ALTIUS MINERALS CORPORATION

Management's Discussion and Analysis
of Financial Conditions and Results of Operations
Three and Nine Months Ended January 31, 2009

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the Corporation's unaudited consolidated financial statements for the period ended January 31, 2009 and related notes. This MD&A has been prepared as of ***March 6, 2009.***

Management's discussion and analysis of financial condition and results of operations contains forward–looking statements. By their nature, these statements involve risks and uncertainties, many of which are beyond the Corporation's control, which could cause actual results to differ materially from those expressed in such forward-looking statements. Readers are cautioned not to place undue reliance on these statements. The Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Additional information regarding the Corporation, including copies of the Corporation's continuous disclosure materials is available on the Corporation's website at www.altiusminerals.com or through the SEDAR website at www.sedar.com .

Description of Business

Altius Minerals Corporation's (the "Corporation") principal business activities include the generation and acquisition of projects related to natural resources opportunities in eastern Canada. In general, the Corporation prefers to generate partnerships or corporate structures related to the opportunities it generates, which results in the Corporation carrying minority and non-operating project or equity interests and/or royalty interests.

The Corporation's current holdings include various exploration stage royalty interests and an effective 0.3% production stage royalty interest in the Voisey's Bay nickel-copper-cobalt project in Labrador. The Corporation also holds various investments in mining and mineral related companies, through direct investment and through the vending of earn-in agreements on its mineral exploration properties. The Corporation holds a 20.2% interest in Rambler Metals and Mining plc ("Rambler"), which is carrying out advanced exploration of the past producing Ming copper - gold mine, located near Baie Verte, Newfoundland and Labrador. In addition, the Corporation currently holds a 39.6% interest in Newfoundland Labrador Refining Corporation "(NLRC"), which is currently under bankruptcy protection. NLRC is a private company proposing to construct a new 300,000 barrel per day oil refinery in south eastern Newfoundland and Labrador.

Results of Operations

The three month period ending January 31, 2009 compared with the three month period ending January 31, 2008

The Corporation recorded net earnings of $31,624,000 for the three months ended January 31, 2009 compared to net earnings for the three months ended January 31, 2008 of $604,000. The current quarter's earnings include a $38,180,000 gain on the settlement of the equity forward agreement on the Corporation's remaining 2,500,000 Aurora shares offset by income tax expense of $6,679,000.

The Corporation recognized total revenue of $2,109,000 for the three month period ended January 31, 2009 compared to $3,763,000 for the same period last year. Royalty revenue from the Labrador Nickel Royalty Limited Partnership was $689,000 during the three month period ended January 31, 2009 compared to $1,331,000 for the same period last year. Higher concentrate shipments during the quarter and a stronger U.S. dollar helped to offset the decrease in realized nickel prices during the quarter. The realized nickel price during the quarter was U.S. $ 6.37 per pound compared to U.S. $ 13.87 in the same quarter last year.

Interest income of $1,384,000 was recognized during the three month period ended January 31, 2009 compared to $2,293,000 for the three months ended January 31, 2008. The reduction in interest income was caused by lower realized interest rates on corporate and government guaranteed investments.

General and administrative expenses for the three month period ended January 31, 2009 were $707,000 compared to $407,000 for the same period last year. This results from a combination of an increase in professional fees related to the NLRC insolvency proceedings of $160,000 and corporate development expenses of $20,000, an increase in promotional and related expenses of $67,000 as well as a decrease in foreign exchange gains of $40,000 compared to the same period in the prior year.

Royalty tax for the three month period ended January 31, 2009 was $138,000 compared to $157,000 for the same three month period last year, reflecting the lower royalty revenue noted above.

Stock-based compensation for the three month period ended January 31, 2009 was $208,000 compared to $549,000 for the same period last year. In addition to stock-based compensation cost recognized on the income statement, the Corporation deferred $70,000 as part of its mineral exploration and development costs during the current three month period (2008 – $114,000).

Amortization for the three month period ended January 31, 2009 was $251,000 which was higher than the $220,000 for the same period last year. The Corporation's royalty interest in the Voisey's Bay mineral property is being amortized on a units of production basis over the expected life of the mine. The increase in amortization over the prior period reflects the higher volume of concentrate shipments during the current period.

The Corporation recognized interest on long-term debt of $313,000 for the three month period ended January 31, 2009 compared to $394,000 in the same period last year. The interest on long-term debt is from a zero – coupon loan bearing interest at 4.25% per year which was settled during the current quarter.

During the current quarter the Corporation wound up its equity forward agreement contract by transferring ownership of its 2,500,000 remaining Aurora shares. The deemed proceeds from the investment and the equity forward agreement was applied to repay the zero-coupon loan in full with no net cash flow impact. The calculation of the gain and the application of the deemed proceeds are indicated in the table below:

	Equity Forward Contract	Investment in Aurora (2,500,000 shares)	Zero-Coupon Loan	TOTAL
	$	$	$	$
Deemed proceeds (mark to market value)	38,231	4,375	(42,606)	-
Cost base (amortized value)	-	1,007	(39,187)	**(38,180)**
Gain (Loss)	38,231	3,368	(3,419)	**38,180**

The Corporation recognized a decline in value of share purchase warrants of $352,000 for the three month period ended January 31, 2008 compared to $nil in the current year. These warrants expired unexercised during the current fiscal year. This fair value treatment was adopted beginning in the previous fiscal year, as described in note 3 to the annual consolidated financial statements.

The Corporation incurred current and future income tax expense of $6,679,000 for the three months ended January 31, 2009 compared to $782,000 expense for the same period last year. This increase is due to the realization of the gain on the equity forward previously mentioned.

The nine month period ending January 31, 2009 compared with the nine month period ending January 31, 2008

The Corporation recorded net earnings of $29,981,000 for the nine months ended January 31, 2009 compared to net earnings for the nine months ended January 31, 2008 of $54,101,000. The current year’s earnings include a $38,180,000 gain on the settlement of the equity forward agreement on Aurora shares.

The Corporation recognized total revenue of $7,450,000 for the nine month period ended January 31, 2009 compared to $9,459,000 for the same period last year. Royalty revenue from the Labrador Nickel Royalty Limited Partnership was $3,330,000 during the nine month period ended January 31, 2009 compared to $4,110,000 for the same period last year. This decrease was due to lower average nickel prices of U.S. $9.66 per pound in the current nine month period compared to U.S. $16.64 for the same period last year, offset slightly by an increase in concentrate shipments and a stronger relative U.S. dollar.
Interest income of $3,916,000 was recognized during the nine month period ended January 31, 2009 compared to $5,096,000 for the nine months ended January 31, 2008. The reduction in interest income was caused by lower realized interest rates on corporate and government guaranteed investments.

General and administrative expenses for the nine month period ended January 31, 2009 were $1,789,000 which was slightly higher than general and administrative expenses of $1,734,000 for the same period last year. An increase in professional fees of $421,000 was related mainly to costs incurred for the NLRC insolvency proceedings of $207,000 and corporate development costs of $214,000 and increased insurance costs of $48,000 were partially offset by one-time foreign exchange gains of $323,000 on U.S. dollar denominated royalties receivable and lower administrative and office expenses of $100,000.

Royalty tax for the nine month period ended January 31, 2009 was $666,000 compared to $628,000 for the same nine month period last year. The Corporation is still awaiting the result of its appeal of the decision to reject the mineral rights tax reduction for exploration expenditures incurred in the province of Newfoundland and Labrador. The mineral rights tax currently is 20% of gross royalty revenue.

Stock-based compensation for the nine month period ended January 31, 2009 was $648,000 compared to $782,000 for the same period last year. In addition to stock-based compensation cost recognized on the income statement, the Corporation deferred $326,270 as part of its mineral exploration and development costs during the current nine month period (2008 – $139,000).

Amortization for the nine month period ended January 31, 2009 was $731,000 which was higher than the $591,000 for the same period last year. The Corporation’s royalty interest in the Voisey’s Bay mineral property is being amortized on a units of production basis over the expected life of the mine. The increase in amortization over the prior period reflects the higher production level at the mine in the current period.

The Corporation recognized gains on disposals of investments of $38,180,000 for the nine month period ended January 31, 2009 compared to $61,632,000 for the same period last year. The gain in the current year was from the transfer of the Corporation’s remaining 2,500,000 shares in Aurora to the counterparty in settlement of the equity forward contract originally entered into in March 2007. The gains from last year were primarily from the sale of the Corporation’s Aurora shares and other mining and mineral related investments.

The share of loss in equity investments was $326,000 for the nine months ended January 31, 2009 compared to $517,000 for the same period last year. The decrease over the prior year was caused by reduced activity at Rambler in comparison to the prior year. In addition, the Corporation no longer records its share of loss in NLRC since the equity investment was reduced to a carrying value of zero.

The Corporation recognized interest and financing charges of $1,334,000 for the nine month period ended January 31, 2009 compared to $1,256,000 in the same period last year. The interest and financing charges are primarily from a zero – coupon loan bearing interest at 4.25% per year which was settled prior to the end of the current quarter.

The Corporation also recognized a decline in value of share purchase warrants of $14,000 for the nine month period ended January 31, 2009 compared to $827,000 in the previous year. These warrants expired unexercised during the current fiscal year. This fair value treatment was adopted beginning in the previous fiscal year, as described in note 3 to the annual consolidated financial statements.

The Corporation incurred current and future income tax expense of $6,887,000 for the nine months ended January 31, 2009 compared to an expense of $12,921,000 for the same period last year.

Cash Flows, Liquidity and Capital Resources

Operating Activities
The Corporation generated cash from operating activities of $2,481,000 for the three months ended January 31, 2009 compared to an outflow of cash of $2,024,000 for the same period last year. The current period cash flow included an increase in income tax payable of $6,637,000 and a decrease in royalty receivable and accrued interest receivable totaling $1,883,000.

Financing Activities
The Corporation used cash from financing activities of $2,952,000 for the three months ended January 31, 2009 compared to an inflow of cash of $49,911,000 for the same period last year. The Corporation repurchased 644,200 common shares under its normal course issuer bid during the current quarter at a total cost of $3,102,000. The prior year's financing activities included a bought deal financing whereby the Corporation issued 1,900,000 common shares for net proceeds of $50,238,000.

Investing Activities
The Corporation used cash in investing activities of $7,590,000 for the three months ended January 31, 2009 compared to an outflow of cash of $45,703,000 for the same period last year. A major portion of the investment included the reallocation of cash into fixed income corporate and government guaranteed securities totaling $6,973,000. In addition, the corporation incurred $613,000 in net mineral exploration expenditures during the current quarter, as described in greater detail in the Mineral Exploration Overview. The Corporation invested $19,113,000 in NLRC and advanced NLRC $30,093,000 in respect of long-lead time equipment orders for the construction of the proposed oil refinery in the prior year.

Liquidity
At January 31, 2009 the Corporation had current assets of $161,686,000 and current liabilities of $7,904,000 for net working capital of $153,782,000, which is sufficient to meet its current requirements for operating and investing activities. The Corporation holds its cash in short-term and medium-term interest bearing government guaranteed and corporate instruments. Under the Corporation's investment policy, a significant portion of the cash is to be held primarily in government guaranteed and investment grade financial instruments. In addition, the Corporation does not hold any asset-backed commercial paper.

The Corporation's major sources of funding are royalty income from the Corporation's 0.3% net smelter return royalty in the Voisey's Bay nickel–copper–cobalt mine and from interest income. In addition, the Corporation partially funds exploration expenditures by collaborating with exploration partners under earn-in agreement, or joint venture arrangements whereby exploration expenditures are cost-shared in exchange for a partial ownership interest in the mineral rights to the properties. Given that the current cash level is significantly more than that required for the continuing operations of the Corporation, management will continue to evaluate opportunities to deploy surplus cash in the upcoming periods.

Commitments and Contractual Obligations

The Corporation has obtained various mineral rights licenses by staking claims and paying refundable security deposits. Certain expenditures are required on an annual basis, from the date of license issuance in order to maintain the properties in good standing and for refund of security deposits. As at January 31, 2009, the Corporation must spend $3,910,000 on mineral property exploration over the next 12 months in order to maintain its properties in good standing or for refund of security deposits. Of this amount, exploration partners have agreed to spend approximately $1,889,000 on the properties over the next 12 months. As an alternative to making the expenditures, the Corporation may choose to reduce the number of claims on a property, thereby reducing the annual expenditures required to maintain the property in good standing.

$722,000 of the exploration expenditure commitments is secured by a promissory note from the Corporation payable to the Government of New Brunswick to cover required expenditures on the Albert Oil shale project.

Contingent Liability

The Corporation was served with a statement of claim issued by BAE-Newplan Group Limited ("BAE"), a wholly-owned subsidiary of SNC-Lavalin Inc., in the Supreme Court of Newfoundland and Labrador on October 1, 2008. In the statement of claim, BAE claims damages, including punitive and exemplary damages, interest and costs against the Corporation and others in aggregate. In particular, BAE claims $20,594,000, which is also the amount of billing alleged as outstanding from NLRC to BAE for engineering services.

The Corporation believes this claim is without merit and intends to defend the claim vigorously. No provision has been recognized for this claim. The Corporation's defense of the claim is ongoing and a date has not yet been set for the trial of the matter.

Related Party Transactions

Chairman of the Board and Director John Baker is a Partner of the legal firm White Ottenheimer and Baker. This firm provided legal services in the amount of $40,000 for the three months ended January 31, 2009 (2008 – $22,000).

The Corporation recognized management fee revenue from equity investments in the amount of $6,000 for the three months ended January 31, 2009 (2008 – $6,000). The management fees are charged by the Corporation for office and administrative services provided to NLRC.

These related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. It is management's estimation that these transactions were undertaken under the same terms and conditions as transactions with non-related parties.

Summary of Quarterly Financial Information

The table below outlines selected financial information related to the Corporation's revenue, net earnings (loss) and net earnings (loss) per share for the most recent eight quarters. The financial information is extracted from the Corporation's interim unaudited financial statements.

Amounts in thousands of dollars, except per share amounts

$	January 31, 2009	October 31, 2008	July 31, 2008	April 30, 2008
Revenue	2,109	3,206	2,135	2,703
Net earnings (loss)	31,624	(2,032)	380	(42,007)
Net earnings (loss) per share				
- basic	1.11	(0.07)	0.01	(1.36)
- diluted	1.11	(0.07)	0.01	(1.34)

$	January 31, 2008	October 31, 2007	July 31, 2007	April 30, 2007
Revenue	3,763	3,049	2,647	2,765
Net earnings	604	37,799	15,698	871
Net earnings per share				
- basic	0.02	1.31	0.54	0.03
- diluted	0.02	1.28	0.53	0.03

The Corporation does not experience significant seasonality in operations. Revenue is derived primarily from investment income and from the Voisey's Bay Royalty, which is contingent upon commodity prices, mine production levels, and the timing of concentrate shipments.

The total number of common shares outstanding as of March 6th, 2009 is 28,363,195.

Equity Investments Overview

The Corporation has two significant equity investments, NLRC and Rambler.

NLRC

The Corporation currently holds a 39.6% equity interest in NLRC, which is currently under creditor protection under the Bankruptcy and Insolvency Act ("BIA"). NLRC is a private company proposing to construct a new 300,000 barrel per day crude oil refinery at Southern Head, Placentia Bay in south eastern Newfoundland and Labrador, Canada.

On June 18, 2008, SNC Lavalin, a contractor providing environmental and engineering services to NLRC, served NLRC with a notice of proceedings in the Supreme Court of Newfoundland and Labrador to have NLRC adjudged bankrupt. In response to this filing, NLRC sought and was granted creditor protection under the Bankruptcy and Insolvency Act ("BIA") on June 24, 2008. This protection enables NLRC, under the supervision of a trustee, to formulate a proposal for restructuring and to continue its efforts to attract financing and or partners for the refinery project. The initial period of creditor protection granted was 30 days, and was later extended for two additional periods of 45 days each until October 17, 2008.

On October 17, 2008, NLRC submitted a proposal to the creditors for a project care and maintenance plan for up to 36 months. Under the care and maintenance plan, it was proposed that ongoing costs be kept to a minimum and that all refinery permits would be kept in good standing until such time as the project can be sold or financed when economic conditions improve. In addition, all creditors' claims would be deferred until the end of the care and maintenance period or until the project obtains financing. Following the vote by creditors on the proposal on November 6, 2008, the trustee indicated that the outcome of the vote will depend on the legitimacy of claim amounts submitted as part of the voting procedure and, therefore, recessed to evaluate the various claim amounts. We understand this evaluation process to be ongoing and that the trustee has objected to certain creditor claim amounts and is seeking court direction in order to resolve the vote outcome.

Additional information on NLRC is available on their web site at http://www.nlrefining.com.

Rambler

The Corporation holds 12 million shares or a 20.2% interest in Rambler, which is listed on the Alternative Investment Market of the London Stock Exchange ("AIM"), and on the TSX-V. Rambler is carrying out advanced exploration of the past producing Ming copper - gold mine, located near Baie Verte, Newfoundland and Labrador.

In January 2009, Rambler announced that while they would continue with their evaluation of the Ming copper-gold project, they would implement the first phase of a cost reduction program at the mine site. The operations at the Ming Mine were scaled back in order to preserve working capital ahead of potential project development. All underground drilling and pre-development work was suspended and the underground workings at the Ming Mine were put on a care and maintenance program with pump, fire watch and security the only duties taking place at the site to protect Rambler's assets. Technical and management staff were retained to continue towards the target of producing a NI43-101 resource update, accompanying technical report and detailed engineering study which was released in February 2009.

For additional information on Rambler, visit their web site at http://www.ramblermines.com/

Mineral Exploration Projects Overview

The Corporation incurred $614,000 in net exploration expenditures during the quarter, primarily on drilling activities on its New Brunswick oil shale and Kamistiatusset iron ore property in Labrador. In addition, project generation activities, including research and reconnaissance stage exploration work, continued on several prospective areas of interest during the quarter. The Corporation's exploration focus includes a variety of commodities, such as base metals, platinum group elements (PGE's), uranium, gold, iron ore, and potash.

During the quarter, the Corporation reported the complete results from its first phase of drilling at the Kamistiatusset iron ore project in Labrador. The highlights of the 24-hole program (totaling 6,008 metres) include 31.65% Fe (iron) over 100.3 metres from hole K-08-18, 29.07% Fe over 75.9 metres from hole K-08-09, and 31.80% Fe over 61.4 metres from K-08-10. These results from the Rose Lake area are consistent with iron grades and widths in previously released drill intercepts by Altius and characterize the iron formation which has been traced by drilling for approximately 1.2 kilometres. Additional drilling is required to fully test this target area and to provide a basis for a resource calculation. The Corporation has an agreement with Norvista Resources Corporation to cooperatively work towards creating a new publicly traded company focused on the western Labrador iron ore mining district.

In December, the Corporation signed an iron ore exploration and royalty agreement with Kennecott Canada Exploration Inc. ("KCEI"), a member of the Rio Tinto Group of companies. KCEI may earn a 51% interest in eight exploration licences owned by Altius that are located throughout the western Labrador iron ore mining district by reimbursing Altius for its costs to date and spending $3,000,000 on or before the third anniversary date of the agreement. KCEI will be the exploration project manager and upon earning a 51% interest in the properties, KCEI may elect to form a joint venture or elect to earn a 70% interest by spending an additional $4,000,000 on or before the fifth anniversary date of the agreement. Altius will hold a 3% Gross Overriding Royalty ("GOR") on the properties, which KCEI may elect to buy-down 1% from the GOR for C$10,000,000 on or before the tenth anniversary of the agreement.

Assessment of drill core and from the 2008 drill program at the Corporation's New Brunswick Oil Shale Project is ongoing. Core samples have been sent for assay as well as chemical and mineralogical characterization. Planning for additional drilling is currently underway. The Corporation continues to seek a partner with technical capabilities to further evaluate this oil shale project.

Third parties also continued drilling and exploration on various properties of the Corporation during the quarter under exploration agreements. Of particular significance were the additional drill results announced by its partner Northern Abitibi Mining Corp. ("Northern Abitibi") at the Viking gold project during the quarter. Highlights of the most recent assays are 23.0 metres (1.3 to 24.3 metres depth) grading 5.12 grams per tonne (g/t) gold, including a 0.5 metre interval grading 176.20 g/t gold from the Thor Vein (drill hole Hole 08VK-03). At even greater depth along the same zone, hole 08VK-05 intersected a 16.8 metre interval grading 1.54 g/t gold and a 0.9 metre intersection from the Thor Vein that returned 119.65 g/t gold. Hole 08VK-04 tested the footwall of the Thor Vein and intersected two broad zones of low grade mineralization including 22.0 metres grading 1.91 g/t gold and 10.8 metres grading 2.43 g/t gold.
Several zones of high grade mineralization were also intersected in Hole 4 including 0.4 metres grading 13.30 g/t gold, 1.0 metre grading 9.61 g/t gold, and 1.0 metre grading 7.85 g/t gold. The drilling results confirm the exploration potential within the 3 to 4 kilometre long gold-in-soil anomaly at the Viking project.

Monroe Minerals also updated its uranium properties, which included a ground magnetics survey, geological mapping, and soil geochemical sampling at the Boxey Point Project. Monroe stated that they anticipate drill testing the project in the first half of 2009.

Cornerstone and the Corporation completed a large field program on their 4,236 claim Labrador Trough property and are assessing the results. This belt has several known occurrences of copper and is considered prospective for sediment-hosted and IOCG-style copper deposits.

The Corporation currently has 14 active earn-in or exploration alliances with various partners throughout the province covering a variety of commodities.

Partner	**Property**	**Agreement type**	**Status**
Cornerstone Resources	Labrador Trough - Base metals	Alliance	Field program complete; airborne survey results pending.
Golden Cross Resources	Notakwanon - Uranium	Earn in	Field program complete; reviewing results of 2008 exploration program.
Golden Cross Resources	Nuiklavik - Uranium	Earn in	Field program complete; reviewing results of 2008 exploration program.
JNR Resources Inc	Rocky Brook – Uranium	Earn in	Surface water survey completed ; 2009 winter program planned.
JNR Resources Inc	Topsails – Uranium	Alliance	Airborne survey and 2008 field program complete; reviewing results.

Monroe Minerals Inc	Alexis River – Uranium	Earn in	Drilling program completed. Data under review.
Monroe Minerals Inc	Berry Hill – Uranium	Earn in	2008 field program complete, no current activity planned.
Monroe Minerals Inc	Boxey – Uranium	Earn in	Geophysical survey, soil sampling & drilling planned winter 2008/2009
Northern Abitibi Mining Corp	Viking - Gold	Earn in	Drilling completed – further results are pending
Northern Abitibi Mining Corp	Taylor Brook – Nickel	Earn in	Planning 2009 program
Norvista	Kamistiatusset - Iron-ore	Letter agreement (IPO)	6,000 metre drill program complete; awaiting further drill results
Paragon Minerals Corp	South Tally Pond – Base Metals	Earn in	Drilling ongoing ; further results are pending
Sprott Resources Corp	St. George's Bay - Potash	Earn in	Fieldwork ongoing – planning 2009 program
Agnico Eagle Mines Ltd	Moosehead - Gold	Joint venture	No active exploration
Kennecott Canada Exploration Inc	Labrador West Iron Ore	Earn in	Planning 2009 program

For additional details on the properties and exploration agreements, please refer to the Corporation's web site, www.altiusminerals.com.

During the year, the Corporation decreased its staked properties from 503,802 hectares at April 30, 2008 to 454,654 hectares at January 31, 2009. The Corporation increased its exploration claims in the Labrador portion of the province, with a primary focus on potential discoveries of uranium, silica, base metals, and iron ore through staking and signing option agreements with local prospectors. Additional exploration claims were acquired on the island portion of Newfoundland focusing on potash potential and exploration claims on selected potential uranium properties were reduced areas after reviewing the 2008 field work results. The Corporation continues to seek exploration agreements for its properties to cost-share exploration expenditures in exchange for a partial equity interest in the mineral properties.

Mineral Claims Activity
(in hectares)

Location	Primary metal	April 30, 2008 Balance	Additions	Deletions	January 31, 2009 Balance
Labrador					
	Iron Ore	21,725	28,852	-	**50,577**
	Nickel	30,725	-	(7,575)	**23,150**
	Uranium	68,850	12,975	(34,125)	**47,700**
	Base metals	40,275	28,825	-	**69,100**
	Silica	725	-	-	**725**
		162,300	70,652	(41,700)	**191,252**
Island of Newfoundland					
	Uranium *	280,675	22,925	(109,175)	**194,425**
	Gold	6,800	-	-	**6,800**
	Base metals	6,225	-	-	**6,225**
	Potash	36,325	9,925	-	**46,250**
	Other	1,775	-	(1,775)	**-**
		331,800	32,850	(110,950)	**253,700**
Other					
	Other	-	5,875	(5,875)	**-**
	Oil Shale	9,702	-	-	**9,702**
		9,702	-	-	**9,702**
Grand total		503,802	103,502	(152,650)	**454,654**

* 182,600 hectares are subject to a 50% joint venture agreement

Internal Control over Financial Reporting

Management is responsible for the establishment and maintenance of a system of internal control over financial reporting. This system has been designed to provide reasonable assurance that assets are safeguarded and that the financial reporting is accurate and reliable. The consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles (GAAP) and in accordance with accounting policies set out in the notes to the consolidated financial statements for the period ended January 31, 2009.

There has been no change in the Corporation’s internal control over financial reporting during the Corporation’s quarter ended January 31, 2009 that has materially affected, or is reasonably likely to materially affect, the Corporation’s internal control over financial reporting.

Evaluation and Effectiveness of Disclosure Controls and Procedures

The Corporation has established and maintains disclosure controls and procedures over financial reporting. The certifying officers have evaluated the effectiveness of the issuer's disclosure controls and procedures as of January 31, 2009 and have concluded that such procedures are adequate and effective to ensure accurate and complete disclosures in public filings.

There are inherent limitations in all control systems and no disclosure controls and procedures can provide complete assurance that no future errors or fraud will occur. An economically feasible control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Adoption of New Accounting Standards

Financial Instruments – Disclosures and Financial Instruments – Presentation

Handbook sections entitled "Financial Instruments – Disclosures" (section 3862) and "Financial Instruments – Presentation" (section 3863), which replace "Financial Instruments – Disclosure and Presentation" (section 3861). The new disclosures standard increases the emphasis on the risk associated with both recognized and unrecognized financial instruments and how those risks are managed. The new presentation standard carries forward the former presentation requirements and is effective for the Corporation's interim and annual reporting periods beginning May 1, 2008. The new disclosure is included in note 13 to the unaudited consolidated financial statements.

Capital Disclosures

CICA Handbook section entitled "Capital Disclosures" (section 1535) was adopted by the Corporation effective May 1, 2008. The new standard requires disclosure of qualitative and quantitative information that enables users of financial statements to evaluate the Corporation's objectives, policies and processes for managing capital. This new disclosure is included in note 14 to the unaudited consolidated financial statements.

Future Accounting Pronouncements

Adoption of International Financial Reporting Standards in Canada

In February 2008, the Canadian Accounting Standards Board confirmed January 1, 2011 as the changeover date to move financial reporting for Canadian publicly accountable enterprises to the International Financial Reporting Standards "IFRS". The Corporation will report its financial results in accordance with IFRS for the fiscal period ending April 30, 2012 with comparative figures restated. The conversion plan and the impact of the transition of IFRS on the Corporation's consolidated financial statements is still under evaluation.

Critical Accounting Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities and the reported amounts of revenues and expenses during the reporting period. Areas requiring the use of management estimates include the rates for amortization of the royalty interest, future income taxes, assessments of the recoverability of deferred exploration expenditures, the carrying value and assessment of other than temporary impairment of investments, the recoverability of accounts receivable and loans, the determination of the provision for future removal and site restoration costs, and the assumptions used in the determination of the fair value of stock-based compensation.

Outlook

The price of commodities and the market valuation of assets and companies linked to the exploration and production of commodities experienced large declines during the year. The Corporation feels that this downturn is cyclical and that it therefore represents a better sectoral investment opportunity than has been available for several years and certainly since the Corporation established its current strong balance sheet and cash position. This opportunity is accentuated by the general scarcity of attractive available equity and debt within the sector. In response, the Corporation is reviewing an increasing number of opportunities to prudently deploy its capital while valuations of quality opportunities remain attractive and it expects to begin doing so over the coming quarters.

The Corporation's core commitment to grassroots project generation also remains strong and is poised to benefit as competition for exploration projects weakens. Junior exploration companies are finding it increasingly difficult to source traditional equity capital and to maintain exploration budgets and technical personnel. Similarly, most senior producers have elected to make large cuts to exploration spending and personnel. These competitive trends are similar to those that the Corporation witnessed near its inception in the late 1990's and that it benefited greatly from. In contrast to that period however the Corporation no longer requires equity capital to fund its own initiatives and it now has a well established technical team and a seasoned and refined business model for generative exploration that it can employ across an increased number of prospective jurisdictions.

The following schedule outlines the major categories of mineral properties, deferred exploration costs, and security deposits at January 31, 2009.

Amounts in thousands of dollars

Location	Primary Metal	Acquisitions	Wages	Geology / Geophysics	Drilling	Travel/Other	Recovered Property Costs	Write-Down	Security Deposits	Grand Total
Labrador										
	Base metals	59	102	149	-	279	-	-	-	589
	Iron Ore	30	354	478	1,208	229	-	-	-	2,299
	Nickel	4	9	205	-	23	-	-	-	241
	Uranium	26	240	595	-	648	(1,150)	-	-	359
		119	705	1,427	1,208	1,179	(1,150)	-	-	3,488
Island of Newfoundland										
	Base metals	11	204	99	106	86	(81)	-	-	425
	Gold	68	109	55	-	93	(146)	(7)	-	172
	Nickel	26	23	39	-	13	(7)	(1)	-	93
	Potash	32	38	15	-	7	(56)	-	-	36
	Uranium	380	928	1,045	731	731	(2,591)	-	-	1,224
		517	1,302	1,253	837	930	(2,881)	(8)	-	1,950
Other										
New Brunswick	Oil shale	31	120	282	847	110	-	-	-	1,390
Nova Scotia	Potash	10	12	5	-	10	-	-	-	37
		41	132	287	847	120	-	-	-	1,427
Security Deposits		-	-	-	-	-	-	-	618	618
General Exploration		-	20	-	-	50	-	(70)	-	-
Grand Total		677	2,159	2,967	2,892	2,279	(4,031)	(78)	618	7,483