CHAMPION MINERALS INC.
55 Adelaide Street East, Suite 410
Toronto, ON M5C 1K6

MANAGEMENT'S DISCUSSION AND ANALYSIS SIX MONTHS ENDED SEPTEMBER 30, 2008

The following discussion and analysis provides a review of current activities and a comparison of the performance and financial position of Champion Minerals Inc. (the "Company") for the six months ended September 30, 2008. It should be read in conjunction with the unaudited interim financial statements and accompanying notes. The financial data in this document has been prepared in accordance with Canadian GAAP. Additional information relating to the Company is available on SEDAR at www.sedar.com. Comments in this document are prepared as of November 27, 2008.

Certain of the statements set forth in this MD&A, such as statements regarding planned activity and working capital, and the availability of capital resources to fund capital expenditures and working capital are forward-looking statements. Although the Company believes that its expectations are based on reasonable assumptions, it can give no assurance that expected results will be achieved. There are numerous risks and uncertainties that can affect the outcome and timing of events, including many factors beyond the control of the Company. Should one or more of these risks or uncertainties occur, or should underlying assumptions prove incorrect, the Company's actual results and plans for fiscal 2009 could differ materially from those expressed in this document. All dollar amounts are stated in Canadian dollars unless otherwise indicated.

The Company

The Company is a reporting issuer in Ontario and Alberta and its common shares are listed for trading on the TSX Venture Exchange (the "TSX-V") on Tier 2 under the symbol CHM.

Overall Performance

Attikamagen Lake Iron Property, Labrador and Quebec

On July 20, 2007, the Company completed the acquisition of the Attikamagen Lake Iron Property (the "Attikamagan Property") which consisted of 52 claims in western Labrador, located 15 km E-NE of Schefferville, Quebec.

The Company acquired a 100% interest in the Property from an arm's length vendor by making cash payments totaling $40,000 and issuing 100,000 common shares of the Company at a deemed value of $0.30 per share. The Company has agreed to pay an aggregate royalty of $1.50 per tonne of iron content in any and all iron ore, pellets or other product produced from the Attikamagen Property, calculated at the port when shipped. The Company has the right and option at any time to purchase the royalty upon payment of $2.5 million.

On March 24, 2008 the Company expanded its property holdings adjacent to its wholly-owned Attikamagen Property. With the staking of the Lake Attikamagen Extension Claim Block, which consisted of 451 claims contiguous to and partially surrounding the 52 claim Attikamagen Property, Champion's Labrador property holdings increased to 503 claims comprising 126 km^2. On the Quebec side of the Labrador/Quebec border, adjacent to the northern portion of the Attikamagen Extension Claim Block, the Company staked an additional 29 claims, the Lac Sans Chef Quebec Claim Block, comprising 13.7 km^2. Collectively, the Attikamagen Property, Attikamagen Extension Claim Block and Lac Sans Chef Quebec Claim Block cover 139.7 km^2 and will be referred to as the Attikamagen Property.

On June 18, 2008 the Company completed the acquisition of the Pterodactyl Claims consisting of 16 claims in eastern Labrador, adjacent to the Attikamagen Property. Champion acquired a 100% interest in the Pterodactyl Claims from an arm's length vendor, through the issuance to the vendor of 100,000 fully paid and non-assessable common shares of the Company. The Pterodactyl Claims represent a strategic addition to the Company's property holdings in western Labrador. This claim group hosts the favorable Sokoman Formation that is tightly folded and repeats the favorable horizon four times within a 6 square kilometre area and form an integral part of Champion's Attikamagen Property exploration program.

On September 3, 2008, the Company announced the acquisition of additional claims along the north-western and western perimeter of the Attikamagen Property. An additional 300 claims were staked in Quebec, and 98 claims were staked in Labrador, thereby increasing the size of the Attikamagen Property to 938 claims comprising 310.7 square kilometers extending over a 56 km strike length. The provincial boundary is the topographic high separating both provinces. The Attikamagen Property has a strike length of taconite bearing Sokoman Iron Formation in Labrador of 34km and 22km in Quebec.

On May 13, 2008, the Company and Labec Century Iron Ore Inc. ("CIOI") signed a definitive option and joint venture agreement (the "Agreement") between Champion and CIOI to allow CIOI to earn up to a 60% interest in the Company's Attikamagen Property by expending up to $12.5 million in exploration and development work expenditures on the Attikamagen Property.

Under the terms of the Agreement, CIOI can earn an initial 51% interest in the Property by funding $7.5 million over a 3 year period in yearly increments of C$ 2.5 million per year in staged expenditures, for the exploration and development of the Attikamagen Property. Pursuant to the Agreement, and after earning the initial 51% interest, CIOI will have the option to increase its interest in the Attikamagen Property to 56% by expending a further $2.5 million in Year 4, and to 60% by expending an additional $2.5 million in Year 5. After CIOI completes its earn-in, CIOI and Champion will form a joint venture reflective of their proportionate ownership interests in the Attikamagen Property. Champion will remain manager and operator of the Attikamagen Property until CIOI vests a 51% interest.

Pursuant to the Agreement, the Company announced on August 14, 2008, October 16, 2008 and November 17, 2008, updates on the field exploration program at the Attikamagen Property. CIOI is currently financing the exploration and development program on the Attikamagen Property.

Attikagamagen Property Phase 1 Exploration Program

The Phase 1 program was completed on November 12, 2008 and included a 1,010 line-kilometre, airborne, high resolution Magnetic and Radiometric geophysical survey, flown by Novatem Inc. to delineate the geometry of the iron formation and to define potential zones of large tonnage taconite with associated Direct Shipping Ore ("DSO") mineralization (the term "Direct Shipping Ore" is used for historical accuracy and is not intended to imply that a positive economic study has been completed on the Attikamagen Property as there has been insufficient exploration to define a mineral resource). Magnetic inversion processing of the airborne magnetic data in combination with recent geological mapping will be used to create a 3-D model of the iron formation which can then be used for an initial volumetric estimation.

As part of the Phase 1 program field mapping and sampling was also undertaken at the Attikamagen Property. The objective of the geological mapping was to outline magnetite rich taconite units within the Sokoman Formation for channel sampling and future drilling. A total of 36 traverses ranging in length from 1km to 2.5km were completed at Lac Sans Chef; thirty-four at Jennie Lake and seven others of the same length in Joyce Lake. Field crews performed detailed 1:2500 scale mapping of outcrops along 150m to 300m spaced lines perpendicular to the NW-SE trending iron formation ridges.

In the Lac-Sans-Chef area along the northeastern portion of the Attikamagen Property, the Company identified several kilometric long taconites better known as the Pink Grey Chert ("PGC") and Lower Red

Chert ("LRC") members of the Sokoman Formation in the nearby Schefferville Mining Camp. The Lac Sans Chef Zone hosts three to four synclinal and adjacent anticlinal folds. This type of macroscopic folding enhances the tonnage potential of the favorable taconite in a relatively smaller area. Synclinal fold structures are a well known in Schefferville where the synclines have a better potential for DSO type mineralization.

The PGC is black, finely laminated magnetite and the LRC is a magnetic chert iron formation with a combined width of 30m to 40m regionally but local structural thickening can increase the thicknesses significantly especially in fold closures. The folding in the Lac Sans Chef Zone has repeated the iron formation at least six times over a 2km width within a 3km strike length.

In the Jennie Lake area located at the southern end of the Attikamagen Property, the PGC and LRC units are similarly repeated al least four times by folding. Here the PGC unit outcrops locally but it is typically a recessive rock unit.

At Joyce Lake there are two kilometric scale synclinal folds covering an area 2km wide with a strike length of 3km. In the core of this syncline massive hematite and magnetite iron formations were sampled.

Fifty channels with a cumulative length greater than 500m were cut at Jennie Lake and Lac Sans Chef northwest to which six additional channels were cut and four old trenches identified. A total of 582 saw-cut channel samples were collected for a total weight of approximately five tonnes. An additional 150 samples were grabbed in Lac Sans Chef and sixty others in Jennie Lake. About ten witness samples were also collected in Lac Sans Chef. All of the samples were sent for assaying to the ALS Group Laboratories in Val-d'Or, Quebec.

The airborne magnetic data illustrates the presence of three to four fold-repeated taconites that extend from the south at Jennie Lake to the north at Lac-Sans-Chef, over a ground distance of 30km.

The taconites extend continuously and are repeated by folding for a cumulative distance of 57km over the entire Attikamagen Property that has seen very limited exploration. It has never been drilled before for iron.

Helicopter-supported NQ-sized diamond drilling was completed at Lac Sans Chef where the best taconite potential was mapped this summer. Three holes tested the limbs of folds, and one hole was collared in the nose of a synclinal fold for a total of 430m. A land based drilling campaign is planned for this winter.

The core was logged and 250 sections of core in the taconite were split, tagged and bagged as assay samples, and sent for assaying at the ALS Group Laboratories in Val-d'Or, Quebec. The QA/QC protocol includes duplicate samples, blanks and standards. Iron assays are pending for the core, channel and grab samples from the Attikamagen Property.

Fermont Iron Property Acquisition, Quebec

On May 27, 2008, the Company acquired an option to acquire up to a 70% interest in 15 iron-rich mineral concessions totalling 261.5 km^2 in the Fermont Iron Ore District ("FIOD") of north-eastern Quebec. The properties, termed the Fermont Property (the "Fermont Property"), are situated 250 km north of the St. Lawrence River port town of Port-Cartier and centered 60 km southwest of Fermont.

In order to earn its interest, the Company must make the option payment, issue common shares and incur exploration expenditures as follows:

	Option payments $	Common shares	Exploration expenditures $
To earn a 65% interest			
Paid	200,000	300,000	–
1 year after the date of the agreement	200,000	300,000	750,000
2 years after the date of the agreement	200,000	400,000	–
3 years after the date of the agreement	200,000	600,000	–
4 years after the date of the agreement	200,000	900,000	5,250,000
	1,000,000	2,500,000	6,000,000
To increase to a 70% interest	–	500,000	All necessary expenditures to completion of a positive bankable feasibility study

After the Company completes its earn-in, the Vendors and the Company will form a joint venture ("JV") reflective of their proportionate ownership interests in the Fermont Property in order to explore and develop the retained mineral concessions. The Company will retain a right-of-first-refusal on any part or all of the Vendors' proportionate interest in each of the mineral concessions comprising the Fermont Property. If the Vendors elect not to fund their proportionate interest in the JV, their interest would be diluted and, when the Vendors' interest is reduced below a 10% remaining interest, the Vendors would be left with a 3% NSR royalty subject to a buyback clause at the Company's option to reduce the NSR royalty to 2% by paying C$ 3 million. The Company would also retain a first-right-of-refusal on the royalty. There is also a 10 km area of influence around each mineral concession.

The Fermont Property hosts significant historic pre-National Instrument ("NI") 43-101 Mineral Resources* of 610 million tonnes @ 32.2% iron, located in proximity to and locally contiguous to an operating and a number of former operating iron mines and projects currently being developed for iron mining. The pre-NI 43-101 Mineral Resources* are divided amongst 7 of the 15 mineral concessions:

Historic Mineral Resources* - Fermont Property

PROJECT NAME	TONNES	GRADE (% iron)	NUMBER OF DRILL HOLES
MOISE LAKE	101,000,000	30.8	65
O'KEEFE-PURDY-AUDREA LAKES	25,000,000	35.5	18
BELLECHASSE-MIDWAY	91,400,000	30.0	N/A
FIRE LAKE NORTH	40,600,00	32.0	15
AUDREY-ERNIE LAKES	23,000,000	33.2	2
BIG THREE LAKES	25,000,000	34.0	N/A
SILICATE-BRUTUS LAKES	304,000,000	29.4	18
TOTALS	610,000,000	32.2	118

* The mineral resources outlined in the preceding table are non-compliant NI 43-101 Mineral Resources since they are historical in nature and should not be relied upon. There is no direct evidence that these numbers or any portion thereof will ever be achieved at any time with further exploration work.

On November 24, 2008, the Company provided an update on results of the initial field work completed to date as part of the Phase 1 exploration program on the fifteen mineral concessions (refer to the table for a complete listing of concessions), of the Fermont Property in the FIOD.

The Fermont Property Phase 1 Exploration Campaign

GPR Geophysics International Inc. of Longueil (Quebec) recently completed a 3,855 line-km airborne Magnetic and Electromagnetic (VLF-EM) geophysical survey over all 15 mineral concessions of the Fermont Property. Following this, a helicopter borne reconnaissance prospecting program was completed over a five day continuous period in October 2008 to map the iron formations, structural geology and to sample outcrops in the vicinity of magnetic anomalies to compare with type iron formations that host iron orebodies in the FIOD. All fiffteen mineral concessions, grouped in three clusters, were evaluated from the air for physiographic elements (roads and trails, waterways, rail and power lines), and historic exploration work (line grids, trenches, drill hole sites).

Key observations from the visits and on-going geophysical and geological synthesis of the Fermont Property include:

- The iron mineralization is linked to specular hematite and quartz commonly known as quartz specularite iron formations, and are visually recognizable from the air due to the steel dark grey colour of the quartz specularite outcrops;

- The iron formations have variable widths from 20m to 100m with the proportions of specular hematite and quartz varying along and across strike;

- Magnetic signatures from the Champion geophysical survey reveal extensive and highly folded horizons totalling more than 200km in cumulative strike length within the 15 properties; and

- One end member of the spectrum of the quartz specular hematite iron formations display granular and friable layers that disaggregate to sand quite readily to a more massive and highly silicified end member;

The Moire Lake East mineral concession is adjacent to the east of Arcelor Mittal’s Mont Wright Mine and in proximity to Consolidated Thompson Iron Mines Limited’s Bloom Lake Deposit that is currently being developed and is expected to produce seven million tonnes of iron concentrate per year at a grade 66.5% Fe. At Moire Lake East the Company located previous drillholes and gridwork such that 70 historical drillholes could be precisely surveyed, which affords the Company the option to twin selected holes during the winter months to validate the extent and grade of the iron mineralization and mineral resource model.

The O’Keefe-Purdy-Audrea Lakes, Harvey-Tuttle Lakes, Bellechasse-Midway, Midway SE, Oil Can Lake, Don Lake, Fire Lake North, Hope Lake, Hope Lake SW and Cassé Lake mineral concessions are in close proximity to the Consolidated Thompson Iron Mines Limited’s Peppler Lake Iron Project and Arcelor-Mittal’s Fire Lake Mine, currently being developed for production.

Gullbridge Base Metals Property, Newfoundland

On May 5, 2008, the Company executed a definitive option and joint venture agreement (the “Gullbridge Agreement”) with Copper Hill Resources Inc. (“Copper Hill”) to acquire an interest in the Gullbridge Base Metals Property (the “Gullbridge Property”), in the Buchans Mining Camp, Newfoundland. The Gullbridge Property adjoins the Company’s National Instrument 43-101 Qualifying Powderhorn Property (“Powderhorn”) to the southeast where the Company has completed its second year obligations of a 3 year option to earn a 70% interest.

In order to earn its interest, the Company must make the option payment, issue common shares and incur exploration expenditures as follows:

	Option payments $	Common shares	Exploration expenditures $
To earn 51% interest			
Paid	10,000	50,000	–
May 5, 2009	10,000	100,000	200,000
May 5, 2010	10,000	150,000	200,000
May 5, 2011	–	–	400,000
	30,000	300,000	800,000
To increase to 75% interest			
2 years after earning 51% interest	–	150,000	700,000
To increase to 85% interest	–	–	All necessary expenditures up to the completion of a positive bankable feasibility study

On October 16, 2008, the Company announced the completion of a gravity geophysical survey at the Company's Gullbridge Property.

The Company's geological model for the Gullbridge-Powderhorn area is similar geologically and in metallogenic context to the Neves Corvo area of the Iberian Pyrite Belt in Portugal. The large massive sulphide deposits of Neves Corvo lay below extremely conductive sedimentary rocks (similar to the Gullbridge-Powderhorn area) that made their discovery by conventional electromagnetic geophysical methods more difficult. Gravity surveying provided critical data necessary to delineate prospective base metal horizons at Neves Corvo, eventually leading to the discovery of the World-Class base metal deposit.

The Company is investigating the Gullbridge-Powderhorn area by applying a similar strategy that led to Neves Corvo discoveries. The Company contracted Abitibi Geophysics of Val d'Or (Quebec) to complete a regional ground gravity survey over the eastern half of the Gullbridge Property and the NW portion of the adjoining Powderhorn ground. A total of 1,360 stations were surveyed on 200m centers covering 57.5 km^2 of both properties. Five high priority target areas (Target areas 1 to 5) were identified for follow-up investigation that may coincide with possible Volcanogenic Massive Sulphides style mineralization typical of the Buchans Mining Camp.

Target areas 1 and 2 occur on the Powderhorn Property. Target area 1 is centered on the Powderhorn copper-zinc occurrence covering two gravity highs of 0.6 mGal and 1 mGal in a 1km x 2km corridor interpested in the first case to be potential massive sulphides down-dip from the existing stringer-style mineralization, and in the second case a sub-volcanic intrusive lying deeper within the core of the Powderhorn dome. Target area 2 is defined by a near circular 1 km wide 1.5 mGal anomaly, with a corresponding intense magnetic anomaly, possibly linked to nickel-copper bearing sulphides in mafic intrusive rocks. Target areas 3, 4 and 5 are located on the Gullbridge Property. The 0.25 mGal to 1 mGal anomalies occur within sediments and felsic volcanics that generally overlay the massive sulphides bearing Roberts Arm Formation further at depth.

Champion is also compiling and synthesizing historic mine and drill data from the Gullbridge Property, surface geology and structural data for development of a 3-D geological model to compliment the interpretation of the gravity survey results. Target areas identified from the gravity and modeling results will likely be further delineated by deep high resolution electromagnetic surveying in preparation for diamond drilling later in 2008-09.

Powderhorn Property, Newfoundland

The Company entered into an option agreement (the "Option Agreement") on June 11, 2006 with Copper Hill to acquire a 70% interest in a mineral exploration property, the Powderhorn Lake Project (the "Powderhorn Property"). The Powderhorn Property consists of a total of 115 claims covering an area of 29 square kilometres situated in the Buchans-Robert's Arm Belt, in Central Newfoundland, Canada. It is approximately 40 km to the NE of, and on strike with, the renowned Buchans Mine Volcanogenic Massive Sulphide ("VMS") deposits which produced 16.2 million tonnes from 5 ore bodies with average mill head grades of 14.5% Zn, 7.6% Pb, 1.3% Cu, 126 g/t Ag and 1.4 g/t Au (source: J.G. Thurlow, 1990).

Pursuant to the Option Agreement, the Company has the option to acquire a 70% interest in the Powderhorn Property by: i) paying $50,000 which was paid by June 11, 2008; ii) incurring exploration expenditures of $1,000,000 on the Powderhorn Property on or before June 11, 2010 in the following yearly increments: $200,000 by June 11, 2007 and $300,000 by June 11, 2008, which has been incurred, and $500,000 by June 11, 2010, assuming the Company fulfills all of its obligations under the Gullbridge Option Agreement with Copper Hill, otherwise the $500,000 work commitment would be due June 11, 2009; and iii) issuing 600,000 common shares as follows: 100,000 common shares which were issued on November 26, 2006 at a deemed price of $0.20 per common share, 150,000 common shares which were issued on June 11, 2007 at a deemed price of $0.30 per common share, 250,000 common which were issued June 11, 2008 at a deemed price of $0.98 per common share, and 100,000 common shares before June 11, 2009; or upon completion of exploration expenditures required pursuant to the Option Agreement, or promptly after an economic discovery as evidenced by a pre-feasibility study has been made on the Powderhorn Property.

The Powderhorn Property is currently encumbered with a 2.85% Net Smelter Royalty ("NSR"), owned by various parties, of which 1.85% can be purchased by the joint venture participants for $2,300,000 to reduce the NSR to 1.0%.

VMS-style mineralization was discovered on the Powderhorn Property in 1999 along the shores of the Powderhorn Lake, and also along new logging roads which were opened up in the surrounding property. Surface sampling and shallow drilling conducted by Copper Hill and Billiton Resources Canada Inc. ("Billiton") in 1999 and 2001 (average 100m deep) outlined altered and mineralized felsic volcanics, outcropping over an area of 2 by 1 km. Mineralization consists of both exhalative, massive zinc-rich layers with grades up to 9% zinc in chip samples from surface float and feeder-type, copper and gold mineralization assaying up to 3.1% copper and 3.5 g/t Au over 0.5m at a depth of 36m in drill core from one of the holes drilled by Billiton (source: D.H.C. Wilton, March 25, 2002, Geological Report Powderhorn Lake Property). Mineralization is open in all directions.

At the Powderhorn Property, 7 diamond drill holes completed by the Company to-date have intersected stringer-style copper mineralization similar to the historic Gullbridge Mine and zinc-gold-silver mineralization similar to the Sturgeon River occurrence. The Company's now believes that the copper mineralization at Gullbridge and Powderhorn is related to the same volcanic system or possibly two separate volcanic centres that host disseminated, stringer-style and massive sulphide accumulations. Following the recently completed regional ground gravity survey [see Gullbridge Property section above] priority target areas were identified on the Powderhorn Property for follow-up investigation that may coincide with possible Volcanogenic Massive Sulphides style mineralization typical of the Buchans Mining Camp.

Financing

On November 26, 2008 the Company announced that a private placement (the "Private Placement") of up to 3,000,000 Flow-Through Units (the "Units") to be issued on a "flow-through" basis at a price of 40 cents per Unit for gross proceeds to the Company of $1,200,000 has been arranged with Becher McMahon Capital Markets Inc. ("BMCM").

Each Flow-Through Unit will consist of one common share (the "Common Shares") to be issued on a "flow-through" basis under the *Income Tax Act* (Canada) and one half of one non-transferable non-flow-through share purchase warrant of the Company (the "Unit Warrants"). Each Unit Warrant will have a term of 18 months and will entitle the holder to purchase one Common Share at a price of 70 cents per share.

The net proceeds of the Private Placement will be used to finance continued exploration programs at Champion's exploration projects excluding the Attikamagen Property which is currently being financed by CIOI. The Private Placement is subject to approval by the TSX Venture Exchange.

Risks and Uncertainties

The Company is in the exploration stage and has not yet determined whether its mineral resource properties contain reserves that are economically recoverable. The continued operations of the Company and the recoverability of amounts shown for mineral resource properties is dependent upon the ability of the Company to obtain financing to complete the exploration and development of its mineral resource properties, the existence of economically recoverable reserves and future profitable production, or alternatively, upon the Company's ability to recover its costs through a disposition of its mineral resource properties.

The Company is subject to numerous risk factors that may affect its business prospects in the future. These risks include, but are not limited to, the Company's access to additional capital to fund future activities, the loss of mineral properties or the inability to obtain mining licences, the inherently risky nature of the Company's activities and its lack of experience in bringing an exploration property into production, foreign exchange fluctuations, the political stability and economic uncertainty of those areas in which the Company carries on operations and the lack of infrastructure in those areas, title risks, the risks and uncertainties associated with joint ventures and the Company's reliance on third parties, statutory and regulatory compliance, the adequacy and availability of insurance coverage, the Company's dependence upon employees and consultants and fluctuations in mineral prices.

Results of Operations

6 months ended September 30

	2008	**2007**
	$	**$**
General and administrative expenses		
Professional fees	90,291	96,497
Consulting fees	97,714	27,000
Stock-based compensation	172,000	-
General and office	87,638	17,104
Loss for the period	447,644	140,601

The increase in the loss compared to the same period in the previous year was due to the following factors:

a) an increase in stock-based compensation due a change in the stock options granted in the current period.

b) an increase in consulting fees and general and office expenses due to increased activity in the current period.

Summary of Quarterly Results

	Q3 2007 $	Q4 2007 $	Q1 2008 $	Q2 2008 $	Q3 2008 $	Q4 2008 $	Q1 2009 $	Q2 2009 $
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Loss								
- Total	25,346	36,048	30,811	109,791	197,187	160,489	337,529	110,114
- Per share	0.00	0.00	0.00	0.01	0.02	0.01	0.02	0.01

Liquidity and Capital Resources

The Company is not in commercial production on any of its mineral resource properties, and accordingly, the Company has no revenues. The Company finances its operations by raising capital in the equity markets.

As at September 30, 2008, working capital was $1,199,549 (March 31, 2008 - $831,763). The increase in working capital was primarily due to the receipt of $1,500,000 in respect of a financing during the period. Future cash requirements will depend primarily on the extent of future expenditures on the Company's exploration programs. The cost and duration of future exploration programs will depend on the results of current exploration programs and therefore, the Company is not able to forecast future cash requirements. The Company has sufficient funds to maintain its current mineral resource properties and carry out certain planned exploration programs, but the Company will require additional financing to complete exploration programs in 2009 and future years.

Related Party Transactions

For the 6 months ended September 30, 2008, consulting fees included $48,020 (2007 - $21,000) paid to companies controlled by a director and two officers of the Company and mineral resource properties included $154,546 (2007 - $44,064) paid to companies controlled by two directors and two officers of the Company. Accounts payable and accrued liabilities includes no amount (2007 - $22,075) payable to a company controlled by one director of the Company. These transactions were in the normal course of business and are recorded at an exchange value established and agreed upon by the related parties.

Critical Accounting Estimates

Mineral resource properties

Costs relating to the acquisition, exploration and development of mineral resource properties are deferred until the properties are brought into commercial production, at which time, they are amortized over the estimated useful life of the related property on a unit-of-production basis. The cost of mineral resource properties includes the cash consideration and the fair value of shares issued on the date the property is acquired. The proceeds from options granted on properties are credited to the cost of the related property. When a property is determined to be non-commercial, non-productive or its value impaired, those costs in excess of estimated recoveries are charged to operations.

The recoverability of amounts shown for mineral resource properties is dependent upon the ability of the Company to obtain financing to complete the exploration and development of its mineral resource properties, the existence of economically recoverable reserves and future profitable production, or alternatively, upon the Company's ability to recover its costs through a disposition of its mineral resource properties.

The amount shown for mineral resource properties does not necessarily represent present or future value. Changes in future conditions could require a material change in the amount recorded for mineral resource properties.

Stock-based compensation
Stock-based compensation is determined using the Black-Scholes option pricing model, which requires the input of subjective assumptions, including the expected price volatility of the Company's common shares and the expected life of the options. Changes in these input assumptions can materially affect the estimate of fair value.

Changes in Accounting Policies including Initial Adoption

On April 1, 2008, the Company adopted amendments to CICA Handbook Section 1400, “General Standards of Financial Statement Presentation” which includes requirements to assess and disclose an entity's ability to continue as a going concern; disclosure of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern; disclosure of when financial statements are not prepared on a going concern basis, together with the basis on which the financial statements are prepared and the reason why the entity is not regarded as a going concern.

On April 1, 2008, the Company adopted CICA Handbook Section 1535, “Capital Disclosures” which requires disclosure of qualitative information about its objectives, policies and processes for managing capital; disclosure of quantitative data about what is regarded as capital; and disclosure of compliance with any externally imposed capital requirements and the consequences of such non-compliance.

On April 1, 2008, the Company adopted CICA Handbook Section 3862, “Financial Instruments – Disclosures” and Section 3863, “Financial Instruments – Presentation” which requires disclosures to enable users to evaluate the significance of financial instruments on the entity's financial position and performance, and the nature and extent of risks arising from financial instruments and non-financial derivatives.

Beyond additional disclosure, the adoption of these new accounting standards did not have an effect on the Company’s financial statements.

Future Changes in Accounting Policies

On April 1, 2009, the Company will adopt CICA Handbook Section 3031, “Inventories”, which will replace Section 3030. The new standard requires that inventories be measured at the lower of cost and the net realizable value, provides guidelines on determining cost, prohibits the use of the last-in, first-out method (LIFO) and requires the reversal of a previous write-down when the value of inventories increases.

On April 1, 2009, the Company will adopt CICA Handbook Section 3064, “Goodwill and Intangible Assets” which will replace Section 3062. The new standard establishes revised standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets. The new standard also provides guidance for the treatment of pre-production and start-up costs and requires that these costs be expensed as incurred. Concurrent with the introduction of this standard, the CICA withdrew EIC27, Revenues and Expenses during the pre-operating period.

The Company is currently assessing the impact of these new accounting standards on its financial statements.

International Financial Reporting Standards (“IFRS”):
In 2006, the Canadian Accounting Standards Board (“AcSB”) published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian generally accepted accounting principles (“GAAP”) with IFRS over an expected five year transitional period.

In February 2008, the AcSB confirmed that IFRS will be mandatory in Canada for publicly held entities for fiscal periods beginning on or after January 1, 2011. The Company's first IFRS annual financial statements will be for the year ending March 31, 2012 and will include the comparative figures for 2011. Beginning with the last quarter of 2011, the Company will provide unaudited financial information in accordance with IFRS including comparative figures for 2010. The Company is evaluating accounting policy differences between Canadian GAAP and IFRS based on management's current understanding of these standards. However, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

Other Information

Additional Disclosure for Venture Corporations without Significant Revenue

The following table sets forth a breakdown of material components of the general and administration costs, capitalized or expensed exploration and development costs of the Company for the periods indicated.

	6 months ended September 30	
	2008	**2007**
	$	**$**
General and administrative expenses		
Professional fees	90,291	96,497
Consulting fees	97,714	27,000
Stock-based compensation	172,000	-
General and office	87,638	17,104
	447,644	140,601

	Powderhorn	Attikamagen	Gullbridge	Pterodactyl	Fermont	Total
	$	$	$	$	$	$
Balance, March 31, 2007	270,925	–	–	–	–	270,925
Acquisition costs	55,000	160,563	–	–	–	215,563
Exploration	411,076	158,700	–	–	–	569,776
Balance, March 31, 2008	737,001	319,263	–	–	–	1,056,264
Acquisition costs	255,000		38,500	63,800	418,370	775,670
Exploration	95,062	173,508	161,399		295,006	724,975
Balance, September 30, 2008	1,087,063	492,771	199,899	63,800	713,376	2,556,909

Shares Outstanding at November 27, 2008.

Shares

Authorized:
Unlimited number of common shares.

Outstanding:
16,112,535 common shares.

Warrants
Outstanding:

Exercise price	Warrants outstanding	Expiry date
$0.45	93,100	April 18, 2009
$0.75	1,500,000	May 12, 2009
$0.50	180,000	May 12, 2009
	1,773,100	

Stock options
Authorized:
On September 30, 2008 the Company adopted a fixed stock option plan, under which, the Company may grant up to 3,220,000 stock options.

Outstanding:

Exercise price	Options outstanding	Options exercisable	Expiry date
$0.45	1,152,500	1,152,500	January 10, 2013
$0.70	325,000	325,000	May 16, 2013
	1,477,500	1,477,500	

Forward-Looking Statements
All statements made in this MD&A, other than statements of historical fact, are forward-looking statements. The words “anticipate”, “believe”, “estimate”, “expect”, “intend”, “may”, “plan”, “will”, “would”, “should”, “guidance”, “potential”, “continue”, “project”, “forecast”, “confident”, “prospects”, and similar expressions typically are used to identify forward-looking statements. Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about the Company’s business and the industry and markets in which it operates. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or implied by these forward-looking statements due to a number of factors, including but not limited to the Company’s access to additional capital to fund future activities, the loss of mineral properties or the inability to obtain mining licences, the inherently risky nature of the Company’s activities and its lack of experience in bringing an exploration property into production, foreign exchange fluctuations, the political stability and economic uncertainty of those areas in which the Company carries on operations and the lack of infrastructure in those areas, title risks, the risks and uncertainties associated with joint ventures and the Company’s reliance on third parties, statutory and regulatory compliance, the adequacy and availability of insurance coverage, the Company’s dependence upon employees and consultants and fluctuations in mineral prices. These risks, as well as others, could cause actual results and events to vary significantly. The Company expressly disclaims any intent or obligation to update these forward-looking statements, unless the Company specifically states otherwise.

Additional Information

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