product offerings being delayed beyond projected time frames or slow adoption from customers. The risk of not developing and introducing reliable products, on a timely basis, presents a risk to the Company's software business. Management mitigates this risk through its continuous product development plan. This continual assessment, adjusted to meet market trends, is communicated periodically with customers and business partners.

NOBLE IRON INC.

Reliance on Key Personnel:

The success of Noble Iron depends on the abilities, experience, efforts and knowledge of their respective senior management and other key employees, including its ability to retain and attract skilled management and employees. The loss of services from key personnel could have a material adverse effect on Noble Iron's business, financial condition, results of operations or future prospects, particularly since it does not enter into non-competition arrangements with senior management and other key employees in certain circumstances. In addition, the growth plans described in this MD&A may require additional employees, increase the demand on management, and produce risks in both productivity and retention levels. Noble Iron may not be able to attract and retain additional qualified management and employees as needed in the future. There can be no assurance Noble Iron will be able to effectively manage its growth, and any failure to do so could have a material adverse effect on its business, financial condition, results of operations and future prospects.

Foreign Currency and Exchange Risk:

Foreign currency risk in the exchange rates 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 US dollar. In addition, approximately 75% of its revenues are transacted in US dollars. Future growth of the Company is expected to be in US dollar denominated assets and or transactions. To date, the Company has funded its growth by issuing equity in Canadian funds and raising debt in US dollars. The Company's management monitors exchange rate fluctuations and presently does not use any derivative instruments to manage foreign currency exposure. As the Company continues to grow its US operations, exposure to foreign currency risk may increase with the likelihood of the Company employing exchange rate derivative instruments.

Asset and Leverage Risk:

The integration and sustained growth initiative of the Company's operations into the construction and industrial equipment rental business poses risks that include, but are not limited to: considerable financial leverage, debt repayment requirements relative to anticipated cash flow, the execution of an operational turnaround for acquisitions, the reaction of the Company's software customers to its expansion into the segment, and the availability of additional capital to grow the segment beyond the existing operations. There can be no assurances that sufficient capital will be available on acceptable terms, if at all.

The revolving debt facilities supporting the Company's existing construction and industrial equipment rental and distribution operations, secured by the appraised value of the their respective equipment rental fleet, subjects the Company to market fluctuation risk related to the value of its rental fleet. If the market value of used equipment were to fall faster and further than management expectations, the Company would be at risk of having an insufficient borrowing base securing its debt. This would result in a default under the facility if the Company were not in a position to cure the default through additional capitalization.

A significant portion of the Company's debt is subject to interest rate risk due to the fact the rate charged is fully floating tied to LIBOR. A one percent change in the LIBOR rate would result in an additional annual expense to the Company of approximately \$265,000 US. At present, the Company does not employ an interest rate hedge to mitigate this risk. Management may elect to do such in the future. There can be no assurance that a sufficient hedge could be procured to fully mitigate this risk.

The construction and industrial equipment rental and distribution industry has demonstrated year over year revenue growth surpassing the most recent rate of gross domestic product in the United States where the Company's 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 enter a recessionary period with a prolonged decline in construction activity, the Company may lack sustainable revenue growth needed support its debt obligations and capital expenditure plan.

NOBLE IRON INC.

Outstanding Share Data:

The Company has authorized 100,000,000 preferred shares without par value, issuable in one or more series as well as an unlimited number of common shares without par value. There are no preferred shares outstanding as of March 31, 2014 or March 31, 2013. Issued and outstanding common shares were 21,355,479 as at March 31, 2014.

Seasonality:

Revenues within the construction and industrial equipment rental segment will generally be lower from December through March as the winter weather and seasonal migration of workers hampers construction activity. Rental demand for construction and general rental equipment generally increases in April with warmer weather and typically remains strong through to the month of November. The Company's Asset Management Software revenue is largely generated from recurring license fees which accrue and are earned equally throughout the year, therefore seasonality is not a large factor within the segment.

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