RICHMOND MINERALS INC.

133 Richmond Street West Suite 403
Toronto, Ontario M5H 2L3

MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THIRD QUARTER ENDED FEBRUARY 28, 2009

This Management's Discussion and Analysis ("MD&A") has been prepared by the management of Richmond Minerals Inc. (the "Company" or "Richmond") as of April 28, 2009 and should be read in conjunction with the Company's quarterly financial statements dated February 28, 2009 and the audited annual financial statements of the Company dated May 31, 2008. The Company prepares and files with various Canadian regulatory authorities its financial statements and MD&A in Canadian dollars and in accordance with Canadian generally accepted accounting principles ("GAAP"). The Company's news releases and other regulatory filing can be found on SEDAR at www.sedar.com.

Forward Looking Statements

This Management's Discussion and Analysis ("MD&A") contains certain "Forward-Looking Statements." All statements, other than statements of historical fact included herein, including without limitation, statements regarding potential mineralization and resources, exploration and development activities, and future plans of the Company are forward looking statements that involve various known and unknown risks and uncertainties and other factors that could cause actual results to differ materially from expected results, including changes in future prices of precious minerals, variations in resources and grades, accidents, labour disputes and other risks associated with the exploration and mining industry, and delays in obtaining governmental approvals or financing. Other than as required by applicable laws, the Company does not update or revise any such forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. Accordingly, readers should not place undue reliance on forward-looking statements.

Description of the Business of the Company

In May 2006, Richmond entered into an Option Agreement with Fort Chimo Minerals Inc. ("Fort Chimo") (the "Agreement") covering in excess of 212,449 acres of mineral rights in the central and southwest area of Quebec. Richmond agreed to spend $2,000,000 in exploration expenses over two years from the date of signing of the Agreement and issue one million common shares to Fort Chimo to earn a 50% interest in the properties. Richmond acts as operator during the earn-in period. In accordance with the terms of the Agreement, Richmond has issued 1,000,000 common shares to Fort Chimo. The exploration targets are iron oxide copper gold deposits ("IOCG"), base metal deposits and uranium. Little exploration has been possible under the ground cover in this region of Quebec to date. However, recent advances in the understanding of IOCGs and in exploration techniques have enhanced the prospective nature of this region. At February 28, 2009, Richmond has incurred $2,080,833 in exploration expenses on the properties. The Company was granted an extension to the earn-in period to May 9, 2009 due to delays pertaining to an aboriginal negotiation as described later in this section.

General exploration work during the last two years has identified three properties of merit: the Bondy Gneiss Complex, Hallé Township, and Ste-Anne du Lac, the Province of Québec.

Bondy Gneiss Complex ("Bondy")

The Institut National de la Recherche Scientifique –Université du Québec (INRS), through a contractual agreement with Richmond, has undertaken geophysical, geological and geochemical studies on Bondy, located approximately 35 kilometers southeast of Mont Laurier, Québec. Applied research in 2007 and 2008 was focused primarily on determining the prospectivity and the characteristics of IOCG and/or Volcanogenic Massive Sulphide (VMS) style mineralization . Preliminary results are extremely promising:

- Application of specialized processing techniques to regional gravity data has shown that there is a clear association between regional crustal structures and recently identified mineral showings in the Bondy Gneiss Complex. In particular, the most promising of these regional associations is referred to as the Bing showing, and occurs at the intersection of two such crustal structures. The Bing showing occurs within a high aeromagnetic and a low aeromagnetic domain traced for a distance of 800 meters. Several outcrops with mineralization similar to the Bing have been found along the length of this magnetic domain. Specifically, the Bing showing mineralization consists of blebs, veins and disseminated chalcopyrite, malachite, pyrite, and magnetite in a coarse-grained clinopyroxene rich calcosilicate rock. Copper values up to 2.8% have been obtained from grab samples. Recent stripping and blasting has determined the Bing showing to be approximately 15 meters long and 15 meters wide.

- Sulphides were discovered at a well-defined electromagnetic, K and K/Th anomaly within an aeromagnetic high located approximately 3 kilometers northeast of the Bing showing. This occurrence is referred to as the Lac Harvey showing. Preliminary results of a gravity survey over this area suggest the presence of a mafic intrusion beneath this area. Note that similar mafic bodies are interpreted beneath IOCG-style ore deposits elsewhere (e.g. northern Sweden). Gneisses show evidence for two periods of alteration and are cut by ductile shear zones. Copper values in grab samples obtained from the Lac Harvey showing assayed up to 0.55%. Recent stripping and blasting has exposed the Lac Harvey showing over a 15-meter width and a 40-meter length.

- A sulphide-rich zone, referred to as the EM1 showing, was discovered coincident with an airborne electromagnetic anomaly. The EM1 showing is located 1 kilometer north of and on-strike with the Lac Harvey showing. Recent stripping and blasting has exposed the EM1 showing over 15 meters in width and 50 meters in length. Major element composition of grab samples collected from the EM1 showing indicates that the protolith is equivalent to alunite-kaolinte-quartz-sulphide rocks similar to the Sphane alunite deposits in Turkey. In addition, quartz-alunite rocks are known to occur in Cu-Au-Ag epithermal deposits. EM1 mineralization consists of magnetite, and disseminations and blebs of pyrite and pyrrhotite (up to 20% sulphides). The rocks here are also enriched in light rare-earth elements (REE), and have low concentrations of copper. The low concentration of copper at EM1 does not exclude copper (or other metal) enrichment at depth due to the possibility of vertical sulfide zonation, commonly found in VMS and IOCG deposits.

- A series of northeast striking mineralized breccia zones were discovered on the northeast margin of a coincident gravity and aeromagnetic anomaly. These zones are referred to as the Breccia Trail showings and are located approximately 2.5 kilometers north of the EM1 showing. The Breccia Trail showings are found within an area the INRS has mapped as a possible metamorphosed hydrothermal system. Several different lithological units in the area have been affected by these late crosscutting structures. Breccia/deformation zones are characterized by high biotite concentrations, an increase in magnetite, and the presence of pyrite and chalcopyrite as blebs, disseminations or as veins. Concentrations of up to 0.27 % copper, 454 ppm REE, and anomalous uranium were detected in grab samples from the Breccia Trail zone.

In late October 2008, Richmond completed an Induced Polarization survey on the property. This survey confirmed that there are depth extensions to the sulphide mineralization in the showings described above. A 2,375 metre, 14 hole diamond-drilling program was undertaken in December 2008. Significant results were obtained in Holes RB-05-08 and RB-06-08 that tested the depth extension at the southern limit of the Bing Zone. Hole RB-05-08 assayed 0.21% copper over a 37.45 metre interval, from 15.3 to 52.75 metres down hole. Minor amounts of gold and silver were also identified in this zone.

Hole RB-06-08 was drilled to test the vertical extension of copper mineralization at the extreme southern limit of the Bing Zone. Hole RB-06-08 assayed 0.14% copper and 0.7 grams per tonne silver over a 28.51 metre interval, from 74.29 to 102.8 metres down hole. Anomalous values of gold were also identified in this hole. RB-06-08 was collared 25 metres southwest of RB-05-08. Mineralization in both holes consists of pyrite, chalcopyrite and bornite, hosted within a garnet biotite bearing quartz-feldspar gneiss.

Management is very encouraged by these initial drilling results from the Bing Zone. Spotting collar locations for holes 5 and 6 was difficult due to the extreme terrain. Recent magnetic geophysical data and surface prospecting indicates that the Bing Zone copper mineralization extends at least 800 metres north of the Hole 5 and 6 collar locations. The highest concentrations of copper were obtained in surface grab samples collected from showings found along the Bing Zone northern extension. Further drilling work to test these areas will require road upgrading prior to the resumption of the next phase of exploration work.

True width for the Bing Zone is unknown at this time. Assays have been received from the remaining 12 holes drilled in the Western Zone and the Lac Harvey Showing. Anomalous values for copper, silver and gold were obtained in zones from each hole. However, no significant concentrations were detected. It should also be noted that drilling of the EM-1 showing could not be attempted during this initial phase due to frozen local water sources. Management believes that, based on the style and type of mineralization observed in the nearby Lac Harvey drill holes, the EM-1 target is a highly prospective target that will be tested during the next phase of exploration work.

Hallé Township

Two extremely conductive and strongly magnetic GEOTEM airborne anomalies have been identified on the Hallé Township property, located approximately 23 kilometres east of Belleterre, Québec. Anomaly 1, located along the central eastern boundary of the property, is approximately 1.3 kilometres in length. Anomaly 2, located in the north central portion of the property, is approximately 4.5 kilometres in length. Ground prospecting near these conductors identified limited outcrop. Outcrops are extremely hard and highly silicified, and no graphite was observed. Minor base metal sulphide mineralization was noted at surface in gossan. Anomalous values for gold, copper, zinc, nickel, cobalt and chromium were detected in most samples. In particular, values as high as 0.14% nickel, 0.07% copper, 282 ppm cobalt and 0.22% chromium were reported. Sulphide concentrations in most of the surface grab samples were generally less than 1%. Management believes that the anomaly could be a volcanogenic massive sulphide (VMS) occurrence. This project has been delayed since the spring of 2007 due to a land claim brought forth by Long Point First Nation (LPFN) of Winneway, Quebec. LPFN has drafted and presented a Memorandum of Understanding (MOU) to Richmond, and negotiations to finalize the MOU are ongoing.

Ste-Anne du Lac

Richmond completed a ground magnetic survey on the Ste. Anne du Lac property, 40 kilometers north of Mont-Laurier, Québec. The property is located immediately west and north of Strateco Resources' Mont Laurier uranium project. Two magnetic anomalies were identified in the central and southeastern areas of the property. These anomalies appear to be strong IOCG exploration targets, and have similar exploration potential to the historical Allied, Tom Dick, and Lac Hanson uranium deposits near the property.

The Company has expended the required exploration expenditure of $2,000,000 pursuant to the Agreement and believes it has earned its 50% undivided interest in the properties forming part of the Agreement.

Highway 101

Exploration work on the Highway 101 project, located approximately 20 kilometers east of Matheson, Ontario, began in the spring of 2006. Line cutting and a magnetometer survey were completed over the northern claim block. Diamond drilling of the identified targets was carried out in August 2006. A total of 1,053 meters of diamond drilling was completed. A highlight of 0.49 grams per tonne gold over a 6-meter core length was obtained in drill hole RM-02-06. A final payment of $20,000 was made in January 2008 to complete the acquisition.

Lac Colombet

In 2005, Richmond acquired a 100% interest in the Lac Colombet project in Nunavik. The project comprises two claim blocks located in the central western part of the Labrador Trough. The property generally encompasses the northern half of Lac Colombet, and is accessible by float plane from Schefferville or Kuujaacq, Québec. In the summer of 2005, Richmond conducted a program of surface prospecting and trenching, including collection of samples for uranium analysis. A 26-meter wide outcrop was identified on the property. Channel sampling from this outcrop returned results averaging just less than 3% copper. Further work may be undertaken in 2009.

Triple Lake

In September 2007, Richmond entered into a 3-year agreement to acquire mineral claims located in McArthur, Bartlett, and Musgrove Townships, Ontario. Based on the drilling results obtained, the Company has elected not to proceed with additional exploration work at this time.

Details of these exploration programs may be obtained from Richmond's website: www.richmondminerals.com

Selected Annual Information

Set forth below is a summary of the financial data derived from the Company's audited annual financial statements for the past 3 years.

		Year ending May 31		
		2008	2007	2006
a)	Cash	$1,013,509*	$452,533*	$ 765,115*
b)	Revenue	0	0	0
c)	Net Income (Loss) for the year	82,112	(60,507)	(905,831)
d)	Total Assets	3,016,926	1,739,289	1,162,967
e)	Total long term liabilities	0	0	0

***includes cash held for future exploration purposes**

Variances in Net Income (Loss)

Variances are largely a function of the amount of financing raised. More financing will generally lead to more exploration activity. The peripheral expenses associated with exploration activity (legal, filing fees, shareholder information, etc.) will increase in years of increased activity. In addition in the year ended May 31, 2008 future tax recoveries recorded as a consequence of issuing flow through shares amounted to $341,500 (2007, $224,500).

Summary of Quarterly Results

Set forth below is a summary of the financial data derived from the Company's financial statements of the 8 most recently completed quarters.

	Feb 28 2009	Nov 30 2008	Aug 31 2008	May 31/08	Feb 29/08	Nov 30/07	Aug 31/07	May 31/07
Operating Profit (Loss)	(504,279)	(59,370)	(27,864)	282,352	(83,141)	(63,590)	(53,509)	170,280
Future income recovery	0	0	0	341,500	0	0	0	224,500
Net Income (Loss)	(504,279)	(59,370)	(27,864)	282,352	(83,141)	(63,590)	(53,209)	170,280
Net income (Loss) per share		(0.001)	(0.001)	0.010	(0.000)	(0.000)	(0.000)	0.004
Analysis of Expenses and Deferred Costs:								
Amortization	725	778	0	371	0	93	93	255
Management Fees	15,000	13,000	9,000	6.000	15,000	15,000	9,000	(39,000)
Professional Fees	1,447	2,650	1,848	6,845	29,186	7,823	3,317	18,824
Travel & Promotion	0	1,367	0	2,091	0	0	0	715
Office & General	21,327	16,278	20,231	1,284	16,789	20,054	9,312	14,350
Total operating costs	86,405	63,830	33,608	59,148	83,141	63,590	53,509	30,002

Results of Operations

The Company does not currently derive any revenue from its operations. Details of the Company's exploration work and results are outlined in ``Description of the Business`` above.

Three months ended February 28, 2009, compared to three months ended February 29, 2008

In the three months ended February 28, 2009, compared to February 29, 2008, total general and administrative costs increased by $3,264. A decrease of professional fees of $27,739 was offset by an increase in consulting fees of $14,840 and a charge for stock based compensation relating to stock options granted in the period of $22,600. In addition, it was determined that additional work on the Triple Lake property was not justified and this property was written down by $418,263 to $1.

Nine months ended February 28, 2009, compared to nine months ended February 29, 2008.

In October 2008, changes in the Board of Directors and management were implemented. They included the appointments of Mr. Birks Bovaird as CEO and a director, Mr. Ian Shaw as CFO, and Ms. France Crawford as Corporate Secretary. These changes were made to bring better controls and structure to the Company.

Total general and administrative costs decreased by $16,397 from $200,240 in the nine months ended February 29, 2008 to $183,843 in the nine months ended February 28, 2009. Management fees, professional fees and general and administrative costs decreased by a total of $49,280 and shareholders' information and filing fees decreased $22,274. These decreases were somewhat offset by an increase in consulting fees of $13,571 and a stock based compensation charge of $38,800 relating to stock options granted in the period. In addition, it was determined that additional work on the Triple Lake property was not justified and this property was written down by $418,263 to $1.

Liquidity and Solvency

As at April 28, 2009, the Company has no source of operating cash flows. The Company's ability to meet its obligations and continue as a going concern is dependent on the ability to identify and complete future financings. While the Company has been successful in raising financings to date, there can be no assurance that it will be able to do so in future.

As at February 28, 2009, the Company had working capital of $72,406 as a result of the private placement of units for $140,000 completed on January 26, 2009. The Company has to explore financing alternatives to cover its administration costs and exploration work planned for the next year.

During the year ended May 31, 2008, the Company received a rebate from the Québec Government for the exploration work performed in that province. The rebate was approximately $340,000 and it is expected that a further $80,000 will be received following processing by the government of the Province of Québec.

Capital Resources

On January 26, 2009, the Company completed a non-brokered private placement of $140,000 through the issuance of 2,800,000 units, each unit consisting of one common share and one warrant. Each warrant will entitle the holder thereof to acquire one common share at an exercise price of $0.10 per common share for a period of one year from the date of issuance of the warrants.

During the year ended May 31, 2008, the Company completed a financing of 11,154,654 flow-through shares for total proceeds of $1,227,012.

Capital Management

The Company's policy is to maintain a strong capital base so as to retain investor, creditor and market confidence and to sustain the future development of the business. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risks characteristic of the underlying resource assets. As a junior resource exploration company, the Company considers its capital structure to be comprised of working capital only. In order to maintain or adjust the capital structure, the Company may from time to time issue shares and adjust its capital spending to manage current and projected expenditure levels.

The Company has not paid or declared any dividends since the date of its incorporation, nor are any dividends contemplated in the foreseeable future.

There were no changes in the Company's approach to capital management during the period.

Off Balance Sheet Arrangements

The Company has no off balance sheet arrangements.

Related Party Transactions

The Company entered into an Option Agreement on May 9th, 2006 with Fort Chimo Minerals Inc. to earn an interest in approximately 220,000 acres of mineral rights in the Province of Québec. Andrew McQuire, a director of the Company, is also a director of Fort Chimo. Mr. McQuire abstained from voting at the meeting approving the transaction.

Proposed Transactions

The Company is continually examining potential acquisitions and/or options as they are presented to the Company.

Change in Accounting Policies

(i) Inventories

In June 2007, CICA issued Handbook Section 3031 "Inventories" which replaces Section 3030 "Inventories". Under the new section, inventories are required to be measured at the “lower of cost and net realizable value”, which is different from the existing guidance of the “lower of cost and market”. The new section contains guidance on the determination of cost and also requires reversal of any write-downs previously recognized should market value increase. Certain minimum disclosures are required, including the accounting policies used, carrying amounts, and amounts recognized as expenses, write-downs, and the amount of any reversal of any write-downs recognized as a reduction in expenses. The new standard became effective on January 1st, 2008 for the Company. The adoption of this new section had no impact on the financial statements as currently the Company has no inventories.

(ii) Capital disclosures

CICA Handbook Section 1535 “Capital Disclosures”, issued in December 2006, establishes standards for disclosures about capital that are effective for fiscal years beginning on or after October 1, 2007. It requires an entity to disclose its objectives, policies and processes for managing capital and to disclose quantitative data about what it considers to be capital. It also requires an entity to disclose whether it has complied with any externally imposed capital requirements and, if not, the consequences of such non-compliance. The new standards are not expected to have impact on the Company’s financial statements beyond the additional disclosure.

(iii) Financial Instruments – Recognition and Measurement

This standard prescribes when a financial asset, financial liability, or non-financial derivative is to be recognized on the balance sheet and whether fair value or cost-based methods are used to measure the recorded amounts. It also specifies how financial instrument gains and losses are to be presented. All derivatives are recorded on the balance sheet at fair value. Mark-to-market adjustments on these instruments are included in net income, unless the instruments are designated as part of a cash flow hedge relationship.

All other financial instruments will be recorded at cost or amortized cost, subject to impairment reviews. The criteria for assessing other than temporary impairment remain unchanged. Transaction costs incurred to acquire financial instruments are included in the underlying balance. Regular way purchases and sales of financial assets are accounted for on the trade date.

Upon adoption of these new standards, the Company designated its cash and cash equivalents as held-for-trading, which are measured at fair value. Accounts receivable and loan receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable, accrued liabilities and loan payable are classified as other financial liabilities, which are measured at amortized cost, using effective interest rate method.

(iv) Comprehensive Income

This standard requires the presentation of a statement of comprehensive income and its components. Comprehensive income includes both net earnings and other comprehensive income. Other comprehensive income includes holding gains and losses on available for sale investments, gains and losses on certain derivative instruments and foreign currency gains and losses relating to self-sustaining foreign operations, all of which are not included in the calculation of net earnings until the period that the related asset or liability affects income.

(v) Hedges

This standard is applicable when a company chooses to designate a hedging relationship for accounting purposes. It builds on the previous AcG-13 "Hedging Relationships" and Section 1650 "Foreign Currency Translation", by specifying how hedge accounting is applied and what disclosures are necessary when it is applied. The Company currently does not have any instruments that are covered in this standard.

(vi) Accounting Changes

Effective June 1, 2007, the Company adopted revised CICA Section 1506 “Accounting Changes”, which requires that: a) a voluntary change in accounting policies can be made if, and only if, the changes result in more reliable and relevant information; b) changes in accounting policies are accompanied with disclosures of prior period amounts and justification for the change; and c) for changes in estimates, the nature and amount of the change should be disclosed. The Company has not made any voluntary change in accounting policies since the adoption of the revised standard.

Future Accounting Changes

International Financial Reporting Standards (“IFRS”)

In February 2008, the CICA Accounting Standards Board (“AcSB”) confirmed the changeover to International Financial Reporting Standards (“IFRS”) from Canadian Generally Accepted Accounting Principles (“GAAP”) will be required for publicly accountable enterprises’ interim and annual financial statements effective for fiscal years beginning on or after January 1, 2011. The transition from current Canadian GAAP to IFRS is a significant undertaking that may materially affect the Company’s reported financial position and results of operations.

The Company has set up a Committee to determine the changes that will result in the adoption of IFRS and the implementation that will result from these changes to the financial reporting system including the financial statements. The review by the Committee will also include a review of the accounting systems and implications that will impact on the present system of internal control and reporting procedures. The Committee will recommend to the board of directors a critical path plan including specific dates in order to meet the implemented time requirements.

The Company has not completed development of its IFRS changeover plan but when finalized it will include project structure and governance, resourcing and training, an analysis of key GAAP differences and a phased plan to assess accounting policies under IFRS as well as potential IFRS 1 exemptions. The Company anticipates completing its project scoping, which will include a timetable for assessing the impact on data systems, internal controls over financial reporting, and business activities, such as financing and compensation arrangements, by the third quarter of 2009.

Risks and Uncertainties

The Company’s business of exploring mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future. The Company’s common shares should be considered speculative.

The business of exploration for minerals and mining involves a high degree of risk. A relatively small proportion of properties that are explored are ultimately developed into producing mines. At present, there are no known bodies of commercial ore on any of the mineral properties in which the Company holds interest or intends to acquire an interest and the proposed exploration program is an exploratory search for ore. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the conduct of exploration programs. The Company has limited experience in the development and operation of mines and has relied on and may continue to rely upon consultants and others for exploration and operating expertise.

The economics of developing gold and other mineral properties is affected by many factors including the cost of operations, variation of the grade of ore mined, and fluctuations in the price of any minerals produced. The success of the Company is dependent, among other things, on obtaining sufficient funding to enable the Company to explore and develop its properties. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties. The Company will require new capital to continue to operate its business and to continue with exploration on its mineral properties, and there is no assurance that capital will be available when needed, if at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders. Problems such as unusual or unexpected formations and other conditions are involved in mineral exploration and development. The Company may become subject to liability for pollution, cave-ins or hazards against which it cannot insure itself or against which it may elect not to insure itself. The payment of such liabilities may have a material, adverse effect on the Company's financial position.

The operations of the Company may require licenses and permits from various local, provincial and federal governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development, or mining operations, at its projects. Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect the marketability of any mineral products discovered. The prices of mineral products have historically fluctuated widely and are affected by numerous factors beyond the Company's control, including international, economic and political trends, expectations for inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and worldwide production levels. The effect of these factors cannot accurately be predicted.

The mining industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for the recruitment and retention of qualified employees, contractors and consultants. The Company's operations are subject to environmental regulations promulgated by local, provincial and federal government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which could result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner, which means stricter standards and enforcement, and fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

Certain directors or proposed directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest, which they may have in any project opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

The Company does not have a historical track record of operating upon which investors may rely. Consequently, investors will have to rely on the expertise of the Company's management. Further, the Company's properties are in the exploration stage and are not commercially viable at this time. The Company does not have a history of earnings or the provision of return on investment, and there is no assurance that it will produce revenue, operate profitably or provide a return on investment in the future.

Capitalization

As at April 28, 2009, the capitalization consists of the following components;

a) Unlimited common shares without par value;
b) 60,349,839 common shares outstanding;
c) 4,516,000 stock options to purchase common shares at exercise prices of $0.10 and $0.12 per share and exercisable for periods from 0.7 years to 4.9 years; and
d) 3,528,393 warrants to purchase common shares at prices of $0.10 and $0.50 per share and exercisable until December 12, 2009 and January 25, 2010.