

**ROME RESOURCES LTD.**  
**amended**  
**MANAGEMENT DISCUSSION AND ANALYSIS**

**For the Fiscal Year Ended**

**September 30, 2010**

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**REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**  
**AMENDED FOR DATE PREPARED**

The following discussion and analysis was prepared as of February 3, 2011 and should be read in conjunction with the Company's annual audited consolidated financial statements and notes thereto for the years ended September 30, 2010 and 2009 both of which have been prepared in accordance with Canadian generally accepted accounting principles.

This Management Discussion and Analysis contains forward-looking statements in particular regarding the future price of certain commodities. Forward-looking statements are statements which relate to future events. These statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our industry, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. Except as required by applicable law the Company does not intend to update any of the forward-looking statements to conform these statements to actual results.

Further information is available on the Company's website, [www.RomeRMR.com](http://www.RomeRMR.com), or on the SEDAR website, [www.sedar.com](http://www.sedar.com).

**DESCRIPTION OF BUSINESS**

Rome Resources Ltd. was incorporated in British Columbia, continued its incorporation into Yukon on August 27, 2001, and continued back into British Columbia on August 25, 2005. The Company has three wholly owned subsidiaries, Minera Jackman, S.A. de C.V., and Roma Recursos S.A. de C.V., both incorporated in Mexico; and Rome Nevada Inc., a company incorporated in Nevada, USA. The Company currently holds a 100% interest in mineral rights in Argentina, and concessions in the states of Michoacan, Mexico. The Company is a reporting issuer in British Columbia and Alberta, and trades on the TSX Venture Exchange under the symbol RMR.

During 2003, the Company dissolved its Argentinean subsidiary, Rome Resources S.A. All of Rome Resources S.A.'s assets and liabilities were transferred to the parent. The parent Company is registered to do business in Argentina itself and holds four properties there.

**Selected Annual Information**

The following table sets forth selected financial information for the Company for the last three completed financial years ended September 30, 2010, 2009 and 2008. This information has been derived from the Company's audited financial statements for each of those years, and should be read in conjunction with those financial statements and the notes thereto.

	<b>As at and for the financial year ended,</b>		
	<b><u>September 30,</u></b>	<b><u>September 30,</u></b>	<b><u>September 30,</u></b>
	<b><u>2010</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>
(a) Total Revenues	\$ 2,300	\$ 2,913	\$ 153,277
(b) Income (Loss):			
i) In total	\$ (1,036,154)	\$ (1,541,733)	\$ 132,905
ii) On a per share basis	\$ (0.07)	\$ (0.15)	\$ 0.01
(c) Total assets	\$ 6,079,813	\$ 4,730,755	\$ 7,982,752
(d) Total liabilities	\$ 334,138	\$ 286,669	\$ 243,875
(e) Total shareholders' equity	\$ 5,745,675	\$ 4,444,086	\$ 7,738,877
<i>(1) Basic and fully diluted</i>			

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**Financial Analysis**

**Year 2010 compared to 2009**

The Company incurred a net loss of \$1,036,154 or \$0.07 per share in 2010 compared to a net loss of \$1,541,733 or \$0.15 per share in 2009. Interest income amounted to \$601 in 2010 compared to \$2,913 in 2009. The Company recorded a gain on sale of marketable securities of \$1,699, compared to \$Nil in 2009. The company wrote off mineral property costs of \$Nil in 2010 compared to \$284,169 in 2009. The Company wrote off accounts receivable of \$101,747 in 2009 compared to \$Nil in 2010

The Company recorded stock-based compensation of \$653,517 in 2010 compared to \$76,959 in 2009. The Company incurred property development costs due to investigating new potential property acquisitions in Mexico and Argentina, of \$2,359 in 2010 compared to \$7,029 in 2009. Foreign exchange losses were \$25,958 in 2010 and \$8,794 in 2009 due to fluctuations in the Mexican and Argentinean pesos compared to the Canadian dollar. The Company recorded an income tax recovery of \$Nil in 2010 compared to \$817,583 in 2009.

Accounting, Audit and Legal fees were \$147,081 in 2010 compared to \$101,369 in 2009. Accounting fees were higher in Mexico in the current year due to increased exploration activity in Mexico and tax filings. Legal fees increased in Mexico also from increased exploration activity in 2010. The Company was able to substantially increase its funding to Mexico in 2010 compared to 2009. Administration and General costs increased in 2010 to \$85,941 from \$70,066 in 2009, due to higher filing fees, as a result of increased activity by the Company in the current year. Consulting fees increased from \$65,489 in 2009 to \$118,466 in 2010. This was due to retainer paid for assistance with financing, and fees paid to a European consultant for services primarily relating to listing the Company on the Frankfurt Stock Exchange.

**Year 2009 compared to 2008**

The Company incurred a net loss of \$1,541,733 or \$0.15 in 2009 compared to net income of \$132,905 or \$0.01 per share in 2008. Due to a substantial drop in the market price of the Company's holding of shares in Uranio AG, a future income tax expense of \$817,583 was recorded. This offset the future income tax recovery on these shares that had been recorded in prior years, when the market price of the shares was much higher. Interest income amounted to \$2,913 in the year; and the Company wrote off a tax receivable in Mexico of \$101,747 due to concerns about recoverability. The Company intends to pursue collection of these refund claims and will record recoveries when they are received. The company wrote off mineral property costs in 2009 of \$284,169 compared to \$Nil in 2008. Excluding these items, the loss was \$341,147.

Stock-based compensation expense amounted to \$76,959 in 2009 compared to \$161,391 in 2008. Property development costs were \$7,029 in 2009 and \$2,929 in 2008. Foreign exchange losses were \$8,794 in 2009 and \$2,280 in 2008.

Accounting, Audit and Legal fees were slightly lower in 2009 compared to 2008 reflecting lower activity due to financial constraints in 2009. Administration and General costs decreased substantially in 2009 to \$70,066 from \$135,484 in 2008, also due to financial constraints, as the Company discontinued preparing printed annual reports, and also curtailed travel and promotional activities.

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***Quarterly Results***

Results for the three months ended September 30, 2010 and 2009 were as follows:

	<u>2010</u>	<u>2009</u>
Revenue		
Interest	\$ 408	\$ 33
Accounting, Audit and Legal	50,748	26,375
Administration and General	25,550	18,302
Amortization	324	418
Property Development	(7)	579
Consulting	24,658	15,977
Interest and Bank Charges	723	2,178
Foreign exchange (Gain) Loss	3,036	1,541
Stock Based Compensation	549,800	76,959
	<u>654,832</u>	<u>142,329</u>
Net loss before the following:	(654,424)	(142,296)
Write off Accounts receivable	—	(101,747)
Write off mineral property	—	(284,169)
Future Income Tax Recovery (Expense)	—	(817,583)
Net (Loss) for the Quarter	<u>\$ (654,424)</u>	<u>\$ (1,345,795)</u>

For the quarter ended September 30, 2010 the Company recorded a loss of \$654,424 or \$0.04 per share compared to a loss of \$1,345,795 or \$0.13 per share for the three months ended September 30, 2009. The loss in the 2009 quarter was due to a substantial drop in the market price of the Company's investment in Uranio AG. Write-off of mineral property costs amounted to \$Nil in 2010 compared to \$284,169 in the 2009 quarter.

Expenses, excluding stock based compensation expense, and the recoveries, were \$104,624 in the three months ended September 30, 2008 compared to \$61,653 in the 2008 quarter.

Administration and general expenses were \$25,550 in the 2010 quarter, compared to \$18,302 the 2009 quarter. The increase in the 2010 quarter was due to higher filing fees and travel expenses, reflecting increased activity by the Company.

Accounting, audit and legal fees for the current three months were \$50,748, compared to \$26,375 the 2009 period. The increase is due to higher accounting and legal fees in Mexico. In 2010 the Company was able to fund increased exploration programs, which resulted in higher legal and accounting costs, and in addition, the Company's Mexican lawyer caught up on legal invoicing from prior periods which resulted in an adjustment in the 2010 quarter.

In the 2010 three month period, the Company incurred \$189,038 of mineral acquisition and exploration costs compared to \$157,516 in the same three months of 2009.

**Liquidity and Capital Resources**

Cash and Solvency

As at September 30, 2010 the Company had cash and cash equivalents of \$1,330,609. Working capital amounted to \$1,199,641 as at September 30, 2010 compared to \$687,537 as at September 30, 2009. As the Company has no sources of revenue other than minor amounts of interest income, it will have to rely upon the sale of equity securities, including private placements, exercise of warrants, and exercise of options, to provide funding for exploration and development of its mineral interest, and for administrative expenses.

Operating Activities

Cash flow from operating activities was a use of funds of \$330,403 for the 2010 year compared to a use of funds of \$167,274 in the 2009 year.

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**Liquidity and Capital Resources, continued**

Financing Activities

Financing activities in the 2010 year were \$2,368,505 from three private placements, as well as exercises of warrants. Financing activities in 2009 year were from two private placements totalling \$300,000.

The Company has been investing surplus funds in Government of Canada T-Bills, in order maximize interest income, and has been drawing funds from the investments as required primarily to fund exploration of its exploration properties, and to meet administration expenses as required.

Investing Activities

During 2010, investing activities amounted to \$799,882 of mineral property exploration costs compared to \$394,455 in 2009.

**Related Party Transactions**

During the period ended September 30, 2010 the Company paid or accrued to James L. Harris, a Law Corporation \$27,068 for legal services; paid or accrued a company which employs Sheryl Jones, chief financial officer and Peter Rook-Green, treasurer, \$42,000 for accounting and administrative services; paid Colin Godwin, director and president \$184,575 for administration and geological consulting fees; and Jesus Bojorquez, director of the Company's Mexican subsidiary a total of \$28,490 for administration and geological consulting fees. At September 30, 2010, \$24,799 is included in accounts payable as owing to related parties, and \$6,974 is included in accounts and advances receivable as due from related parties for expense advances.

**Outstanding Share Data**

As at January 25, 2011, there were 21,909,659 common shares outstanding; of which 209,452 shares are held in escrow; of which the release of the balance of these shares is subject to the approval of the regulatory authorities having jurisdiction. There were also 3,986,342 share purchase warrants outstanding to purchase common shares of which 600,000 are exercisable at a price of \$0.32 per share expiring September 2, 2014; 500,000 are exercisable at \$0.26 per share expiring December 11, 2011; 1,258,842 are exercisable at \$0.30 per share expiring April 1, 2012 and 1,627,500 are exercisable at \$0.40 expiring September 21, 2012. and 2,295,000 stock options are outstanding to purchase shares of which 473,000 are exercisable at \$0.32 per share expiring May 5, 2011, 462,000 are exercisable at \$0.32 expiring July 23, 2014, 1,060,000 are exercisable at \$0.50 per share expiring on March 16, 2015, and 300,000 are exercisable at \$0.38 per share and expiring August 12, 2015.

**Changes in Accounting Policies and Recent Accounting Pronouncements**

**New Accounting Standards Not Yet Adopted**

*International Financial Reporting Standards*

In January 2006, the CICA Accounting Standards Board (ACSB) adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies are expected to converge with International Financial Reporting Standards ("IFRS") by the end of 2011. For the Company, the transition date will be October 1, 2011 and will require the restatement for comparative purposes of amounts reported by the Company for the year ended September 30, 2011. The Company has completed the diagnostic phase of planning for the implementation of IFRS. It has determined that the principal areas of impact will be IFRS 1 – first time adoption; presentation of financial statements; asset retirement obligations; impairment of assets; and share-based payments. The Company expects its detailed analysis of relevant IFRS requirements and of IFRS 1 will be complete by the end of its fiscal quarter ending June 30, 2011, along with its determination of changes to accounting policies and choices to be made. The Company has not yet reached the stage where a quantified impact of conversion on its financial statements can be measured. The Company expects to complete its quantification of financial statement impacts by the end of its fiscal year ending September 30, 2011.

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**Changes in Accounting Policies and Recent Accounting Pronouncements, continued**

**New Accounting Standards Not Yet Adopted, continued**

*Business combinations, consolidated financial statements and non-controlling interest*

In January 2009, the CICA issued CICA Handbook Section 1582, “Business Combinations”, Section 1601, “Consolidated Financial Statements”, and Section 1602, “Non-Controlling Interests”. These sections replace the former Section 1581, “Business Combinations”, and Section 1600, “Consolidated Financial Statements”, and establish a new section for accounting for a non-controlling interest in a subsidiary. Section 1582 establishes standards for the accounting for a business combination, and states that all assets and liabilities of an acquired business will be recorded at fair value. Obligations for contingent considerations and contingencies will also be recorded at fair value at the acquisition date. The standard also states that acquisition-related costs will be expensed as incurred and that restructuring charges will be expensed in the periods after the acquisition date. It provides the Canadian equivalent to IFRS 3, Business Combinations (January 2008). The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011.

Section 1601 establishes standards for the preparation of consolidated financial statements.

Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in the preparation of consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS International Accounting Standards (“IAS”) 27, Consolidated and Separate Financial Statements (January 2008).

Sections 1601 and 1602 apply to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Earlier adoption of these sections is permitted as of the beginning of a fiscal year. All three sections must be adopted concurrently. The Company is currently evaluating the impact of the adoption of these sections.

**MINERAL PROPERTIES**

**Introduction**

*Rome Resources Ltd.* concentrates its exploration activities in Argentina and Mexico. Emphasis is on acquisition and development of gold, silver, copper and tungsten properties.

*Rome’s* exploration in Argentina is on the **Varvarco Gold Vein and Gold Porphyry Project** in the northwestern corner of the Province of Neuquen. Properties related to this project have been reduced in area to core concessions that cover the: (i) very large gold-anomalous Auque Breccia, and (ii) gold-quartz-pyrite veins in the vicinity of the Santos area.

*Rome’s* operations in Mexico are by its wholly owned subsidiary *Roma Recursos de Mexico, S.A. de C.V.* Exploration is mainly in the states of Michoacan and Sonora. Focus in Michoacan is on the **Inguaran Valley Copper-Silver-Gold-Tungsten Porphyry Project** (5,867 hectares), which is 25 kilometers east of La Huacana and 150 kilometers west of the capital city of Morelia. Porphyry copper prospects in the San Isidro area of Michoacan are also held. Exploration in Sonora includes the: (i) **Don Luis Bulk Silver-Gold-Tungsten Greisen-Porphyry Project** (30,300 hectares), approximately 40 to 60 kilometers north-northeast of Hermosillo, (ii) **La Colorada Bulk Gold Project** (21,700 hectares), about 40 kilometers east of the capital city Hermosillo, and (iii) **Los Muertos Bulk Silver-Gold Project** (2,661 hectares), about 80 kilometers east-southeast of Hermosillo.

Most recent activity has been concentrated on the **Don Luis Property**. Early in 2010 it received 2,000 meters of first stage diamond drilling. Significant silver values, see below, were intersected, as well as locally important values for gold, tungsten and molybdenum. This year’s road building has provided the first reasonable access to the area. More than 5,000 meters of ongoing trenching and sampling was completed by the end of 2010. The objective of this trenching is to define targets for a reverse circulation drilling program. The recently drilled West Zone and Central Zone, as well as the undrilled East Zone will be drilled upon acquisition of a reverse circulation drill (see below).

Drill targets also have been established on the following properties: (i) the Santos Gold Vein and Auque Breccia-Porphyry prospects in the **Varvarco Gold Vein and Gold Porphyry Project** in Neuquen, Argentina, (ii) the Esmeralda Grid and the LCL-5 Grid on the **La Colorada Bulk Gold Project**, Sonora, Mexico, (iii) the Nosit Grid on the **Los Muertos Bulk Silver-Gold Project** in Sonora, Mexico, and (iv) the Anali and Dos Cerritos areas in the **Inguaran Valley Copper-Gold-Tungsten Porphyry Project** in Michoacan, Mexico.

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**MINERAL PROPERTIES, continued**

*Rome Resources Ltd.* has purchased a state-of-the-art Prospector II reverse circulation drill being built by MultiPower Products Ltd. of Kelowna, B.C. Delivery of this drill to Mexico is expected by mid-February 2011. This drill is expected to accelerate our exploration programs. Specifically, this drill will: (i) be available on demand thus avoiding current delays in obtaining drill services from currently too busy drill contractors, (ii) lower the per meter costs of drill holes, (iii) provide samples that will allow better grade estimates than those from diamond drills, (iv) have rapid mobility and set-up times, and (v) allow more rapid turnaround publication of drill results.

General information on exploration of these projects is available in News Releases and Annual Reports. These are available on SEDAR and at [www.RomeResources.com](http://www.RomeResources.com). Specifically, the web site gives detailed geological descriptions and assays from the main properties. The reader is referred to this for summaries of the geological setting, exploration activities and diamond drill targets on these and ongoing projects.

**Argentina in the Province of Neuquen: The Varvarco Gold Vein and Porphyry Project**

**The Varvarco Gold Vein and Porphyry Project** covering about 8,365 hectares is drill ready. Proposed drilling targets include: (i) VLF geophysical anomalies with coincident geochemical anomalies over the Santos Gold Vein System, (ii) silicified bodies of hydrothermal breccias at Auque Breccia that are associated with gold geochemical anomalies and induced polarization chargeability anomalies, and (iii) intense alteration associated with breccias and unconformities at Auque Cap. The exploration targets are gold-sulfide veins and bulk-mineable gold  $\pm$  copper  $\pm$  molybdenum  $\pm$  silver mineralization of the porphyry style.

**Mexico in the State of Michoacan: The Inguaran Valley Copper-Silver-Gold-Tungsten Porphyry Project**

**Rome's Inguaran Valley Copper-Silver-Gold-Tungsten Porphyry Project** in the Inguaran Valley totals about 5,867 hectares. All concessions are wholly owned by *Rome*. The **La Verdosa Property** (378 hectares) was sold this year to a local miner. Mineralization on La Verdosa is not of the porphyry style, but is dominated by veins and breccias without obvious bulk tonnage potential.

The following summarizes the significance of **Rome's Inguaran Valley Copper-Silver-Gold-Tungsten Porphyry Project**:

1. Central location within the Michoacan Copper Belt.
2. Several mined deposits, or showings with significant potential (*e.g.* Inguaran, La Verde and San Isidro) in the Michoacan Copper Belt.
3. Central location of the Inguaran Valley within the Inguaran batholiths—similar to the Valley Copper mine in south-central British Columbia.
4. Proximity of *Rome's* properties to an abyssal fault—comparable to the West Fissure in Chile—that passes through the center of the Inguaran batholiths and the property.
5. Major copper occurrences (with significant tungsten) marked by geophysical, geochemical, alteration, and geological characteristics common to major porphyry deposits.
6. A central-valley induced polarization chargeability anomaly, with coincident anomalous soil copper geochemistry, that covers an area about seven kilometers long (northwest – southeast) by three kilometers wide (northeast – southwest).
7. Encouraging drill intersections of both porphyry copper style and vein mineralization (intense phyllic alteration associated with the copper minerals chalcopyrite and bornite—but minor pyrite).
8. Geophysical and geochemical anomalies that have not been drill tested.

The diamond drilling program in December 2004 of 12 holes, totaled 2,681 meters, and eleven trenches totaled 350 meters. The best hole in the Anali zone (ING04DD12) intersected 34.0 meters with a weighted average of 0.91% copper, and the best trench in the Anali zone intersected 58.0 meters of 0.91% copper and 58 meters of 0.73% copper. The best hole in the Dos Cerritos zone (ING04DD11) intersected 42.0 meters with a weighted average of 1.18% copper and the best trench in the Dos Cerritos zone (ING04TR12) intersected 20.0 meters (open at both ends) of 1.10% copper. Weighted average copper intersections and grades in diamond drill holes and trenches are 422.0 meters at 0.82% copper. Average of diamond drill hole check samples, mainly from the Anali and Dos Cerritos zones, above a cut-off of 0.4 percent copper was: 284 meters of copper mineralization averaging 0.83% copper, 0.0004 percent molybdenum, 0.113 g/t gold, 3.63 g/t silver and 3.73 g/t tungsten.

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**MINERAL PROPERTIES, continued**

A 3,000 meter diamond drilling program from November 2006 to January 2007 also was completed. This program mainly tested geochemical and geophysical anomalies in the El Toro and Esmeralda areas in the northeastern portions of the area held by **Rome**. Results indicated mainly strong copper-zinc-lead veins in the El Toro area; these veins, significant for potential high-grade mining, are characteristic of mineralization peripheral to major porphyry mineralization. Although mineralized breccias were encountered on the Esmeralda property, it was dropped.

The Anali Zone was drilled in the program of 2004. This zone is characterized by intense phyllic alteration characteristic of porphyry style mineralization, which also is similar to the mineralization in the Dos Cerritos Zone. There are a number of important and significant copper intersections in a number of diamond drill holes in this zone.

The Dos Cerritos Zone was initially drilled in the program of 2004. One hole was drilled in 2006. The zone is characterized by intense phyllic alteration similar to the porphyry style mineralization and alteration in the Anali zone. Copper grades in several holes in this zone are significant.

Proposed diamond drilling on the Anali Zone and the Dos Cerritos Zone is being planned. Integrated analysis of geophysical, geochemical, geological and diamond drilling data, plus all available historical data, indicate that an extensive third-phase drill program on Anali and the Dos Cerritos Zones is justified.

**Mexico in the State of Sonora: The La Colorada Gold Project**

**Rome's La Colorada Bulk Gold Project** targets large, bulk-tonnage, open-pit disseminated gold and/or silver mines of the Carlin-type. Seven concessions totaling about 21,700 hectares have been obtained by direct staking by **Rome**. These claims, centered around the village of La Colorada, are about 40 kilometers southeast of Hermosillo, which is the capital of Sonora. These concessions strategically surround the historically important but recently deactivated La Colorada Gold Mine. A number of significant gold showing are known on **Rome's** properties. Two grids, Esmeralda and Lcl-5 have been surveyed by detailed soil and silt geochemistry and by short induced polarization geophysical surveys. This exploration has identified significant areas that are ready to drill. Regional geochemical sampling has indentified additional areas that merit follow-up.

LCL-5 Grid is due west of the old La Colorada mine and that covers a flat pediment area between this mine and the Santo Nino area. Geochemical soil grid have defined a soil gold anomaly about 11 kilometers long east-west and one to two kilometer wide north-south. Values of gold in soil samples are consistently greater than 100 ppb and commonly greater than 500 ppb along this trend. Several areas have soil anomalies greater than 3 grams per tonne (>3,000 ppb). This gold anomaly is particularly significant because: (i) the anomaly trend is the same as, and an extension to, the gold mineralization at the La Colorada mine, (ii) the gold anomaly is coincident with, or peripheral to, copper-molybdenum soil geochemical anomalies that indicate a correlation between gold and porphyry style mineralization—as has been identified at the La Colorada mine, (iii) the axis of several geochemical highs coincides with a resistivity [structural] break defined by the induced polarization survey, and (iv) one areas of intense anomalies marked by ferricrete/caliche, markedly red soil, and phyllic (quartz, muscovite and pyrite boxwork) altered granitic rock. Thus, the area is striking because it is close to, and similar in mineralogical and structural style to the La Colorada mine. The depth of the pediment cover is not known. The geological substrate, not exposed anywhere at the surface, has been interpreted from chargeability, resistivity and magnetic responses. Drill targets have been established.

Esmeralda Grid occurs near the junction of **Rome's** concessions “La Colorada”, “La Colorada 1” and “La Colorada 2”. This area, immediately north of the old La Colorada mine concessions, is marked by numerous abandoned mines, many small pits and large areas of red soil. Panning indicates widespread visible gold in surface materials. The most significant areas are within quartz feldspar porphyry. More than 1,000 samples, mainly soil, have been analyzed. A reconnaissance induced polarization survey has been completed and has aided in establishing drill targets.

**Mexico in the State of Sonora: The Los Muertos Silver-Gold Project**

**Rome's Los Muertos Silver-Gold Project** is about 80 kilometers southeast of Hermosillo in central Sonora, Mexico. The concessions covering this property form two blocks held by **Rome**: (i) Los Muertos North, and (ii) Los Muertos South. Los Muertos North and Los Muertos South cover about 2,103 hectares and 558 hectares, respectively; they total about 2,661 hectares.

Based on definition of induced polarization and geochemical anomalies a drilling program has been designed. The holes are targeted to find, in addition to silver-gold veins, larger Carlin or disseminated and manto types of silver-gold mineralization.

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**MINERAL PROPERTIES, continued**

**Mexico in the State of Sonora: The Don Luis Silver-Gold-Tungsten Greisen-Porphyry Property**

*Rome Resources Ltd's Don Luis Silver-Gold-Tungsten Greisen-Porphyry Property* is in central Sonora, Mexico, about 45 kilometers north of Hermosillo, the capital of Sonora. It is in the municipality of Ures. *Rome* holds a total of 30,300 hectares by: (i) option [300 hectares] from Sr. Luis Ayala Barragan and Sra. Agripina Ayala Guerrero, and (ii) concessions [3,000 hectares].

Positive features of the **Don Luis Silver-Gold-Tungsten Property** include: (i) a large area of abundant World War II dry-placers for tungsten, which was strategic during that time, (ii) unique greisen-hosted mineralization, (iii) association of greisen with quartz porphyry over an area about three kilometers east-west by one kilometer north-south, (iv) scheelite and wolframite tungsten mineralization associated with gold, (v) encouraging silver, gold and tungsten values in regional soils, trench and diamond drill core sampling, (vi) visible gold, wolframite and scheelite in panned concentrates, (vii) locally visible gold in veins, (viii) abundant localities of "brain" rock [UST texture] and pegmatitic quartz [stockscheiders] characteristic of major molybdenum porphyry and greisens deposits, (ix) two areas of spectacular induced polarization chargeability anomalies, both with a diameter of almost one kilometer and a depth of at least 500 meters, (x) supergene surface leaching to a cap [sulfides are not visible at surface] depleted in copper, and possibly, molybdenum, indicating that supergene enriched blankets might exist, (xi) copper-molybdenum supergene-depleted soil geochemical anomalies coupled with high chargeability values indicate probable copper and molybdenum in fresh, hypogene mineralization at depth, (xii) abundant gold and tungsten in skarns common to this part of Sonora reflect a common and significant gold-tungsten district, (xiii) currently high prices for gold, tungsten and molybdenum, (xiv) an excellent regional address within the north-south trending mineralized belt characterized by the famous Cananea mine [copper-molybdenum, 100 km north of **Don Luis**] and the important El Creston project [molybdenum-copper, 40 km to north of **Don Luis**], (xv) low work index for the soft, mica rich mineralization that would contribute to low mining and milling costs, (xvi) easy access [within seven kilometers of paved road], (xvii) generally subdued topography that would facilitate open pit design, and (xviii) close proximity to several small villages and the major capital of Sonora at Hermosillo for labor, supplies and services.

Drilling of 9 holes (Table 1: DLS10DD01 to DLS10DD09), totaling about 2,000 meters, was completed in March by Major Drilling de Mexico, S.A. de C.V. Core, mainly HQ, was split in the field, prepared in Hermosillo by Sonora Sample Preparation, S.A. de C.V., and analyzed in British Columbia, Canada, by Acme Analytical Laboratories (Vancouver) Ltd. of Vancouver, and Pioneer Laboratories Inc. of Richmond.

Drilling of seven holes in the West Zone was designed to test an induced polarization chargeability anomaly with flanking high resistivity and anomalous surface geochemistry. Trenches in leached capping in this zone have indicated important values in silver, gold and tungsten. The size of the West Zone chargeability anomaly is about one kilometer in diameter. Drilling to a vertical depth of about 400 meters encountered only oxidized leached capping. Core recovery was poor at about only 85% due to very blocky and faulted ground. This poor core recovery might have resulted in poor recovery of silver and gold, both of which are probably concentrated in limonite that was selectively lost during drilling or trench sampling. Consequently, all assay values are probably depleted to an unknown extent. No obvious explanation for the drill-targeted chargeability and resistivity anomalies, obtained from the induced polarization survey was obtained from the drilling.

Two holes were drilled in the Central Zone. These holes, designed to intersect quartz-hematite breccias, intersected significant greisens but no quartz-breccia.

Three major rock units were encountered in this drilling program. These units include: (i) quartz-feldspar porphyry, (ii) muscovite altered quartz-feldspar porphyry, and (iii) greisen. The content of silver, gold and tungsten increases with the above order of the units; thus, the best mineralization is in the greisen.

Assay results are significant and encouraging given the preliminary stage of exploration. Silver is particularly interesting, given that the trenches and drill holes intersected a total of 634 meters averaging 12 ppm silver. Holes DLS10DD01 and DD02 in the West Zone intersected significant silver—especially given the poor recovery—from top to bottom; both of these holes were 400 meters deep.

Road building, trenching and assaying of same are ongoing. By the end of 2010 more than 5,000 meters of trenches had been trenched and samples. Preliminary analyses of these samples are being done by an in-house Niton X-ray fluorescence unit. Selected samples are being formally assayed for silver and gold by Pioneer Laboratories Inc. of Richmond, B.C.

*Rome's Don Luis Silver-Gold-Tungsten Greisen-Porphyry Property* is unique. There are three zones: West, Central and East. Each of these zones could host a large tonnage porphyry-style open pit deposit.

**ROME RESOURCES LTD.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**  
**AMENDED FOR DATE PREPARED**

**MINERAL PROPERTIES, continued**

**Qualified Person**

Colin I. Godwin, PhD, PEng, PGeo, is a Professor Emeritus of the Department of Earth and Ocean Sciences, The University of British Columbia. He is President and Director of the *Rome Resources Ltd.*, and is a qualified person as defined in National Instrument 43-101. He has verified the technical data in this report.

**Caution Regarding Mineral Properties**

*Rome* is in the process of exploring its resource properties and has not yet determined whether the properties contain minerals or mineral reserves that are economically recoverable. The recoverability of the amounts shown for resource properties and any related deferred costs is dependent on the existence of economically recoverable mineral reserves, and the ability of *Rome* to obtain the necessary financing to complete the development and future profitable production from the properties or proceeds from the disposition thereof.

**Summary of Quarterly Results**

The following tables summarize information derived from the Company's financial statements for each of the eight most recently completed quarters:

Quarter Ended: Year:	Sept 30 2010	June 30 2010	March 31 2010	Dec 31 2009	Sep 30 2009	June 30 2009	Mar 31 2009	Dec 31 2008
Total Revenues	\$ 408	186	\$ —	\$ 7	\$ 33	\$ 13	\$ 473	\$ 2,394
(Loss) Gain in total	\$ (654,424)	(77,996)	\$ (105,752)	\$ (197,982)	\$ (1,345,795)	\$ (50,000)	\$ (84,767)	\$ (61,171)
per share basis <sup>(1)</sup>	\$ (0.04)	(0.004)	\$ (0.008)	\$ (0.016)	\$ (0.13)	\$ (0.005)	\$ (0.008)	\$ (0.006)

**Trends, Risks and Uncertainties**

The Company operates in Argentina and Mexico giving rise to risks from changes in foreign exchange rates. The Company is exposed to fluctuations in world metals prices, particularly for gold and copper, over which it has no control. Lower prices could cause the Company to discontinue exploration of its properties, and could make it difficult to raise funds.

**Annual General Meeting**

The Company has scheduled its Annual General Meeting for March 15, 2011.

**Investor Relations**

No investor relations firms were retained by the Company during the period ended September 30, 2010.

**Subsequent Events**

Subsequent to September 30, 2010 the Company:

- Sold the La Verdosa concession in the Inguaran area, Michoacan, Mexico, subject to total payment of \$600,000 (U.S.) by August, 2012.
- Issued a total of 951,158 shares pursuant to the exercise of warrants and options for total consideration of \$291,867.
- The Company approved the purchase of a track-mounted reverse circulation drill for an estimated total cost of \$600,000. In accordance with the manufacturer's requirement, the company has paid a deposit of \$200,000 to confirm the order.

**Approval**

The Board of Directors of the Company has approved this Management Discussion and Analysis. Additional information is available on the Company's website, [www.romeRMR.com](http://www.romeRMR.com), or on the SEDAR website, [www.sedar.com](http://www.sedar.com).