ALTIUS MINERALS CORPORATION

Management's Discussion and Analysis
of Financial Conditions and Results of Operations
Year Ended April 30, 2008

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the Corporation's audited consolidated financial statements for the period ended April 30, 2008 and related notes. This MD&A has been prepared as of July 28, 2008.

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 create 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 holds an effective 0.3% production stage royalty interest in the Voisey's Bay nickel-copper-cobalt project in Labrador through its 10% interest in the Labrador Nickel Royalty Limited Partnership ("LNRLP") The Voisey's Bay Royalty is expected to provide the Corporation with consistent and sustainable cash flow for the expected mine life, currently estimated at 25 years, thus enhancing the Corporation's ability to minimize equity dilution risk while maximizing the number of project generation opportunities that it can advance.

In addition, the Voisey's Bay Royalty allows the Corporation to benefit from exploration potential of the Voisey's Bay region without additional costs, as exploration and mine development costs are borne entirely by the mine operator rather than the royalty holder.

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.

In addition, the Corporation holds two founding equity investment stakes; a 39.6% interest in Newfoundland Labrador Refining Corporation ("NLRC"), a private company proposing to construct a new 300,000 barrel per day crude oil refinery in south eastern Newfoundland and Labrador, and a 20.2% interest in Rambler Metals and Mining Plc ("Rambler"), a public company that is carrying out advanced exploration and pre-feasibility evaluation of the past – producing Ming copper - gold mine, located near Baie Verte, Newfoundland and Labrador.

The Corporation also holds other royalty interests in various exploration stage properties, including a 2% gross sales royalty for uranium and a 2% net smelter return royalty on any base and precious metals production from Aurora Energy Resources Inc's ("Aurora") Central Mineral Belt Properties.

The Corporation has exposure to gold, base metals, iron ore, silica, potash and uranium in Newfoundland and Labrador through a varied equity and exploration portfolio that is largely funded by third parties or external sources. In addition, the Corporation holds a license to explore for oil shale in the Province of New Brunswick, Canada. The Corporation seeks to enter into earn-in or joint venture mineral exploration agreements with partners and continues to directly invest in new generative projects and initiatives with a goal of attracting additional partners. These agreements typically result in the Corporation holding minority project interests and royalties. Financing for the exploration of the Corporation's mineral properties is provided partially from the Corporation's own operating cash flows but also through earn-in/joint venture agreements with other exploration and mining companies.

Selected Annual Financial Information

The table below outlines selected financial information related to the Corporation's years ended April 30, 2008, 2007 and 2006. The financial information is extracted from the Corporation's audited financial statements.

(Amounts in thousands of dollars, except per share amounts)	**2008**	**2007**	**2006**
Total assets	250,270	169,925	67,701
Total revenue	12,162	7,128	539
Net earnings	12,094	52,763	33,528
Net earnings per share			
- basic	0.41	1.83	1.19
- diluted	0.40	1.80	1.12
Total long-term financial liabilities	38,115	36,557	-
Cash dividends	-	-	-

Results of Operations

The twelve month period ending April 30, 2008 compared with the twelve month period ending April 30, 2007

The net earnings for the twelve months ended April 30, 2008 were $12,094,000 compared to net earnings for the twelve months ended April 30, 2007 of $52,763,000. Current year earnings were lower because the Corporation recorded an impairment provision of $22,101,000 on its investment in the equity of NLRC and provided a provision for loan impairment for its $30,093,000 loan to NLRC at April 30, 2008. The Corporation also recorded gains on disposals of investments of $61,637,000 during the current year. In addition, Rambler completed two private placements during the year which resulted in a gain on the dilution of the Corporation's shares in Rambler.

The Corporation recognized total revenue of $12,162,000 for the current twelve month period ended April 30, 2008 compared to $7,128,000 for the same period last year. Royalty revenue from the Labrador Nickel Royalty Limited Partnership was $5,162,000 during the twelve month period ended April 30, 2008 compared to $4,297,000 for the same period last year. Royalty revenue commenced in early fiscal 2007 and increased with production increases at the Voisey's Bay nickel-copper-cobalt mine. Interest income of $6,632,000 was recognized on reinvested proceeds from the sale of mining and mineral related investments compared to $2,530,000 for the twelve months ended April 30, 2007.

General and administrative expenses for the twelve month period ended April 30, 2008 were $2,170,000 compared to $2,577,000 for the same period last year. This decrease was a combination of one - time corporate development costs of $992,000 incurred last year offset in the current year by an increase in salary related expenses due to new hires and salary increases for existing employees of $268,000. The Corporation also incurred foreign exchange losses of $88,000 on U.S. dollar denominated royalties receivable due to the strengthening Canadian dollar. In addition, the Corporation incurred additional administrative expenses and professional fees related to the management of its investments and mineral properties during the period.

Royalty tax for the twelve month period ended April 30, 2008 was $1,429,000 compared to $479,000 for the same twelve month period last year. In April 2008 the Corporation received notice from the Provincial Department of Finance that the Corporation's request for a partial reduction in the mining and mineral rights tax for exploration expenditures incurred in the Province of Newfoundland and Labrador would be denied based on the partnership structure in which the royalty interest is held. Consequently the Corporation adjusted its mineral rights tax amount to the full 20% rate on a cumulative basis. The Corporation intends to appeal the notice of assessment once received.

Stock-based compensation for the twelve month period ended April 30, 2008 was $967,000 compared to $781,000 for the same period last year. In addition to stock-based compensation cost recognized on the income statement, the Corporation deferred $190,736 as part of its mineral exploration and development costs during the current twelve month period (2007 – $71,732). The Corporation awarded 212,500 stock options to employees and directors in the first twelve months of the current fiscal period, compared to 425,000 for the same period last year.

Amortization for the twelve month period ended April 30, 2008 was $781,000 which was higher than the $521,000 for the same period last year. The Corporation's royalty interest in the Voisey's Bay mineral property is being amortized on units of production basis over the expected life of the mine. The increase in amortization over the prior year reflects the higher production level at the mine in the current year.

The Corporation recognized $61,637,000 in gains on disposals of investments for the twelve month period ended April 30, 2008 compared to $62,746,000 for the same period last year. These gains were primarily from the sale of the Corporation's Aurora shares and other mining and mineral related investments. As of April 30, 2008, the Corporation's interest in Aurora was

2,500,000 shares which are secured as part of an equity forward agreement entered into in March 2007. The equity forward agreement locks in the economic interest of the shares at the contractual rate**.**

The Corporation recognized an equity investment impairment provision of $22,101,000 and provided for an impairment provision on its loan to NLRC in the amount of $30,093,000 for the period ended April 30, 2008 compared to $nil for the same period last year. For more information related to these impairment provisions, see the Equity Investments Overview section of this MD&A.

The Corporation recognized a dilution gain on issuance of shares by equity investment of $3,541,000 for the twelve month period ended April 30, 2008 compared to $nil for the same period last year. This was due to two private placements completed by Rambler during the year which also resulted in a reduction of the Corporation's ownership interest in Rambler to 20.2%.

The share of loss in equity investments was $707,000 for the twelve months ended April 30, 2008 compared to $1,599,000 for the same period last year. The decrease over the prior year was caused by the change in the treatment of the investment in Aurora from the equity basis to available-for-sale treatment commencing in August 2006.

The Corporation recognized interest on long-term debt of $1,645,000 for the twelve month period ended April 30, 2008 compared to $246,000 in the same period last year. The interest on long-term debt was the result of the receipt of proceeds on a zero – coupon loan in March 2007 bearing interest at 4.25% per year and maturing in 5 years.

The Corporation also recognized a decline in value of share purchase warrants of $1,008,000, for the twelve month period ended April 30, 2008 compared to $nil in the previous year. There is no revaluation in the previous year because this fair value treatment was adopted beginning in the current fiscal year, as described in note 3 to the annual consolidated financial statements.

The Corporation recognized $92,000 in investment income for the twelve month period ended April 30, 2008 compared to $1,252,000 for the same period last year. Investment income in the prior year was derived from dividend income on certain mining and mineral related investments, which were sold in late fiscal 2007 and early fiscal 2008.

The Corporation incurred current and future income tax expense of $4,122,000 for the twelve months ended April 30, 2008 compared to $11,899,000 for the same period last year. The effective tax rates for the years ended April 30, 2008 and 2007 were 25.4% and 18.4% respectively. These lower than expected tax rates are caused by a higher weighting of capital gains income, which is taxed at half the normal corporate tax rate.

Cash Flows, Liquidity and Capital Resources

Operating Activities

The Corporation used cash from operating activities of $21,047,000 for the twelve months ended April 30, 2008 compared to an inflow of cash of $3,714,000 for the same period last year. The decrease for the current period is attributable to the decrease in non - cash operating working capital of $22,026,000 in the current year, compared to a $9,277,000 source of cash for the prior year. The change from the prior year is primarily the result of the payment of corporate income tax for fiscal 2007 and corporate tax installments for the current fiscal year. The Corporation paid cash taxes of $30,415,000 during the year, compared to $nil for the prior year.

Financing Activities

The Corporation generated cash from financing activities of $48,303,000 for the twelve months ended April 30, 2008 compared to an inflow of cash of $35,487,000 for the same period last year. The Corporation received net proceeds of $50,901,000 from the issuance of share capital primarily from the bought deal financing finalized in November 2007 totaling 1,900,000 shares. For the twelve month period ended April 30, 2008, the Corporation repurchased 154,100 common shares under its normal course issuer bid at a total cost of $2,598,000.

Investing Activities

The Corporation generated cash from investing activities of $26,631,000 for the twelve months ended April 30, 2008 compared to a net inflow of $39,751,000 for the same period last year. The Corporation recognized proceeds from disposal of investments of $77,850,000 during the twelve month period ended April 30, 2008 which was primarily related to the sale of Aurora shares. The Corporation invested $19,113,000 in NLRC and increased its ownership interest to 39.6%. In addition, the Corporation loaned NLRC $30,093,000 in respect of long-lead time equipment orders for the construction of the proposed oil refinery. The loan is repayable upon demand and is secured by a first charge on the assets of NLRC. In addition, the demand loan is convertible at the option of the holder into 1,440,000 (approximately 4%) NLRC shares. An impairment provision on the loan to NLRC has been recognized due to recent developments, which are described under the Equity Investments Overview section of this MD&A and in note 8 to the consolidated financial statements.

Liquidity

At April 30, 2008 the Corporation had current assets of $176,453,000 and current liabilities of $1,812,000 for net working capital of $174,641,000. The Corporation anticipates that the net working capital is sufficient to meet its current requirements for operating and investing activities.

The Corporation’s major sources of funding are royalty income from the Corporation’s effective 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.

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 April 30, 2008, the Corporation must spend $5,169,000 on mineral property exploration over the next 12 months in order to maintain its properties in good standing or for refund of security deposits. 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.

$2,440,000 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.

The Corporation has contractual obligations as noted in the following table:

Contractual Obligations at April 30, 2008
(amounts in thousands of dollars)

	Payments Due by Period		
	Less than 1 year	1-3 years	4-5 years
Long-term debt	$ -	$ 38,115	$ -
Operating leases	52	19	-
Mineral property acquisitions	30	50	-
Total Contractual obligations	**$ 82**	**$ 38,184**	**$ -**

The anticipated proceeds from the equity forward agreement are expected to match the amount of long-term debt payable.

The Corporation has other contractual obligations that are contingent upon future events, such as successful mineral discoveries and future mine production. See note 17 to the annual audited consolidated financial statements for additional details.

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 $48,000 for the year ended April 30, 2008 (2007 – $50,000).

VMS Consultants Inc., controlled by director Geoff Thurlow, invoiced a total of $3,000 (2007 – $69,000) for geological consulting services and reimbursement of expenses associated with exploration of certain of the Corporation's properties for the year ended April 30, 2008.

The Corporation recognized management fee revenue from equity investments in the amount of $83,000 for the year ended April 30, 2008 (2007 – $235,000). The management fees are charged by the Corporation for incidental services provided to Rambler and 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

$	**April 30, 2008**	**January 31, 2008**	**October 31, 2007**	**July 31, 2007**
Revenue	2,703	3,763	3,049	2,647
Net earnings	(42,007)	604	37,799	15,698
Net earnings per share	-			
- basic	(1.36)	0.02	1.31	0.54
- diluted	(1.34)	0.02	1.28	0.53

$	**April 30, 2007**	**January 31, 2007**	**October 31, 2006**	**July 31, 2006**
Revenue	2,765	2,235	1,420	708
Net earnings	871	27,325	24,439	128
Net earnings per share				
- basic	0.03	0.95	0.85	0.01
- diluted	0.03	0.93	0.83	0.01

The three month period ending April 30, 2008 compared with the three month period ending April 30, 2007

The net loss for the three months ended April 30, 2008 was $42,007,000 compared to net earnings for the three months ended April 30, 2007 of $871,000. The Corporation recognized an equity investment impairment provision of $22,101,000 and provided for an impairment on a loan to NLRC in the amount of $30,093,000 for the three month period ended April 30, 2008 compared to $nil for the same period last year. This loss was partially offset by a dilution gain on the investment in Rambler and expenses were lower in the current quarter than in the same period last year because of one-time corporate development expenses in the prior year.

The Corporation recognized total revenue of $2,703,000 for the current quarter compared to $2,765,000 for the same period last year. Royalty revenue from the Labrador Nickel Royalty Limited Partnership was $1,052,000 during the current quarter compared to $1,700,000 for the same period last year. Interest income of $1,536,000 was recognized on reinvested proceeds from the sale of investments compared to $1,042,000 for the three months ended April 30, 2007.

General and administrative expenses for the three month period ended April 30, 2008 decreased from $1,375,000 last year to $436,000 this year. This decrease was mainly related to one-time corporate development costs of $992,000 incurred during the three month period ended April 30, 2007.

Royalty tax for the three month period ended April 30, 2008 was $801,000 compared to $39,000 for the same three month period last year. The royalty tax is a 20% provincial levy withheld on the Corporation's net smelter return royalty in the province of Newfoundland and Labrador. In April 2008 the Corporation received notice from the Provincial Department of Finance that the Corporation's request for a partial reduction in the mining and mineral rights tax for exploration expenditures incurred in the Province of Newfoundland and Labrador would be denied based on the partnership structure in which the royalty interest is held. Consequently, the Corporation adjusted its mineral rights tax amount to the full 20% rate on a cumulative basis. The Corporation intends to appeal the notice of assessment once received.

Stock-based compensation for the three month period ended April 30, 2008 was $185,000 compared to $133,000 for the three month period ended April 30, 2007. In addition to stock-based compensation cost recognized on the income statement, the Corporation deferred $52,000 as part of its mineral exploration and development costs during the current quarter (2007 – $7,000).

The Corporation recognized gains on disposal of investment and mineral related property of $19,000 for the three month period ended April 30, 2008 compared to $151,000 for the same period last year. The previous year's gains were the result of the sale of a portion of the Corporation's interest in Aurora.

The Corporation recognized a dilution gain on issuance of shares by an equity investee of $1,172,000 for the three months ended April 30, 2008 compared to $nil for the same period last year. This was the result of Rambler's private placement of shares in April 2008 which reduced the Corporation's ownership interest from 24.3% to 20.2%.

The share of loss in equity investments was $190,000 for the three months ended April 30, 2008 compared to $300,000 for the same period last year. Activities of the Corporation's equity investments are described in greater detail in the section entitled "equity investments overview" included in this MD&A.

The Corporation recognized interest on long-term debt expense of $389,000 in the current quarter compared to $246,000 in the same period last year. The interest on long-term debt was the result of the receipt of proceeds on a zero – coupon loan in March 2007 bearing interest at 4.25% per year and maturing in 5 years.

The Corporation also recognized a decline in value of share purchase warrants of $181,000 during the quarter, compared to $nil in the previous year. There is no revaluation in the previous year because this fair value treatment was adopted beginning in the current fiscal year, as described in note 3 to the annual consolidated financial statements.

The Corporation recognized a recovery of current and future income tax of $8,799,000 for the three months ended April 30, 2008 compared to an expense of $103,000 for the same period last year. This recovery is related to the recognition of the impairment provisions of the equity investment and the loan to NLRC.

The Corporation does not experience seasonality in operations since revenue is derived primarily from investment income and from the Voiseys' 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 July 28, 2008 is 30,925,725.

Equity Investments Overview

The Corporation has two development-stage equity investments, NLRC and Rambler Metals and Mining plc ("Rambler").

NLRC

The Corporation currently holds a 39.6% equity interest in NLRC, 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.

During the year, the NLRC received positive decisions from both federal and provincial authorities on the environmental review process required to construct and operate the proposed crude oil refinery. The environmental permitting milestones make the NLRC refinery project the first greenfield refinery site to be permitted in North America in over 25 years.

In July 2007, NLRC submitted an environmental impact statement ("EIS") to the Newfoundland and Labrador Department of Environment and Conservation following the issuance of guidelines by the department on June 21, 2007. Based upon public input and internal review of the EIS, the provincial minister of the Department of Environment and Conservation issued a positive decision on October 5, 2007. The decision is subject to requirements of continuing data submission and providing an amendment document to add to the EIS. On January 17, 2008 the provincial Minister of Environment and Conservation determined that the amendment to the EIS was satisfactory and that no further work was required. The minister's decision was also formally approved by the provincial cabinet during the year, enabling NLRC to apply for relevant provincial permits relating to site preparation and construction.

In December 18, 2007 the Federal Department of Transport and the Department of Fisheries and Oceans submitted the comprehensive study report ("CSR") on the proposed refinery's marine terminal. The CSR followed several months of public review and comments received through the provincial EIS process. Following a public review and comment period that ended January 24^{th}, 2008, the Canadian Environmental Assessment Agency declared a positive decision regarding the proposed Marine Terminal and associated works related to the crude oil refinery on April 30, 2008. The project has been referred back to the responsible authorities, Transport Canada and Fisheries and Oceans Canada, for follow up and continued monitoring.

During the year, NLRC received the federal and provincial environmental permits necessary to construct and operate the proposed crude oil refinery. These environmental permitting milestones make the NLRC refinery project the first greenfield refinery site to be permitted in North America in over 25 years. NLRC also continued engineering work throughout the year and reached agreements with key licensors, long lead time equipment suppliers, and local labour unions. NLRC management also continued to pursue potential partnership discussions for financial, operational, and commercial agreements.

In October 2007, the Corporation and NLRC entered into a standby subscription letter under which the Corporation may, at its discretion, subscribe for up to 4,812,762 common shares in the capital of NLRC at a price of US$20.78 per share up to December 31, 2008. The proceeds are intended solely for the purposes of funding NLRC's project development costs. If the Corporation makes share subscription payments under this agreement, the Corporation's ownership interest in NLRC could increase to a maximum of 51%, assuming no other equity participation or exercise of stock options of NLRC. In December 2007, the Corporation acquired 750,000 shares of NLRC and invested $15,522,000 under this agreement, thus increasing its equity interest from 36.8% to 39.6%.

In December 2007, the Corporation loaned $30,093,000 in the form of a convertible demand loan to NLRC. The non-interest bearing demand loan is secured by the assets of NLRC and is convertible at the Corporation's option into 1,440,000 shares of NLRC. NLRC used the funds to make a milestone payment to IJK consortium regarding the purchase of steel and manufacture of heavy wall vessels, which are considered long-lead time items required for the proposed oil refinery project.

The recent volatility in North American financial markets caused NLRC to re-evaluate its expected financing plans, which up to that point were focused primarily on the public and private equity and debt markets of North America. NLRC had expanded its financing search to include sovereign funds, banks, and major corporations operating in the Middle-Eastern countries and Asia. In addition, consideration was also being given to a sale of all or part of the refinery project to an oil producer or an independent refiner with sufficient financial resources and expertise necessary to construct and operate the proposed refinery. While the evaluation of financing alternatives continued, NLRC requested that all major technology, engineering and long-lead item vendors reduce planned work to more appropriately match the realistic expectations for third party debt and equity financing.

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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 an additional 45 days until September 2, 2008. Further extensions may be granted with Court approval if NLRC can demonstrate that it is acting in good faith, that NLRC may make a viable proposal to creditors if the extension is granted, and that none of the current creditors are adversely affected by the extension.

In light of the actions taken by SNC Lavalin, the pending BIA proceedings, the financial condition of NLRC and the financial turmoil in North American markets, the Corporation reassessed the value of its investment and loan to NLRC as at April 30, 2008. While the project fundamentals still indicate that the proposed refinery is economically attractive and the restructuring process is progressing well, the estimated recoveries in respect of the investment and the loan cannot be estimated with accuracy at this early stage in the restructuring process. Consequently the Corporation made an impairment provision of $22,101,000 against its investment in the equity of NLRC and a $30,093,000 provision against the value of its loan to NLRC. The Corporation will reassess the value of its investment and loan in future periods as additional information becomes available.

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

Rambler Metals and Mining plc ("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 historic Ming copper - gold mine, located near Baie Verte, Newfoundland and Labrador.

A comprehensive program of dewatering and rehabilitation of the historic underground infrastructure commenced in mid-June 2007 to facilitate more efficient exploration and delineation of the potential ore zones from underground. The mine dewatering program has progressed well and was completed in late June 2008. Advanced delineation drilling continues while a second underground drill has been mobilized to target potential extensions of the high grade massive sulphides and gold mineralization encountered in May 2008.

In June 2008, Rambler announced they will begin a pre-feasibility study. A recent scoping study by SRK Consulting in conjunction with SNC Lavalin and Thibault Associates confirmed that the resources that have been delineated at the Ming project over the last three years are of sufficient size and grade to further evaluate. The pre-feasibility study will be based around a conceptual mine-plan initially mining the massive sulphide ore at a lower production rate, ramping up to full production of up to 4,000 tonnes per day after several years. Rambler has already initiated the base line environmental study that will be required to re-permit the Ming Mine a "brownfield site". Environmental permitting of the mine is expected during 2009, with the objective of re-commissioning the mine in 2010.

In May 2007, Rambler completed a private placement to finance future exploration and development expenditures, whereby Rambler issued 9.35 million units comprising one share and one-half of a share purchase warrant. Following the transaction the Corporation's ownership interest in Rambler was reduced from 30% to 24% and the Corporation recorded a dilution gain of $2,369,000.

In April 2008, Rambler completed a private placement of 9,660,000 ordinary shares at GBP 0.60 each (CDN - $1.21). Following the transaction the Corporation's ownership interest in Rambler was reduced from 24% to 20% and the Corporation recorded a dilution gain of $1,172,000.

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

Mineral Exploration Projects Overview

During the year, the Corporation increased its staked properties from 144,977 hectares in April 2007 to 505,002 hectares for the period ended April 30, 2008. The Corporation increased its exploration claims in the Labrador portion of the province, with a primary focus on potential discoveries of silica, base metals, and iron ore through staking and signing option agreements with local prospectors. In addition, the largest acquisition of exploration claims was done in island portion of Newfoundland focusing on areas for uranium and potash potential. The Corporation is also seeking partnerships for its properties to cost-share exploration expenditures in exchange for a partial equity interest in the mineral properties. The Corporation reduced its claims on some properties or dropped properties altogether to concentrate its exploration effort based on information obtained during the previous exploration season.

During the year, drilling and airborne geophysics programs were completed over the Rocky Brook Property and final work reports were completed. Airborne geophysical surveys were also completed over the Natashquan and Mount Sawyer properties with final results expected soon. Several properties in Newfoundland and Labrador were also visited and examined in order to assess their mineral potential.

More recently, drilling programs on two of the Corporation's 100% held projects, the Albert Mines oil shale project in New Brunswick and the Kamistiatusset iron ore project in the iron ore district in western Labrador commenced in late spring 2008. Drilling is currently ongoing with plans of up to 5,000 meters of exploratory drilling budgeted for each project during the current exploration season. In addition, partners on various mineral properties are exploring on several mineral properties during the 2008 field season.

Planning for the next phase of work in 2008 is well underway, including ongoing programs of reconnaissance field-work, permitting, planning, logistics, compilation and data review in advance of the field season in Newfoundland and Labrador. In addition, the Corporation is actively evaluating base metal, uranium, gold, iron ore, potash, silica and nickel potential throughout numerous areas of Newfoundland and Labrador. The work being done will aid the Corporation in its decision to acquire additional mineral lands.

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

During the year ended April 30, 2008 the Corporation entered into six new earn-in agreements and one new joint venture agreement, bringing its total active joint ventures and earn in agreements on mineral properties to ten. Under these agreements the exploration partnerships generally earn a percentage of the mineral rights of a property in exchange for incurring exploration expenditures. Pending successful exploration and the continued partnership, the Corporation will generally retain a reduced interest in the mineral property and a royalty interest in any future mine development. This partnership model enables the Corporation to access technical and financial resources of its partners and enables more expansive exploration work. A summary of the new agreements is provided below.

Northern Abitibi Mining Corporation ("Northern Abitibi") agreed to earn up to a 51-percent interest in the Corporation's Viking gold project in western Newfoundland by issuing up to 1,115,000 shares of Northern Abitibi and spending up to $1,200,000 on exploration over four years. 90,000 shares have been received to date and the agreement remains in good standing.

Monroe Minerals Inc. ("Monroe") agreed to earn up to a 60 percent interest in the Corporation's Alexis River uranium project in southeast Labrador by paying up to 2,500,000 shares and spending up to $1,250,000 on exploration over four years. This project is subject to royalties held by the Corporation, which includes a 2-3% sliding scale gross sales royalty on uranium and 2% net smelter return on other metals. The Corporation has received 500,000 shares to date and the agreement remains in good standing.

Golden Cross Resources ("GCR") signed an agreement with the Corporation whereby GCR may earn a 50 percent interest in two separate uranium projects in central Labrador. GCR may issue 25,000,000 shares and spend C$3,500,000 on exploration over 5 years at the Notakwanon project and may issue 15,000,000 shares and spend C$2,000,000 on exploration over 5 years at the Nuiklavik project. Both projects are subject to royalties held by the Corporation, which include a 2% gross sales royalty on uranium and a 2% net smelter return on other metals. The Corporation has received 2,000,000 shares in total leaving both agreements in good standing.

Monroe agreed to earn a 60% interest in the Corporation's Berry Hill project located in southeastern Newfoundland by granting 500,000 shares to the corporation and incurring total exploration expenditures of $475,000 over a four year period. The Corporation has received 100,000 shares to date under this agreement and the agreement is in good standing.

Monroe agreed to earn a 60% interest in the Corporation's Boxey property located in the southeastern island portion of Newfoundland and Labrador. To earn this interest Monroe must spend $1,000,000 in exploration expenditures over a four-year period and grant the Corporation 2,000,000 shares. To date, the Corporation has received 400,000 Monroe shares and the agreement remains in good standing.

The Corporation established an alliance with JNR Resources Inc. ("JNR") to explore for uranium in the newly acquired Topsails property. Under this alliance, the Corporation and JNR will each hold a 50% interest in the project. In return for generating the project, the Corporation has retained a 2% gross sales royalty on uranium products and a 2% net smelter return on all other commodities. JNR made an initial 50,000 share payment to the Corporation with an optional 50,000 share payment due on the first anniversary date of the agreement.

In addition to the cost-sharing agreements, the Corporation also sold its interests in two properties. Calibre Mining purchased the Point Leamington property for a cash payment with the Corporation retaining a 2% net smelter royalty and Messina Minerals purchased the Victoria River property by granting 250,000 shares and the Corporation retained a 3% net smelter return royalty.

The Corporation also acquired three more properties through option and purchase agreements with local prospectors.

Subsequent to year end the Corporation entered into two new agreements with Sprott Resources Corporation ("SRC") and Cornerstone Capital Resources Inc. ("Cornerstone") regarding the Bay St. George's potash project and Labrador Trough project, respectively, as well as an agreement with Norvista Resources Corp. ("Norvista") regarding the potential creation of a new public company to explore and develop its Kamistiattusset iron ore project in the Labrador West region.

On May 6, 2008 the Corporation entered into an earn - in agreement with SRC whereby SRC may earn an interest in a large land package that has been assembled by the Corporation to cover several known potash occurrences within the basin. SRC may earn up to a 60% interest in the St. George's Project by spending $2,500,000 over 4 years subject to an underlying 2% gross sales royalty retained by the Corporation. The St. Georges project consists of 1,400 claims (35,000 hectares) to cover four primary target areas for potash deposits. An exploration program to evaluate the area and to identify drill targets commenced in June 2008.

On June 11, 2008 the Corporation entered into a joint venture agreement with Cornerstone whereby the Corporation and Cornerstone would jointly explore for copper, gold and uranium in a 1,032 square kilometer area in western Labrador and Quebec. The alliance partners have jointly contributed their respective land holdings in the region and will cost-share in any exploration work.

On June 23, 2008 the Corporation entered into an agreement with Norvista Resources Corp. concerning its Kamistiattusset iron ore project in western Labrador, Canada. Norvista and the Corporation agreed to work cooperatively towards the creation of a new public Company focused on the western Labrador iron ore mining district. The agreement expires one year from signing date and both companies are assigned specific tasks required for an IPO under the agreement. Failing the IPO process the land holdings will revert to the Corporation.

Altius Minerals Corporation
Mineral Claims Activity
(in hectares)

Location	Primary metal	April 30, 2007 Balance	Additions	Deletions	Sold	April 30, 2008 Balance
Labrador						
	Iron Ore	2,000	38,775			**40,775**
	Nickel	26,750	19,725			**46,475**
	Uranium	67,350	23,150	(20,300)		**70,200**
	Base metals	1,500	1,500			**3,000**
	Silica		1,925			**1,925**
		97,600	85,075	(20,300)	-	**162,375**
Island of Newfoundland						
	Nickel	1,125				**1,125**
	Uranium *	10,925	268,200	(5,250)		**273,875**
	Gold	11,275	1,675	(1,675)		**11,275**
	Base metals	12,575	2,325	(3,525)	(2,825)	**8,550**
	Potash		36,325			**36,325**
	Other	1,775				**1,775**
		37,675	308,525	(10,450)	(2,825)	**332,925**
Other						
	Oil Shale	9,702	-			**9,702**
		9,702	-	-	-	**9,702**
Grand total		144,977	393,600	(30,750)	(2,825)	**505,002**

* 267,925 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 twelve months ended April 30, 2008.

Management has used Internal Control – an Integrated Framework to evaluate the effectiveness of internal control over financial reporting, which is a recognized and suitable framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Because of the inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Management assessed the effectiveness of the Corporation's internal control over financial reporting as of April 30, 2008 and concluded that it was effective as at that date.

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 April 30, 2008 and have concluded that such procedures are adequate and effective to ensure accurate and complete disclosures in annual 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

Comprehensive Income, Equity, Financial Instruments and Hedges

Effective May 1, 2007, the Corporation adopted Canadian Institute of Chartered Accountants ("CICA") Section 1530, "Comprehensive Income", Section 3251, "Equity", Section 3855, "Financial Instruments - Recognition and Measurement" and Section 3865, "Hedges". The new standards require, among other things, the fair market value presentation of all financial instruments, including cash, receivables and prepaids, derivatives, and non - equity accounted investments. These assets and liabilities were previously measured at their carrying amount. These changes, including the transitional provisions and initial designation of financial instruments are explained in further detail in note 3 to the consolidated financial statements. In addition, a detailed discussion of factors affecting financial instruments and the Corporation's risk management approach is included in note 21 to the consolidated financial statements.

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 of the equity 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.

Evaluation of investment in NLRC and Loan to NLRC

As discussed in the "Equity Investments Overview" section of this MD&A, the Corporation recorded an impairment provision of $22,101,000 against its investment in the equity of NLRC and a $30,093,000 provision against the value of its loan to NLRC. The Corporation's assessment was based on the best information available at the time, and factors considered included NLRC's current financial position and the possible bankruptcy proceedings against NLRC. Management determined that it should record impairment provisions because of the lack of independent evidence of the underlying security value, and the inconclusive sale process that is currently underway. Further developments relating to the proposed sale process of NLRC or additional information on the underlying security value may cause Management to reevaluate its impairment provision in future periods. Any reevaluation of the impairment provision on the investment in NLRC will only be recognized upon completion of a sale transaction or a third party investment in NLRC. Any reevaluation of the impairment provision on the loan to NLRC will be recognized when the Management can be reasonably assured of the expected recoverable amount.

Subsequent Events

As described in the "Equity Investments Overview" section of this MD&A, 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 an additional 45 days until September 2, 2008. Further extensions may be granted with Court approval if NLRC can demonstrate that it is acting in good faith, that NLRC may make a viable proposal to creditors if the extension is granted, and that none of the current creditors are adversely affected by the extension.

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The following schedule outlines the major categories of mineral properties, deferred exploration costs, and security deposits at April 30, 2008.

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	15	25	24	0	66	0	0	0	130
	Iron Ore	10	81	210	0	90	0	0	0	391
	Nickel	12	20	246	0	53	0	0	0	331
	Uranium	30	140	580	0	350	(804)	0	0	296
	Silica	1	0	0	0	0	0	0	0	1
	Other	0	0	0	0	1	0	0	0	1
		68	266	1,060	0	560	(804)	0	0	1,150
Island of Newfoundland										
	Base metals	11	204	100	106	85	(81)	0	0	425
	Gold	67	88	54	0	84	(146)	(7)	0	140
	Nickel	25	20	39	0	13	(7)	(1)	0	89
	Uranium	383	515	333	731	309	(1,721)	0	0	550
	Potash	15	9	2	0	0	0	0	0	26
		501	836	528	837	491	(1,955)	(8)	0	1,230
Other										
	Oil shale	7	75	72	269	58	0	0		481
		7	75	72	269	58	0	0	0	481
Security Deposits									677	677
General Exploration			58			37		(95)		0
Grand Total		576	1,235	1,660	1,106	1,146	(2,759)	(103)	677	3,538