ALTIUS MINERALS CORPORATION

Management's Discussion and Analysis

of Financial Conditions and Results of Operations

Nine Months Ended January 31, 2011

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the Corporation's consolidated financial statements for the period ended January 31, 2011 and related notes. This MD&A has been prepared as of March 14, 2011.

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 are focused on the generation and acquisition of natural resource projects, royalties, and investments. The Corporation pursues this objective through its business segments.

Exploration and Royalty Creation:
The Corporation conducts early stage mineral exploration and prospect generation primarily in Eastern Canada. It utilizes a team of approximately 15 prospectors and geologists that create mineral exploration initiatives through field-based research, prospecting and exploration. Successful concepts are advanced to the project acquisition stage and subsequently to the target generation stage. Its project portfolio currently consists of more than 20 projects prospective for iron ore, uranium, gold, nickel, and other base metals.

The Corporation prefers to create agreements related to the mineral exploration opportunities it generates, which results in the Corporation carrying minority and non-operating project or equity interests and/or royalty interests. The Corporation currently has seven active exploration agreements with partners on projects located throughout Newfoundland and Labrador. Additional information on specific exploration projects is located in the ***Exploration Overview*** section of this MD&A.

Investment and Royalty Acquisition:
Building upon its success in mineral exploration, the Corporation recently segregated the majority of its accumulated profits into a separate business segment with two primary objectives: 1) royalty based financing of top tier development stage assets and/or the acquisition of existing royalty interests under third party control in development and production stage mining assets that are of world class caliber; and 2) the direct investment in mining and mineral related companies with a goal of long term capital appreciation.

The corporation currently has one producing royalty interest - an effective 0.3% net smelter return royalty ("NSR") in Vale's Voisey's Bay nickel-copper-cobalt operating mine. The Corporation also holds several pre-development/exploration stage royalty interests in several mineral properties, including a 3% gross sales royalty ("GSR") on Alderon Resource Corporation's ("Alderon") advanced exploration stage Kamistiatusset ("Kami") iron ore project located in Western Labrador; a 2% GSR on Paladin's Central Mineral Belt uranium resource; and a 2-4% sliding scale royalty on Northern Abitibi's Viking gold project located in Newfoundland. Additional information on the status of non-producing royalty interests is available in ***Table 2: Summary of Pre-production Stage Royalties*** of this MD&A.

The Corporation's investments in mining and mineral related companies include a 39.6% equity interest in Alderon and 529,297 exchangeable shares in Royal Gold Inc. (exchangeable 1 for 1); a 39.6% interest in Newfoundland and Labrador Refining Corporation ("NLRC"), which is seeking to partner or sell its unique approvals and rights to construct a 300,000 barrel per day oil refinery project; The Corporation also holds 72.7% of a new company it co-founded to invest in early stage mining and resource based companies with a goal of long term capital appreciation. The new company is managed independently by Paul van Eeden, who has a successful mining and investment industry track record. Additional information on investments and investing activity is included in the ***Investments Overview*** section of this MD&A.

The Corporation has over $314,000,000 in total assets and no debt. Current holdings include $169,000,000 in cash and highly liquid marketable securities and several mining and mineral related investments with a current market value of $161,000,000.

Operational and Business Overview

The Corporation's net earnings for the three months ended January 31, 2011 were $69,368,000 or $2.38 per share.

Positive quarterly results were driven by a gain on the transfer of the Kami iron ore property to Alderon of $84,675,000 before taxes. Alderon earned a 100% interest in the Kami iron ore project by meeting exploration expenditure and financing commitments and by delivering 32,285,006 common shares to the Corporation. The value of the Alderon shares received was approximately $86,000,000 at the time of closing and currently has a market value of $117,000,000. The Corporation currently maintains a 39.6% equity stake in Alderon and also holds a 3% GSR relating to any potential future mining production on the Kami property that it generated as part of the exchange/sale agreement with Alderon.

Drill results reported by Alderon during the quarter continued to confirm the favorable iron ore resource potential indicated in earlier drilling by Altius. Additional drilling on the North Rose zone commenced in mid-February and is ongoing. Alderon has indicated that it expects to release an initial resource estimate of the Kami project in mid-March 2011.

During the quarter, the Corporation also co-invested with Cranberry Capital Inc. to form a new company to invest primarily in early stage mineral exploration companies with a goal of capital appreciation. The new company is managed independently by Paul van Eeden, who has a successful mining and investment industry track record. The Corporation's total investment in the new company consisted of $25,007,000 in cash.

In December, the Corporation entered into an exploration alliance with Cliffs Natural Resources Exploration Inc. ("CNR") for nickel and chromium within specifically defined areas of Newfoundland and Labrador. The alliance will combine the Corporation's exploration expertise in Eastern Canada with the capital funding, development and operating strength of CNR. CNR will fund regional and generative exploration to a value of $1,800,000 within specific areas over a two year period with the goal of identifying new grassroots exploration targets. Work under the alliance has commenced targeting nickel-iron alloy minerals and chromite on the island of Newfoundland. 3,929 mineral claims (98,225 hectares) were staked during the current quarter to cover target areas.

The Corporation's mineral exploration activity is focused on generative exploration in several regions and planning for the upcoming field season has commenced. The Corporation also staked 1244 square kilometers of new mineral claims covering underexplored prospective iron ore terrane in the Labrador Trough, Canada's major region of historic and current iron ore production. Despite the maturity of the mining district, many areas have seen little or no advanced exploration and the Corporation believes significant potential exists for the identification of new iron ore resources and is therefore undertaking a systematic basin-wide exploration program. Spring and summer work programs for this project and several others are in the final stages of planning.

The Corporation is also actively discussing potential exploration agreements with several industry partners on numerous properties, including Snelgrove Lake iron ore, Notakwanon uranium and Natashquan nickel-copper-PGEs. The Corporation's near term objective is to attract third party funding agreements on these projects.

Outlook

A primary objective of the Corporation in the near term will be to manage its investment in Alderon Resources in a manner that maximizes the potential return for shareholders. Alderon has a current market value of approximately $130,000,000 and the Corporation has an underlying 3% gross sales royalty on Alderon's Kami project.

The Corporation recently added to its land position in Newfoundland and Labrador, particularly in the Labrador west iron ore producing region, and is currently the largest mineral property holder in the province of Newfoundland and Labrador. The Corporation currently has three major projects in Labrador west for which it is seeking alliance partners. These are Snelgrove Lake, Julienne Lake, and the recently staked Trough Iron Ore prospects. These are in addition to the Corporation's interest in Alderon (Kami Project) and an option/earn-in agreement whereby Rio Tinto is exploring several of the Corporation's licenses. Over the next several months the Corporation will focus significant efforts on further evaluating these iron ore prospects and will seek partnerships to further advance the properties.

The Corporation will continue to maintain its discipline and employ the project generation model of attracting funding partners to it projects. The Corporation continues to expand its "prospect generation" model into Nunavut and is reviewing other regions.

With the establishment of a company to invest directly in junior exploration and resource based companies, the Corporation expects its investment activity to increase over the next several months as designated funds are deployed in the market. The investment company currently has an asset base of approximately $30,000,000, of which $17,000,000 is cash and marketable securities.

The Corporation has evaluated several development to production stage investment opportunities over the past several months but has not yet found a target that meets its minimum long term royalty investment objectives in terms of value or underlying asset quality. With the continuing availability of low-cost debt and equity alternatives for development stage companies, the Corporation expects attractive royalty acquisition opportunities to continue to be difficult to find.

It nevertheless remains in a strong position to act on such opportunities whenever cyclical or special circumstances present themselves.

The Corporation expects royalty revenue from the Voisey's Bay mine to remain at the same level or slightly lower for the next six months because of lower concentrate shipments during the winter months. In addition, it is expected that interest revenue will remain low in the near term as interest rates remain low on high quality investments.

Results of Operations

Analysis of Results of Operations for the three month period ending January 31, 2011 compared with the three month period ending January 31, 2010

The Corporation recorded net earnings of $69,368,000 for the three months ended January 31, 2011 compared to a net loss for the three months ended January 31, 2010 of $102,000. The increase in net earnings from the prior quarter resulted primarily from a gain of $84,675,000 (2010 - $498,000) recorded on the sale of the Corporation's Kami property to Alderon combined with gains on the sale of investments of $2,320,000 (2010 - $nil) offset by income tax expense of $10,810,000 (2010 - $(189,000)) and expenses of $6,218,000 (2010 - $1,618,000).

The Corporation recognized total revenue of $1,103,000 for the three months ended January 31, 2011 compared to $912,000 for the same period last year. Royalty revenue from the Labrador Nickel Royalty Limited Partnership ("LNRLP") was $785,000 during the quarter ended January 31, 2010 compared to $364,000 for the same period last year. Increased royalty revenue was the result of higher production at the Voisey's Bay mine site, as striking workers were replaced with contract workers during the period. The 18-month long labour dispute was resolved in late January 2011.

Interest and investment income was $287,000 in the three month period ended January 31, 2011 compared to $403,000 for the three month period ended January 31, 2010. This decrease was caused by lower yields on corporate and government guaranteed investments during the current quarter.

A gain on disposal of a mineral property of $ 84,675,000 (2010 - $498,000) was recorded for the three months ended January 31, 2011 for the sale of the Corporation's Kami property to Alderon in December 2010.

The Corporation recorded a net gain on the sale of investments of $2,320,000 for the three months ended January 31, 2011 compared to $nil recorded for the same period in the prior year. Included in the gain for the three months ended January 31, 2011 is a gain of $1,451,000 recorded on the sale of the Corporation's equity investment in Rambler which was sold in January 2011.

General and administrative expenses for the three month period ended January 31, 2011 were $2,672,000 compared to $889,000 for the same period last year. During the current quarter, the Corporation accrued bonuses of $1,375,000 as a result of the Alderon transaction, increased salary related expenses of $204,000, increased conference attendance and professional development related travel of $90,000, increased corporate development costs of $63,000 and increased other office related expenses of $50,000.

The Corporation recorded a dilution loss of $1,807,000 for the three month period ended January 31, 2011 compared to $nil for the same period in the previous year. This dilution loss was the result of a private placement completed by Alderon whereby Alderon issued 9.125 million units at $2.20 per unit.

Generative exploration and mineral properties abandoned or impaired expense was $2,708,000 for the three month period ended January 31, 2011 compared to $219,000 for the same period last year. The Corporation wrote down its New Brunswick Oil Shale project by $2,774,000 since management has decided not to pursue this project further. This write-down was partially offset by recoveries on other generative projects. A listing of these properties can be found in Note 4 of the unaudited consolidated interim financial statements.

Royalty tax for the three months ended January 31, 2011 was $181,000 compared to $73,000 for the same period last year. The higher royalty tax is a direct result of the increased royalty revenue recorded in the quarter as previously mentioned. The mineral rights tax on the Voisey's Bay royalty is 20% of gross royalty revenue.

Stock-based compensation for the three months ended January 31, 2011 was $394,000 compared to $348,000 for the same period last year. Stock based compensation increased as a result of the implementation of a share appreciation rights plan and the director's DSU plan and decreased because of lower stock option awards and forfeitures for a retiring employee and director during the period. The Corporation did not defer any stock-based compensation expenses as part of its mineral exploration and development costs during the current quarter (2010 – $58,000).

Amortization for the three months ended January 31, 2011 was $263,000 which was higher than the $89,000 for the same period last year. The increase in amortization over the prior year reflects the higher production level at the Voisey's Bay nickel-copper-cobalt mine during the three months ended January 31, 2011, as noted previously.

The share of loss in equity investments was $303,000 for the three months ended January 31, 2011 compared to $83,000 for the same period last year. The Corporation retains a 39.6% equity interest in Alderon and recorded $278,000 for its proportionate share of Alderon's loss in the current quarter as well as $24,000 for its proportionate share of Rambler's loss. The Corporation sold its interest in Rambler during the current period.

The Corporation recorded an income tax expense of $10,810,000 for the three months ended January 31, 2011 compared to a recovery of $189,000 for the same period last year. The increased tax expense is primarily the result of the gain from the sale of the Kami property to Alderon and gains from other investments and derivatives, which is effectively taxed at one-half of the general corporate tax rate.

Non-controlling interest of $219,000 represents the portion of earnings attributable to the minority shareholding in of 2260761 Ontario Inc. (“2260761”). 2260761 commenced operations in November 2010 so there are no comparative results for prior periods.

Analysis of Results of Operations for the nine month period ending January 31, 2011 compared with the nine month period ending January 31, 2010

The Corporation recorded net earnings of $71,170,000 for the nine months ended January 31, 2011 compared to a net loss for the nine months ended January 31, 2010 of $1,185,000. The increase in net earnings resulted primarily from a pre-tax gain of $84,675,000 (2010 - $483,000) recorded on the sale of the Corporation’s Kami property to Alderon combined with gains on the sale of investments of $3,714,000 (2010 - $nil) offset by income tax expense of $11,098,000 (2010 - $(236,000)) and increased expenses of $9,745,000 (2010 - $4,881,000).

The Corporation recognized total revenue of $3,843,000 for the nine months ended January 31, 2011 compared to $3,115,000 for the same period last year. Royalty revenue from the LNRLP was $1,863,000 during the nine months ended January 31, 2011 compared to $1,466,000 for the same period last year. Increased royalty revenue was the result of higher production at the Voisey’s Bay mine site since contract workers were used to replace striking workers in the later stages of the 18-month long strike at the mine site. The strike was resolved in late January 2011.

Interest and investment income of $1,905,000 was recognized in the nine month period ended January 31, 2011 compared to $1,305,000 for the nine month period ended January 31, 2010. This increase was caused by slightly higher yields on corporate and government guaranteed investments and a higher average cash balance for the current year.

The Corporation recorded a net gain on the sale on investments of $3,714,000 (2010 - $nil) for the nine months ended January 31, 2011. Included in the gain for the nine months ended January 31, 2011 is a gain of $1,451,000 recorded on the sale of the Corporation’s equity investment in Rambler which was sold in January 2011 and is described in greater detail in the section entitled ***Investments Overview*** included in this MD&A.

An unrealized gain on derivative financial instruments of $2,245,000 was recorded for the nine months ended January 31, 2011 compared to $nil for the same period last year. This gain is primarily related to warrants of Millrock Resources Limited valued at $1,723,000 which entitles the Corporation to purchase 3,450,000 common shares at a price of 45 cents per share. The warrants expire in June 2015.

General and administrative expenses for the nine month period ended January 31, 2011 were $4,186,000 compared to $2,428,000 for the prior year. During the nine months ended January 31, 2011, the Corporation accrued a bonus expense of $1,375,000 as a result of the Alderon transaction, increased salary related expenses of $426,000 and increased corporate development costs of $84,000 offset by decreased office related expenses of $71,000 and decreased foreign exchange losses of $57,000.

The Corporation recorded a dilution loss of $1,807,000 for the nine month period ended January 31, 2011 compared to $nil for the same period in the previous year. This dilution loss was the result of a private placement completed by Alderon whereby Alderon issued 9,125,000 units at $2.20 per unit.

Generative exploration and mineral properties abandoned or impaired expense was $3,648,000 for the nine month period ended January 31, 2011 compared to $760,000 in the same period last year. Current year write-downs include $2,774,000 for the New Brunswick oil shale project. A decision was made to write down this project after management determined that it does not intend to conduct further exploration efforts. The write-down also includes early stage generative exploration expenditures of $765,000 which is expensed immediately. A listing of these properties can be found in the section in Note 4 to the unaudited interim consolidated financial statements.

Royalty tax for the nine months ended January 31, 2011 was $396,000 compared to $293,000 for the prior year. The royalty tax is a direct result of the royalty revenue recorded in the year as previously mentioned. The mineral rights tax on the Voisey's Bay royalty is 20% of gross royalty revenue.

Stock-based compensation for the nine months ended January 31, 2011 was $924,000 compared to $954,000 for the same period last year. Stock based compensation decreased as a result of lower stock option awards and increased forfeitures in the current year, but was offset by additional expenses from the implementation of a share appreciation rights plan and the director's DSU plan. The Corporation deferred $nil as part of its mineral exploration and development costs during the current year (2010 – $228,000).

Amortization for the nine months ended January 31, 2011 was $591,000 compared to $446,000 for the same nine month period last year. The increase in amortization over the prior year reflects the higher production level at the Voisey's Bay nickel-copper-cobalt mine for the nine months ended January 31, 2011.

The share of loss in equity investment was $438,000 for the nine months ended January 31, 2011 compared to $275,000 for the same period last year. The Corporation retains an approximate 39.6% equity interest in Alderon and recorded $278,000 for its proportionate share of Alderon's loss as well as $160,000 for its proportionate share of Rambler's loss. Activities on Alderon and Rambler are described in greater detail in the section entitled ***Investments Overview*** included in this MD&A.

The Corporation recorded an income tax expense of $11,098,000 for the nine months ended January 31, 2011 compared to a recovery of $236,000 for the same period last year. The increased tax expense is primarily the result of the gain from the sale of the Kamistaitusset property to Alderon and gains from other investments and derivatives, which is effectively taxed at one-half of the general corporate tax rate.

Cash Flows, Liquidity and Capital Resources

Operating Activities
The Corporation generated cash from operating activities of $462,000 for the three months ended January 31, 2011 compared to a cash outflow of $1,662,000 for the same period last year. The change from the prior year is primarily due to a slight increase in receivables over the prior year offset by an increased accounts payable and income taxes payable.

The Corporation generated cash from operating activities of $2,557,000 for the nine months ended January 31, 2011 compared to a cash outflow of $868,000 for the same period last year. The change from the prior year is primarily due to a refund of the previous year's tax installments of $2,691,000.

Financing Activities
The Corporation generated cash from financing activities of $835,000 for the three months ended January 31, 2011 compared to a cash inflow of $449,000 for the three months ended January 31, 2010. The Corporation received proceeds of $835,000 from the exercise of employee stock options for the current period (2010 - $449,000).

The Corporation generated cash from financing activities of $1,207,000 for the nine months ended January 31, 2011 compared to a cash inflow of $142,000 in the same period last year. The Corporation received proceeds of $1,207,000 from the exercise of employee stock options for the nine months ended January 31, 2011 (2010 - $473,000). The Corporation repurchased 55,300 common shares under its normal course issuer bid during the prior year at a total cost of $331,000 compared to $nil in the current nine month period.

Investing Activities
The Corporation generated cash from investing activities of $569,000 for the three months ended January 31, 2011 compared to an inflow of cash of $3,114,000 for the same period last year. The Corporation received cash proceeds from the sale of investments and equity investments of $7,545,000 for the three months ended January 31, 2011 (2010 - $nil). A major portion of the investment in the current three month period also included the reallocation of cash from marketable securities totaling $3,131,000 (2010 - $3,579,000). Marketable securities are comprised of highly liquid government guaranteed and investment grade commercial paper with original maturities greater than three months. The Corporation also used cash of $ 6,686,000 for the acquisition of investments and derivatives for the three month period ended January 31, 2011 compared to $nil for the prior three month period. The Corporation also paid $2,487,000 to a non-controlling interest in exchange for investments transferred in to the newly formed investment company co-founded with Cranberry Capital. Additional information on the transaction is included in Note 12 to the unaudited interim consolidated financial statements.

In addition, the Corporation incurred $930,000 (2010 - $463,000) in net mineral exploration expenditures for the three months ended January 31, 2011. Mineral exploration activities are described in greater detail in the ***Mineral Exploration Overview*** section of this MD&A.

The Corporation used cash in investing activities of $7,685,000 for the nine months ended January 31, 2011 compared to an outflow of cash of $41,213,000 for the same period last year. The Corporation received cash proceeds from the sale of investments and equity investments of $10,625,000 for the three months ended January 31, 2011 (2010 - $151,000). A major portion of the investment in the current three month period also included the reallocation of cash from marketable securities totaling $5,490,000 compared to a reallocation of cash from marketable securities for the nine months ended January 31, 2010 totaling $14,141,000. The Corporation also paid $2,487,000 to a non-controlling interest in exchange for investments, as noted above. For the nine month period ended January 31, 2010, the Corporation acquired 6,751,150 shares in International Royalty Corporation ("IRC") at a total cost of $24,148,000 and 4,227,273 units in Millrock Resources Limited ("MRO") at a total cost of $930,000. The Corporation used cash of $7,954,000 for the acquisition of investments and derivatives for the nine month period ended January 31, 2011.

In addition, the Corporation incurred $2,316,000 (2010 - $2,136,000) in net mineral exploration expenditures for the nine months ended January 31, 2011. Mineral exploration activities are described in greater detail in the ***Mineral Exploration Overview*** section of this MD&A.

Liquidity

At January 31, 2011, the Corporation had current assets of $170,079,000 and current liabilities of $2,451,000 for net working capital of $167,628,000, 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 investment grade corporate instruments and does not anticipate any liquidity issues.

The Corporation's major sources of funding are from sales of direct and indirect exploration investments, royalty payments and interest income. In addition, the Corporation partially funds exploration expenditures via third party agreements such as earn-in agreements or joint venture arrangements whereby exploration expenditures are cost-shared or funded by third parties 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 mineral exploration 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 mineral exploration 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. If the required assessment expenditures are not met on or before the anniversary date of license issuance, the Corporation has the option of reducing claims on a property, posting a refundable security bond for the deficient amount or electing to allow title of the license to be cancelled. The Corporation is required to spend $2,155,000 by January 31, 2012 in order to maintain all licenses in good standing, of which exploration partners have agreed to spend approximately $145,000. Exploration expenditures of $1,978,000 over the next year are required on certain properties to receive a refund of the total of security deposits in the amount of $555,000.

Contingent Liability
On October 1, 2008 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. 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.

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 and audited financial statements.

Amounts in thousands of dollars, except per share amounts

$	January 31, 2011	October 31, 2010	July 31, 2010	April 30, 2010
Revenue	1,103	1,453	1,287	56
Net earnings (loss)	69,368	2,063	(261)	22,148
Net earnings (loss) per share				
- basic	2.41	0.07	(0.01)	0.78
- diluted	2.38	0.07	(0.01)	0.77

$	January 31, 2010	October 31, 2009	July 31, 2009	April 30, 2009
Revenue	912	1,097	1,106	1,938
Net earnings (loss)	(102)	(486)	(597)	(1,480)
Net earnings (loss) per share				
- basic	-	(0.02)	(0.02)	(0.05)
- diluted	-	(0.02)	(0.02)	(0.05)

The Corporation does not experience significant seasonality in operations. Revenue is derived primarily from investment income and from the producing Voisey's Bay Royalty, which is contingent upon commodity prices, mine production levels, and the timing of concentrate shipments. The decline in revenue over the previous several quarters was caused primarily by the 18-month labour dispute at the Voisey's Bay nickel-copper-cobalt mine. Interest revenue has also declined because of the 'flight to safety 'of investment funds, which reduced returns on high-quality liquid investments. Net earnings are affected somewhat by revenue net of operating expenses, but are affected primarily by the realization of gains or losses on the Corporation's investments and mineral exploration alliances. A pre-tax gain of $84,675,000 was recognized in the three month period ended January 31, 2011 as a result of the vending of the Kami iron ore property to Alderon.

Business Overview

The Corporation recently restructured its operations into two separate business units. The exploration and prospect generation segment will continue its generative exploration work with a goal of attracting partners to provide financial and technical expertise in exchange for an interest in the Corporation's mineral properties. The investment/royalty acquisition segment will manage the portfolio that has been created from the prospect generation business and will evaluate and invest in various resource based opportunities with a goal of long term profitability. This will encompass, among other things, investing in the minerals sector and potentially the acquisition of royalties.

Investments Overview

Rambler
The Corporation sold its 12 million shares Rambler during the three months ended January 31, 2011 and realized a net gain on the transaction of $1,451,000. Rambler is a company that is currently in the advanced stages of re-developing the past-producing Ming copper-gold mine.

Alderon
On December 8, 2010, Alderon successfully earned a 100% interest in the Kami iron ore project located in western Labrador by meeting all requirements of an option agreement between the companies. In conjunction with its transfer of title to the project, the Corporation received 32,285,006 shares of Alderon (representing approximately 45% of the issued Alderon common shares) with a market value of $86,847,000 at the time of closing. The Corporation also holds a 3% gross sales royalty relating to any potential future mining operations on the Kami property.

By virtue of its large shareholding position and its Board participation, the Corporation will account for its interest in Alderon using the equity method. Under this method, the Corporation will pick up its proportionate share of the net earnings (loss) of Alderon, with a corresponding adjustment to the carrying value of the investment.

In December 2010, Alderon completed a bought deal private placement financing for gross proceeds of $20,075,000, which reduced the Corporation's ownership interest from 45% to 39.6%. Furthermore, in January Alderon appointed BBA Inc. and Stassinu Stantec Limited Partnership to conduct a Scoping Study on the Kami Project. Subsequently, Alderon initiated discussions with Iron Ore Company of Canada on use of the Quebec North Shore & Labrador railway and also with the Port of Sept-Iles for access to their soon to be constructed deep water multi-user facility. These discussions serve as a means to firm up accountabilities, logistics and costs as part of the Scoping Study due for completion late Q2 2011 and Feasibility Study to be completed early 2012.

During the past nine months Alderon completed a 25,000 metre drilling program at the Kami iron ore project in western Labrador. The program built upon prior successful drilling by the Corporation and completed an infill and expansion drilling campaign to allow the calculation of a NI 43-101 compliant resource estimate, which is expected in late-March.

During the current quarter Alderon continued to release drill results from the 2010 drill program, including 30% iron over 207 meters from the North Rose zone, a zone located north of Central Rose. Alderon also announced that it has commenced a 5,000 metre drill program targeting the North Rose zone, which to date has not yet been extensively tested. Additional information on the Kami iron ore project, including full drill results can be found at www.alderonmining.com.

2260761 Ontario Inc. ("2260761")

During the current quarter, the Corporation also invested with Cranberry Capital Inc. to form a new company to invest primarily in early stage mineral exploration companies with a goal of capital appreciation. The new company is managed independently by Paul van Eeden, who has a successful mining and investment industry track record.

The Corporation's total investment in the new company consisted of $25,007,000 in cash and the non-controlling shareholder contributed investments with a market value of $5,487,000. Additional details on the transaction are included in Note 12 to the interim unconsolidated financial statements. As of January 31, 2011, 2260761 held mining and mineral related investments of approximately $13,000,000, cash and marketable securities of $17,000,000 and had net earnings before non-controlling interest of $187,000 for the three month period ended January 31, 2011.

NLRC

The Corporation currently holds a 39.6% equity interest in NLRC, a private company that has earned permitting rights to and proposed the construction of a new 300,000 barrel per day crude oil refinery at Southern Head, Placentia Bay, Newfoundland and Labrador, Canada. NLRC is currently operating under a creditor standstill period and mandate to sell its assets or complete financing of the project.

NLRC continues to seek out a strategic partner or buyer for the refinery project. Efforts of late have focused mainly on Asian based state interests.

Additional information on the historical developments of NLRC is included in the annual MD&A refiled on SEDAR on October 7, 2010.

Mineral Exploration Projects Overview

The Corporation incurred $930,000 in net exploration expenditures during the quarter ended January 31, 2011. The Corporation is conducting early-stage reconnaissance exploration in several areas throughout Newfoundland and Labrador, Quebec and Nunavut with the goal of identifying additional opportunities for earn-in/joint venture partners. The Corporation's goal is to develop new exploration concepts and to continue to continually refresh the Corporation's portfolio of exploration projects for subsequent third party funding agreements. Project generation is supported by early-stage, mostly 'greenfields' exploration and the identification of new exploration targets including iron ore, gold, uranium, nickel and copper.

During the quarter, the Corporation began its assessment of the previous year's work and also initiated planning and budgeting for field programs and project advancement for the upcoming year.

The Corporation currently has seven active earn-in agreements or exploration alliances with various third parties on properties located throughout the province of Newfoundland and Labrador in Canada covering a variety of commodities. The most significant developments are discussed below.

In December, the Corporation entered into a strategic exploration alliance with Cliffs Natural Resources Exploration Inc. ("CNR") for nickel and chromium within specific areas of Newfoundland and Labrador. The alliance will combine the Corporation's exploration expertise in Eastern Canada with the capital funding, development and operating strength of CNR. CNR will fund regional and generative exploration to a value of $1,800,000 within specific areas over a two year period with the goal of identifying new grassroots exploration targets. The generated targets will be presented to CNR which can then choose to designate such projects as joint ventures. Projects designated as joint ventures will initially be held 50-50, subject to a 1% net smelter returns royalty in favour of the Corporation. CNR will have an option to increase its participating interest to 70% by funding $4 million in exploration expenditures, including 3,000 metres of drilling, by the fourth anniversary of the joint venture agreement. CNR may subsequently increase its participating interest to 90% by completing and funding a bankable feasibility study. Work under the alliance commenced in the fall of 2010 and is targeting nickel-iron alloy minerals and chromite on the island of Newfoundland. 3,929 mineral claims (98,225 hectares) have recently been staked over prospective areas.

Under an option agreement with the Corporation, Rio Tinto Exploration Canada Inc. ("Rio Tinto") continued to explore eight exploration licenses throughout the western Labrador iron ore mining district. An earn-in exploration and royalty agreement was executed in December 2008 allowing Rio Tinto to earn up to a 70% interest in the licenses in stages by spending up to $7,000,000 in exploration expenditures within five years. The Corporation retains a 3% gross overriding royalty of which 1% may be purchased for $10,000,000 on or before the tenth anniversary of the agreement. Drilling was recently completed on some of the claims during 2010 and the Corporation anticipates further work in 2011.

The Snelgrove Lake project is wholly owned by the Corporation and located approximately 50 kilometres southeast of the past-producing Schefferville iron ore mining district. Iron formation outcrops over a strike length of 28 kilometres. Iron assays are typical of taconite iron formation in the region and yielded a median value of 32% iron (n=184 samples). Targets on this project include both potential large tonnage taconite resources and high-grade direct shipping ore (DSO). The Corporation is planning the 2011 exploration program for this project while actively seeking a partner.

During the quarter, the Corporation also acquired by staking 4,979 claims (124,475 hectares) in the western Labrador region which is termed the Trough Iron project. The claims cover much of the known extent of iron formation from north of the Labrador City/Wabush mining camp to the Schefferville area. The Corporation is formulating an exploration strategy for this regional scale project while beginning to market the project to potential partners over the coming months.

The Corporation holds mineral rights covering the projected extensions of the Julienne Lake deposit under Wabush Lake and Julienne Lake in Labrador West, approximately 15 km northeast of Iron Ore Company of Canada's Carol Lake operation. The deposit contains a historic and non-NI 43-101 compliant resource of 558.8 million tonnes grading 35% iron which is currently the subject of $2.1 million work program initiated by the Newfoundland and Labrador provincial government. The Corporation is commissioning a ground-based gravity survey beginning in the next quarter to evaluate the resource potential on its claims.

The Topsails property, a 50/50 alliance between the JNR Resources Inc. ("JNR") and the Corporation, is located near the former mining community of Buchans. Results to date include the discovery of at least three new granite-hosted porphyry copper (+/- molybdenum, silver, gold) prospects. The 2010 exploration program yielded the following results: Koorae Prospect: up to 0.84% Cu, 0.9 g/t Ag and 0.02% Mo from porphyritic rocks and up to 0.91% Cu, 3.9 g/t Ag and 0.008% Mo from granodioritic host rocks; Sheffield Lake South Prospect: up to 0.36% Cu and 66.4 g/t Ag and 0.14% Cu and 0.16% Mo, from felsic intrusive rocks. In addition, high-grade molybdenum mineralization was discovered and assayed 3.9% Mo and 95.3 g/t Ag; Harry's Brook Prospect: up to 1.6% Cu, 0.9 g/t Ag and 0.13 g/t Au was returned from mineralized quartz veins/breccia veins. The Corporation and JNR are seeking a senior partner for this project.

The wholly-owned Taylor Brook project is located in western Newfoundland and hosts high grade nickel-copper-PGE mineralization. Previous drilling revealed that four of five airborne EM conductors tested were due to occurrences of nickel-bearing massive sulphides, including intercepts such as 4.5% nickel, 0.16% copper, and 0.073% cobalt over a core length of 0.95 meters. The four zones of Ni-Cu-Co mineralization occur within an area exceeding 300 meters by 800 meters, and all four zones remain open for expansion and delineation. The Corporation recently completed a 2,417 km airborne EM-Mag survey to expand the original survey area and will conduct ground follow up of selected targets during the 2011 field season. The Corporation now holds title to 219 square kilometers centered on the Taylor Brook nickel property and is seeking a partner to advance this drill-ready project.

The Corporation recently conducted additional prospecting and sampling on its wholly-owned Natashquan nickel-copper-PGE project located in southern Labrador. An airborne EM and magnetics survey in 2008 and subsequent prospecting has resulted in the discovery of semimassive to massive sulphide mineralization. Assays include up to 8.35% Cu and 3.479 g/t TPGE's in grab sample and 0.71% Ni over 0.5m (channel sample) in hand dug trenches. Soil sampling also identified anomalous soil geochemistry over other EM targets. The Corporation is seeking a partner to advance these grassroots discoveries.

Table 1: Summary of Exploration Projects, including wholly-owned projects and those under JV/Option Agreements

Property	Partner	Agreement type	Status
Alexis River – uranium	Kirrin Resources Inc[a]	Earn in	Program being planned for 2011.
Snelgrove Lake - iron ore	-	-	Program being planned for 2011, including possible drilling program. Seeking partner.
Labrador Trough - copper-gold	Cornerstone [a]	Alliance	No recent activity. Seeking senior partner.
Labrador West - iron ore	Rio Tinto *(formerly Kennecott Canada Exploration Inc)*[a]	Earn in	Field program and drilling completed in 2010. 2011 program anticipated.
Moosehead - gold	Agnico-Eagle Mines Ltd.	Joint venture (51% Agnico-Eagle)	Designing next exploration program; seeking third party JV partner.
Newfoundland Ferro Alloys - nickel, chromium	Cliffs Natural Resources	Strategic Alliance	Processing of samples from 2010 field program; 2011 program planning underway
Notakwanon - uranium	-	-	Planning 2011 program and seeking a partner.
Rocky Brook – uranium	JNR Resources Inc[a]	Joint venture (70% JNR)	2010 exploration program complete – evaluating results.
Taylor Brook – nickel-PGE	-	-	Airborne EM-MAG survey completed; 2011 program planned; seeking partners
Topsails – copper-molybdenum	JNR Resources Inc	Alliance	2010 program of mapping, IP geophysics, trenching recently completed – encouraging results; seeking senior partner.

Property	Partner	Agreement type	Status
Trough Iron - iron ore	-	-	Recently acquired by staking 124,475 hectares; 2011 airborne survey planned; seeking partner.
White Bay and Norsemen-gold	-	-	Reconnaissance prospecting recently completed; evaluating data.
Wing Pond - gold	-	-	Trenching and sampling completed; work planned for 2010; seeking partner.
Mustang Trend - gold	-	-	IP and Mag survey showed favourable results; seeking partner
Wager Bay - gold			Recently acquired 17 Prospecting Permits totaling 699,569 acres (2,831 km^2; planning field program; seeking senior partner.

[a] *indicates operator*

Table 2: Summary of Pre-Development Stage Royalties

Property	Explorer/Developer	Royalty	Status
Kamistiatusset - iron ore	Alderon Resources Limited [a]	3% GSR	25,000 m drill program recently completed; winter drill program planned; initial resource estimate expected by mid-March
Labrador West - iron ore	Rio Tinto *(formerly Kennecott Canada Exploration Inc)*	3% GSR	Field program and drilling completed in 2010. 2011 program anticipated.
Revelation	Millrock Resources Ltd.	2% NSR on gold; 1% NSR on base metals;	2010 work program completed.
Monte Cristo/St. Eugene – copper-gold	Millrock Resources Limited/Brixton Metals Corp	2% NSR on gold; 1% NSR on base metals[a]	Exploration expenditures of US$5,000,000 required by December 31, 2013.
Topsails – copper-molybdenum	JNR Resources Inc	2% GSR on uranium; 2% NSR on all other commodities	Staked additional claims to cover prospective copper-gold; 2010 program of mapping, IP geophysics, trenching recently completed – results pending.
Viking – gold	Northern Abitibi Mining Corp[a]	2-4% sliding scale NSR	Now 100% owned by Northern Abitibi; 9,735 m drilling program completed. Resource statement expected in the coming months.
Central Mineral Belt - uranium	Paladin Energy Limited	3% GSR	Project recently purchased by Paladin Energy Ltd. from Fronteer Gold Inc.
Nuiklavik - rare earth elements	Rare Element Resources	2% GOR; (1% buyback for $2.5m)	Operator is seeking a partner to conduct further work
Humble - copper-gold-molybdenum	Millrock Resources Limited/ Kinross Gold Corporation	2% NSR on gold; 1% NSR on base metals;	Drill program is planned for 2011

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 certifying officers have evaluated the effectiveness of the Corporation's internal control over financial reporting as of January 31, 2011 and have concluded that such controls are adequate and effective to ensure accurate and complete financial reporting in public filings. 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 year ended April 30, 2010.

There has been no change in the Corporation's internal control over financial reporting during the Corporation's period ended January 31, 2011 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, 2011 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.

New and Future Accounting Pronouncements Update

International Financial Reporting Standards ("IFRS")

On February 13, 2008, the Canadian Accounting Standards Board confirmed that publicly accountable entities will be required to prepare financial statements in accordance with IFRS for interim and annual financial statements for fiscal years beginning on or after January 1, 2011 with appropriate comparative data from the prior year. The Corporation will be required to adopt IFRS commencing May 1, 2011 and will require the restatement, for comparative purposes, of amounts reported on the Corporation's opening IFRS balance sheet as at May 1, 2010.

Under IFRS, there is significantly more disclosure required, specifically for quarterly reporting. Further, while IFRS uses a conceptual framework similar to Canadian GAAP, there are significant differences in accounting policies that will need to be addressed by management. The Corporation has a comprehensive IFRS conversion plan and has completed its initial scoping study to identify key areas that may affect disclosure and financial reporting upon transition to IFRS.

The Corporation has completed its key employee IFRS training. The Corporation is continuing to evaluate the financial reporting impacts of conversion to IFRS. The Corporation anticipates a change to timing of stock based compensation expense but has not yet determined its significance. In addition, the recognition of stock based compensation expense related to the newly implemented share appreciation rights plan is expected to differ under IFRS. The Corporation has not yet determined the significance of any difference.

The Corporation is also evaluating various elections available upon first- time adoption of IFRS with an objective of maintaining the understandability of the Corporation's financial statements. Based on work performed to date, no significant accounting policy changes are expected to financial instruments, exploration expenditures, and other property and equipment.

The Corporation also evaluated and re-documented its information systems, internal controls over financial reporting, and data collection methods to confirm that it can smoothly transition to IFRS while meeting all financial reporting obligations. Based on the internal review, no significant issues are anticipated.

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, the assumptions used in the determination of the fair value of stock-based compensation, and the assumptions used in the determination of the fair value of derivatives for which there is no publicly traded market.

Risk Factors and Key Success Factors

An investment in securities of the Corporation involves a significant degree of risk that should be considered prior to making an investment decision. In addition to discussions of key success factors and business issues elsewhere in this MD&A, the investor should consider the following risk factors:

Operational and Development Risk
The Corporation operates in the mineral exploration sector, which implicitly involves a high degree of risk caused by limited chances of discovery of an economic deposit and eventual mine development. The Corporation mitigates this risk by cost-sharing with exploration partners and by continuously evaluating the economic potential of each mineral property at every stage of its life cycle.

Development Stage Projects

Profits from commercial operations will depend on a significant number of factors, including economic feasibility, changing market conditions, environmental and governmental regulations, labour availability, the cost of and the ability to attract external financial capital, and the ability to attract partners with sufficient technical expertise and relevant industry experience to further develop the various projects. Any failure to meet one or a combination of these factors may result in project delays or potential cancellation and the Corporation's future operating results may be adversely affected.

Issues Affecting Royalty Revenue

The level of cash flows from the Voisey's Bay royalty are subject to various economic factors, including the underlying commodity prices and smelting and other operating costs, which are deducted from the net smelter return. Royalty payments are highly dependent on the operating and commercial success of the underlying operating company. Various factors, such as commodity price, operating costs, financing costs, labour availability, labour stability, environmental and stakeholder relations or any combination thereof could make an underlying operation unprofitable. Although short-term losses are not expected to affect the decision to keep an operation open, prolonged operating losses could induce an operating company to close its operations, thereby eliminating such royalty revenue.

Exposure to Mineral Price Fluctuations

Changes in the market price of nickel and to a lesser extent copper and cobalt significantly impact the Corporation's revenue from the Voisey's Bay Royalty. The Corporation's financial results are sensitive to external economic criteria related to the price of nickel. A substantial risk of lower royalty payments arises when there is a prolonged period of lower nickel prices. Many factors beyond the Corporation's control influence the market price of nickel, including: global supply and demand; availability and costs of metal substitutes; speculative activities; international political and economic conditions; and production levels and costs in other nickel-producing countries.

The Ability to Attract Partners for Exploration

The probability of successfully progressing early stage projects is dependent on an ability to attract exploration partners to share project expenditures and to provide additional technical expertise required to develop projects. If the Corporation is unable to attract partners to cost-share project expenditures and to provide additional technical expertise, the level of exploration the Corporation could perform with limited personnel may be adversely impacted. This could affect the likelihood of discovering future commercially feasible projects.

Debt and Equity Financing

Because of their size and scale, the success of some resource-based projects depends on the ability of the Corporation, its partners or its investments to raise the financial capital required to successfully construct and operate a project. This ability may be affected by general economic and market conditions, including the perceived threat or actual occurrence of an economic recession or liquidity issues. If market conditions are not favourable, major resource based projects could be cancelled or the expected rate of return to the Corporation may be significantly diminished.

Government Regulations
The Corporation's operations are subject to extensive governmental regulations with respect to such matters as environmental protection, health, safety and labour; mining law reform; restrictions on production or export, price controls and tax increases; aboriginal land claims; and expropriation of property in the jurisdictions in which it operates. Compliance with these and other laws and regulations may require the Corporation to make significant capital outlays which may slow its growth by diverting its financial resources. The enactment of new adverse regulations or regulatory requirements or more stringent enforcement of current regulations or regulatory requirements may increase costs, which could have an adverse effect on the Corporation. The Corporation cannot give assurances that it will be able to adapt to these regulatory developments on a timely or cost effective basis. Violations of these regulations and regulatory requirements could lead to substantial fines, penalties or other sanctions.

Key Employee Attraction and Retention
The Corporation's continued success is highly dependent on the retention of key personnel who possess business and technical expertise and are well versed in the various projects underway and under consideration. The number of persons skilled in the acquisition, exploration and development of natural resource and mining projects is limited and competition for such persons is intense. As the Corporation's business activity grows, additional key financial, administrative and operations personnel as well as additional staff may be required. Although the Corporation believes it will be successful in attracting, training and retaining qualified personnel, there can be no assurance of such success. If the Corporation is not successful in attracting, training and retaining qualified personnel, the efficiency of operations may be affected. Additionally, should any key person decide to leave, then the success of one or more of the projects under consideration could be at risk.

Exploration Alliances
The Corporation's objective is to create joint ventures 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. In certain circumstances the Corporation must rely on the decisions and expertise regarding operational matters for properties, equity interests and other assets including: whether, when and how to commence permitting; feasibility analysis; facility design and operation, processing, plant and equipment matters; and the temporary or permanent suspension of operations. In some of these instances, it may difficult or impossible for the Corporation to ensure that the properties and assets are operated in its best interest.

Financial Instrument Risk

The Corporation's financial assets and financial liabilities are exposed to various risk factors that may affect the fair value presentation or the amount ultimately received or paid on settlement of its assets and liabilities. The Corporation manages these risks through prudent investment and business decisions, and, where the exposure is deemed too high, the Corporation may enter into derivative contracts to reduce this exposure. The Corporation does not utilize derivative financial instruments for trading or speculative purposes. Hedge accounting is applied only when appropriate documentation and effectiveness criteria are met.

A summary of the major financial instrument risks and the Corporation's approach to the management of these risks are highlighted below.

Market value and commodity price risk
The value of the Corporation's mining and mineral related investments is exposed to fluctuations in the quoted market price depending on a number of factors, including general market conditions, company-specific operating performance and the market value of the commodities that the companies may focus on. Except as noted below, the Corporation does not utilize any derivative contracts to reduce this exposure.

Foreign currency risk
The Corporation is exposed to foreign currency fluctuations on a portion of its accounts receivable related to royalty revenue. The Corporation does not enter into any derivative contracts to reduce this exposure since the receivable is short-term in nature and the expected receivable amount cannot be predicted reliably.

Liquidity risk
The Corporation believes that on a long-term basis its revenue generating assets and net working capital position will enable it to meet current and future obligations at the current level of activity. This conclusion could change with a significant change in the operations of the Corporation or from other developments.

Given the relative size of some of the Corporation's investments compared to the normal trading volume of the underlying investments, the Corporation may be unable to sell its entire interest in an investment without having an adverse effect on the fair value of the security. The Corporation does not enter into any derivative contracts to reduce this exposure.

Credit risk
The Corporation has some credit risk with accounts receivable balances owing from earn-in partners but the amount is not considered significant.

The Corporation's cash, marketable securities, and fixed income securities are distributed among government guaranteed instruments and investment grade commercial paper. All funds are held in fully segregated accounts and include only Canadian dollar instruments. The Corporation does not expect any liquidity issues or credit losses on these instruments.

Interest rate risk
The Corporation does not have any debt and is therefore not exposed to interest rate risk on liabilities. The Corporation's cash and marketable securities may fluctuate in value depending on the market interest rates and the time to maturity of the instruments. The Corporation manages this risk by limiting the maximum term to maturity on invested funds or holding the investments to maturity.

Outstanding Share Data

At March 14, 2011, the Corporation had 28,808,895 common shares outstanding and 970,000 stock options outstanding.

The following schedule outlines the major categories of mineral properties, deferred exploration costs, and security deposits at January 31, 2011.

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	41	130	166	-	314	(20)	-	-	631
	Iron Ore	64	66	77	-	166	-	-	-	373
	Nickel	4	44	233	-	104	(6)	-	-	379
	Uranium	12	171	413	-	447	(880)	-	-	163
		121	411	889	-	1,031	(906)	-	-	1,546
Island of Newfoundland										
	Awaruite	40	5			40	(85)			-
	Base metals	16	205	100	106	87	(506)	-	-	8
	Copper	3	18	3	-	11	-	-		35
	Gold	81	266	126	-	186	(390)	(7)	-	262
	Nickel	35	46	233	-	25	(100)	(1)	-	238
	Uranium/copper	67	1,350	1,177	832	1,244	(3,305)	-	-	1,365
		242	1,890	1,639	938	1,593	(4,386)	(8)	-	1,908
Security Deposits		-	-	-	-	-	-	-	627	627
General Exploration		-	295	17	-	453	-	(765)	-	-
Grand Total		363	2,596	2,545	938	3,077	(5,292)	(773)	627	4,081