Management Discussion and Analysis For Laurentian Goldfields Ltd. [Formerly Capo Resources Ltd.] (“Laurentian” or the “Company”)

Containing information up to and including June 18, 2009.

Note to Reader

The following information should be read in conjunction with the Company’s audited financial statements for the year ended March 31, 2009, together with the notes thereto, prepared by management in accordance with Canadian Generally Accepted Accounting Principles (“GAAP”) and expressed in Canadian Dollars.

Forward-Looking Information

When used in this document, words like “anticipate”, “believe”, “estimate” and “expect” and similar expressions are intended to identify forward-looking statements. Such statements are used to describe management’s future plans, objectives and goals for the Company and therefore, involve inherent risks and uncertainties. The reader is cautioned that actual results, performance, or achievements may be materially different from those implied or expressed in such statements.

Overall Performance

Laurentian Goldfields Ltd. (formerly “Capo Resources Ltd.”) (the “Company”) was incorporated under the Business Corporations Act of British Columbia on November 14, 2005. Effective May 15, 2008, the Company acquired 0785531 B.C. Ltd. (formerly “Laurentian Goldfields Ltd.”) through a reverse takeover which completed its Qualifying Transaction requirement under TSX Venture Exchange (“TSXV”) Policy 2.4. The Company’s principal business activities include the acquisition, exploration and development of economic gold and other precious and base metal properties. The Company is in the exploration stage and has not yet determined whether any of the mineral properties contain mineral reserves that are economically recoverable. The Company’s shares trade under the symbol LGF on the TSXV.

Highlights of the Company’s activities during the year ended March 31, 2009:

<u>Financing and Corporate</u>

- On May 15, 2008, the Company completed its proposed transaction and acquired, through a reverse takeover, 0785531 B.C. Ltd. and changed its name to Laurentian Goldfields Ltd. The Company paid a finder’s fee of 100,000 common shares of the Company on the closing of the transaction. The transaction involved the amalgamation of a wholly-owned subsidiary of the Company (“Laurentian Exploration Ltd.”) with 0785531 B.C. Ltd. The amalgamation of Laurentian Exploration Ltd. and 0785531 B.C. Ltd. was completed in accordance with the terms of a Statutory Plan of Arrangement under the Business Corporations Act (British Columbia). The amalgamated entity, named Laurentian Exploration Ltd., is a wholly-owned subsidiary of the Company.

- Also on May 15, 2008, the Company completed a non-brokered private placement for aggregate gross proceeds of $2,835,050 in new equity financing through the offering of a combination of $1,214,000 in the form of flow-through units at a price of $0.40 per unit and $1,621,050 in the form of non flow-through units at a price of $0.35 per unit. Each flow-through and non flow-through unit consist of one common share and one-half of a non-transferable share purchase warrant (the “Warrants”), each whole warrant entitling the holder to acquire one additional non flow-through common share of the Company for a period of 24 months after closing. The Warrants forming part of the flow-through units are exercisable at a price of $0.60 per share and the Warrants forming part of the non flow-through units are exercisable at a price of $0.55 per share. Both sets of Warrants are subject to acceleration in the event that the Company's common shares have a closing price on the Exchange at or above $1.10 per share for a period of 20 consecutive trading days. The Company paid cash finder's fees totalling $167,618 to arm's length finders in connection with this financing and resumed trading on the TSX Venture Exchange under the symbol LGF on May 16, 2008.

- On July 1, 2008, the Company issued 103,500 common shares (fair value - $24,840) in accordance with the 7 option agreements entered into to acquire up to a 100% interest in 7 contiguous mining properties in the Eagle-Wabigoon-Manitou Lakes Greenstone Belt near Dryden, Ontario. These claim blocks are referred to as the Van Horne Property.

- On July 11, 2008, a total of 295,455 stock options were exercised by various directors, officers, employees and consultants of the Company for proceeds of $32,500. The previously determined fair value of these stock options of $12,914 has been removed from contributed surplus and included in share capital.

- On January 22, 2009, the Company completed an amalgamation with its wholly owned subsidiary, Laurentian Exploration Ltd. These two entities were amalgamated as one company under the name Laurentian Goldfields Ltd. The amalgamation was completed in accordance with terms of a Statutory Plan of Arrangement under the Business Corporations Act (British Columbia).

- On January 23, 2009, the Company secured a 100% interest in its Grenville Project through the termination of its joint venture agreement with Australian Mineral Fields Pty Ltd. ("Ausmin"). Ausmin no longer has any interest in the mineral claims that were subject to the joint venture. In consideration, Laurentian issued 1,000,000 common shares (fair value $80,000) as an act of good faith. This issuance was not an indication of the fair value of the property. The shares are subject to transfer restrictions with one-third being released immediately, one-third being released on January 23, 2010 and one-third being released on January 23, 2011.

Subsequent to the year ended March 31, 2009:

- On June 22, 2009, the Company announced that it intends to complete a non-brokered private placement financing for gross proceeds of up to $1,700,000 through this issuance of up to 3,300,000 non flow-through units ("NFT Units") at a price of $0.15 per NFT Unit and up to 6,560,000 flow-through units ("FT Units") at a price of $0.18 per FT Unit.

  Each NFT Unit consists of one non flow-through common share and one non flow-through share purchase warrant, each non flow-through share purchase warrant being exercisable to purchase one additional non flow-through common share of the Company for a period of twenty-four months from closing at a price of $0.25 per share in the first twelve months and $0.35 per share in the subsequent twelve months.

  Each FT Unit consists of one flow-through common share and one-half of one non flow-through share purchase warrant, each whole non flow-through share purchase warrant being exercisable to purchase one additional non flow-through common share of the Company for a period of twenty-four months from closing at a price of $0.25 per share in the first twelve months and $0.35 per share in the subsequent twelve months.

  The warrants will be subject to an acceleration clause such that in the event the closing price of the common shares of the Company on the Exchange is greater than $0.35 during the first year following the date of issuance of the warrants or $0.45 during the second year following the date of issuance of the warrants for ten consecutive trading days at any time after the date that is four months after the date of issuance of the warrants, Laurentian will be entitled to accelerate the warrants upon twenty-one calendar days' prior notice and the warrants will then expire on the twenty-first calendar day after the date of the notice unless exercised by the holder prior to such date.

Exploration Update

Cumulative spending to March 31, 2009 was as follows:

	Acquisition Costs	Exploration Costs	**As at March 31, 2009**
Maze Lake, Nunavut	$ 357,150	$ 2,558,871	**$ 2,916,021**
Grenville, Quebec	221,652	819,330	**1,040,982**
Van Horne, Dryden, Ontario	75,461	269,188	**344,649**
	$ 654,263	$ 3,647,389	**$ 4,301,652**

Grenville Project, Quebec

- In June 2008, the Company completed Phase 1 of its 2008 Grenville exploration program specifically designed to refine the hydrogeochemical gold anomalies discovered in 2007 by infill and step-out reconnaissance-scale sampling. Anomalies were further refined by taking rock samples at close spacing within the anomalous areas for assay, multi-element analysis (ICP-MS) and spectrometry to define regional scale alteration systems for Phase 2 prospecting and mapping.

- In September 2008, the Company completed Phase 2 of its 2008 Grenville exploration program, which involved additional sampling, detailed mapping and prospecting in areas identified in Phase 1.

- In December 2008, a program of geophysical data modeling was completed by Institut National de la Recherché Scientifique (“INRS”), a Quebec-based, publicly funded earth sciences research institute, in an effort to identify geological structures that may have significance with respect to gold mineralization in the area of the Grenville Project claims. A final INRS report was presented to the Company and will be used to focus on 2009 exploration.

- In January 2009, the Company announced that it had secured a 100% interest in its Grenville Project in Quebec via the termination of its joint venture agreement (the “Joint Venture”) with Australian Mineral Fields Pty Ltd. (“Ausmin”). The Joint Venture was formed on August 9, 2007 and culminated with staking of approximately 120,000 hectares of mineral claims in the Grenville Geological Province.

- Under the terms of the Termination Agreement, Ausmin agreed to provide Laurentian with copies of all documents, reports and data in the possession of Ausmin relating to the subject properties under the Joint Venture. Ausmin also agreed not to engage in mineral exploration, stake, or otherwise acquire any interest in mineral claims within an Area of Exclusion covering the current claims, and as defined by the Termination Agreement, for a period of two years from the effective date of the Termination Agreement.

Maze Lake Project, Nunavut

- During 2008, the Company completed detailed mapping and sampling on Anomaly 1, focusing on the File Lake fault system and related structures. The mapping and sampling successfully delineated critical geological features necessary to define drill targets. Follow-up spectral analyses of 2008 samples confirmed a critical alkaline:acidic transition underlying the alteration system beneath File Lake.

- Further infill frost boil sampling was completed northwest of File Lake, across the strike of weak structures that run parallel to File Lake. Frost boil analyses returned multiple anomalous values along the trend of the structure.

- Hydrogeochemical (lake water) sampling beyond the known extent of the Haputilik zone in the north end of the property was not successful in defining any anomalous trends immediately along strike, or sub-parallel to the Haputilik/Dogleg trend.

- On January 29, 2009, the Company formed the Maze Lake Joint Venture ("MLJV") with Terrane Metals Corp. ("Terrane") in accordance with the Option and Joint Venture Agreement date May 15, 2008. The MLJV is being accounted for as a jointly controlled asset in accordance with Canadian GAAP. The Company contributed capitalized mining acquisition and exploration costs ("Mining Interest") to the MLJV for an initial 51% interest. As at March 31, 2009, Terrane's initial 49% interest in the MLJV was diluted to 42.8% with the participating interest of the Company recalculated to 57.2%. Should Terrane's interest in the MLJV decline below 10%, their interest is converted to a royalty equal to 2% of Net Smelter Returns payable on the commencement of commercial production. As at March 31, 2009, the Company's proportionate share of the assets of the MLJV is $2,566,021.

Van Horne Project, Dryden, Ontario

- In July 2008, the Company signed 7 option agreements to acquire 100% interest in 7 contiguous mining properties in the Eagle-Wabigoon-Manitou Lakes Greenstone Belt near Dryden, Ontario. The 7 option agreements encompass a contiguous block of 18 patented claims and 14 standard mining claim blocks totalling 1,083 hectares. Adjacent to the 14 standard mining claim blocks under option are 6 claim blocks staked on behalf of Laurentian earlier in 2008.

- A six-person field crew completed rock, soil and lake sediment sampling on the Van Horne Project during July, August, and October, 2008.

- A report, based on a portion of the 2008 exploration program was completed in November, 2008 and filed with the Ontario Ministry of Northern Development and Mines for assessment.

- In December, 2008 the final geochemical and assay results were received for the Van Horne Project.

- In January, 2009, the results of a selective grab sampling program from a number of known and historic shafts, waste piles and vein outcrops across the Van Horne Project, were compiled and reported. Gold assays as high as 124.5 grams/tonne were obtained along a gold-bearing trend some 5 kilometres long that may coincide with 1 or 2, approximately east-west striking, sub-parallel geological structures.

Subsequent to the year ended March 31, 2009:

AngloGold Ashanti Alliance

- On April 29, 2009, the Company entered into a three year strategic exploration alliance (the "Alliance") with AngloGold Ashanti Ltd. ("AngloGold"). The terms of the Alliance agreement (the "Agreement") have been approved by the TSXV and are as follows:

  Year 1

  Anglo will fund a total of $700,000 in exploration including a minimum of $500,000 for generative exploration efforts in five selected areas within the provinces of Quebec, Ontario and Saskatchewan and up to $200,000 for upgrading targets within portions of Laurentian's existing Grenville Project.

  Year 2 and Year 3

  In year two and three of the Agreement, at AngloGold's option, AngloGold may fund additional exploration totalling $4,700,000 (year two - $1,700,000, year three - $3,000,000) to follow up on year one project results. Upon spending $5,400,000 in exploration over three years (the "Earn-In Period"), AngloGold will earn a 60% interest in each exploration project defined under the Alliance and Laurentian will retain a 40% interest. AngloGold, at its option, may then increase its interest to 75% in any exploration project by fully funding any ongoing exploration through to the completion of a National Instrument 43-101 compliant, inferred gold resource, within three years of completion of the Earn-In Period. Any assets acquired during the Earn-In Period that do not progress to a joint venture will revert 100% to Laurentian.

Under the terms of the Agreement, AngloGold will also purchase, via a non-brokered private placement, 4,444,444 in Laurentian units (the "Units") for gross proceeds of $400,000 (completed June 16, 2009). Each Unit will consist of one common share and one common share purchase warrant exercisable at $0.18 per share for a period of two years. The price per Unit was determined by taking the greater of: the volume weighted average trading price of the common shares of Laurentian over the thirty days ending three business days prior to April 29, 2009 and $0.07 per Unit.

Laurentian has agreed to invest $100,000 of the proceeds from the private placement into year one exploration. Laurentian intends to use the remaining proceeds to fund general corporate purposes. The securities will be subject to restrictions on transfer for a period of four months from closing.

Van Horne Project

- On May 13, 2009, the Company increased its land position in the Van Horne Township near Dryden, Ontario by negotiating an option to acquire the mineral rights to a single patent mining claim within the boundaries of the Company's existing Van Horne Property. To earn a 100% interest in the new land position, the aggregate consideration payable by the Company to the property vendors over a period of four years will be $29,500 in cash and 10,000 common shares of the Company, subject to regulatory approval. This option will be subject to the aggregate $1,600,000 in exploration expenditures required to maintain the Company's adjacent options in good standing. The vendors will retain a 2% NSR on the new land position, with Laurentian retaining the right to re-purchase one-half of the NSR for $1,000,000.

- On June 1, 2009, the Company made cash payments totalling $61,500 and issued 155,000 shares (fair value $27,900) in accordance with the 7 option agreements signed on July 1, 2008. The Company has the right to acquire a 100% interest in 7 contiguous mining properties in the Eagle-Wabigoon-Manitou Lakes Greenstone Belt near Dryden, Ontario.

Kinross Alliance

- On May 28, 2009, the Company entered into a letter of intent with Kinross Gold Corporation ("Kinross") to form an alliance to conduct a $500,000 generative exploration program in the Uchi Geological Sub-province of Ontario and Manitoba (the "Uchi Alliance") over a period of one year.

  Under the terms of the Uchi Alliance, Kinross and Laurentian will invest $400,000 and $100,000 respectively, to fund one year of early-stage exploration to identify new gold targets. The terms of the Uchi Alliance may be extended upon mutual agreement.

  Kinross may elect to form a joint venture with Laurentian on a 50/50 percentage basis in any of the projects identified and acquired as a result of the Uchi Alliance. Kinross can increase its interest to 75% on each joint venture property by solely funding $1,500,000 of future exploration expenditures over a two year period from the date the joint venture is formed. The Uchi Alliance is subject to completion of a definitive alliance agreement between the two parties.

Exploration Outlook 2009

- The Company will commence geological compilation and preliminary field work related to both the AngloGold and Kinross alliances in June or July of 2009.
- Fieldwork for the AngloGold alliance will commence in June, 2009.
- The Company plans to conduct a summer exploration program on the Van Horne Project. Field work is expected to include outcrop stripping and washing, followed by detailed mapping and sampling at select locations along the "gold trend" defined in 2008. The goal of the summer exploration program is to define targets for follow up diamond drilling in late 2009, or early 2010.
- No exploration expenditures are planned for the Maze Lake Project in 2009.
- The Company will continue to pursue new project acquisitions.

Selected Annual Financial Information

Selected audited financial data for annual operations of the Company for the years ended March 31, 2009, March 31, 2008 and March 31, 2007:

Year ended	**March 31, 2009**	**March 31, 2008**	**March 31, 2007**
Current assets	$ 649,857	$ 405,344	$ 30,347
Resource properties	$ 4,301,652	$ 2,275,646	$ -
Property and equipment	$ 50,422	$ 5,428	$ -
Total assets	$ 5,001,931	$ 2,686,418	$ 30,347
Current liabilities	$ 109,390	$ 52,434	$ 350
Total revenue	$ -	$ -	$ -
Net loss	$ (557,179)	$ (744,757)	$ (270,003)
Basic loss per share	$ (0.03)	$ (0.07)	$ (0.48)
Weighted Avg. shares	20,031,500	11,341,067	562,501

The financial data for the comparative periods above reflects that of 0785531 B.C. Ltd. (formerly "Laurentian Goldfields Ltd."), the deemed accounting acquirer resulting from the reverse takeover transaction which occurred on May 15, 2008.

Results of Operations

As Laurentian is in the exploration phase and its properties are in the early stages of exploration, none of the Company's properties are in production. Therefore, mineral exploration expenditures are capitalized and losses are incurred as a result of administrative expenses relating to the operation of the Company's business. Consequently, the Company's net income is not a meaningful indicator of its performance or potential.

The key performance driver for the Company is the acquisition and development of prospective mineral properties. By acquiring and exploring projects of superior technical merit, the Company increases its chances of finding and developing an economic deposit.

At this time, the Company is not anticipating profit from operations. Until such time as the Company is able to realize profits from the production and marketing of commodities from its mineral interest, the Company will report an annual deficit and will rely on its ability to obtain equity or debt financing to fund on-going operations.

Additional financing is required for new exploration and promotional initiatives. Due to the inherent nature of the junior mineral exploration industry, the Company will have a continuous need to secure additional funds through the issuance of equity or debt in order to support its corporate and exploration activities, as well as its share of obligations relating to mineral properties.

For the Year Ended March 31, 2009

During the year ended March 31, 2009, a total of $2,026,006 of resource property costs were capitalized and $59,036 of resource property costs were expensed as these costs related to Generative Activities.

Net loss for the year ended March 31, 2009 was $557,179 or $(0.03) per share, after a non-cash future income tax recovery of $266,906 as compared to the net loss for the year ended March 31, 2008 of $744,757 or $(0.07) per share, after a non-cash future income tax recovery of $210,440. The loss before other income (expenses) and future income taxes for the year ended March 31, 2009 was $772,467 as compared to a loss of $707,882 for the year ended March 31, 2008.

Operating expenses for the year ended March 31, 2009 totalled $772,467 (2008 - $707,882) an increase of $64,585. The increase in operating expenses was mainly a result of the following significant operating expenditures:

- Professional fees totalling $207,989 for the year ended March 31, 2009 as compared to the $192,006 for the year ended March 31, 2008. These expenses included $135,131 paid to the Company's lawyers for the preparation of materials relating to the Company's qualifying transaction with 0785531 B.C. Ltd. and the on-going legal fees incurred in the day-to-day operations of the Company, $61,658 paid to the Company's auditors for the review of documents relating to the qualifying transaction as well as other accounting and audit services rendered, and $11,200 paid to the Company's Chief Financial Officer and accounting staff for ongoing services. The increase in professional fees is due in large part to the additional legal fees incurred as a result of the Company's qualifying transaction.

- Wages and consulting fees of $348,988 for the year ended March 31, 2009 (2008 – $197,561) resulting from payments to the Company's senior officers and employees for time spent on the Company's operating activities, and other non-property related consulting services. The increase in wages and consulting fees is due to the fact that the Company has hired staff this year in comparison to the prior year where employees were minimal.

- Transfer agent fees of $15,019 for the year ended March 31, 2009 (2008 - $Nil). The increase in transfer agent fees is a result of the Company's monthly obligations as a public company to pay transfer agency service fees. In the prior period, the comparative figure is that of 0785531 B.C. Ltd (formerly Laurentian Goldfields Ltd.) which was a private company at March 31, 2008 and thus no transfer agent fees were incurred.

- Investor relations fees of $27,334 for the year ended March 31, 2009 (2008 - $16,052) resulting from fees paid for the Company's increased investor relations activities to expand its profile through attendance at various trade and investor relations shows during the period, as well as the Company's use of investor relations consultants during the period. The increase is due in large part to the Company's recent participation at PDAC as well as the costs incurred for the dissemination of information due to an increase in transactions during the year which, as a public company, resulted in disclosure.

- Listing and filing fees of $23,063 for the year ended March 31, 2009 (2008 - $1,787). The increase in listing and filing fees is a result of the Company's monthly obligations as a public company to pay such fees. In the prior period, the comparative figure is that of 0785531 B.C. Ltd (formerly Laurentian Goldfields Ltd.) which was a private company at March 31, 2008 and thus minimal listing and filing fees were incurred.

- Office and administration expenditures of $48,852 for the year ended March 31, 2009 (2008 - $11,792). The increase in office and administration expenditures is a result of an increase in staff, which resulted in an increase in office supplies and day-to-day office expenditures. Also, the increase is due to insurance as the Company incurred insurance costs relating to non-owned aviation insurance, general liability insurance and insurance for its Directors and Officers. Insurance was not in place for these categories in the prior year.

Other operating costs, excluding stock-based compensation and amortization during the year ended March 31, 2009 totalled $75,887 (2008 - $58,045), representing 10% (2008 – 8%) of total operating expenses including conferences and meetings and rent.

Amortization for the year ended March 31, 2009 was $25,335 (2008 - $5,076) and stock-based compensation for the year ended March 31, 2009 was $Nil (2008 - $225,563). The increase in amortization was a result of the acquisition and amortization of project field equipment and computer hardware and software during the year. The decrease in stock-based compensation was a direct result of the Company not issuing any stock options during the fiscal year and thus no options vested and no expense was recognized.

Summary of Quarterly Results

The following table summarizes selected financial data reported by the Company for the quarter ended March 31, 2009 and the previous seven quarters in Canadian dollars:

	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Net loss	$(235,239)	$(90,129)	$(140,820)	$(90,991)	$(89,486)	$(536,008)	$(112,146)	$(7,117)
Basic loss per share	$(0.01)	$(0.00)	$(0.01)	$(0.01)	$(0.01)	$(0.06)	$(0.02)	$(0.00)
Total assets	$5,001,931	$5,110,553	$5,444,696	$5,699,221	$2,686,418	$2,888,613	$1,410,270	$30,670
Shareholders' equity	$4,631,607	$5,032,909	$5,120,573	$5,204,053	$2,349,742	$2,933,910	$1,382,318	$30,379
Share capital	$5,206,350	$5,369,948	$5,369,948	$5,299,694	$3,161,439	$3,656,121	$1,758,670	$307,500
Deficit	$(1,571,939)	$(1,336,700)	$(1,246,571)	$(1,105,751)	$(1,014,760)	$(925,274)	$(389,266)	$(277,120)

Liquidity and Capital Resources

The Company is in the exploration stage and therefore has no regular cash inflows. At March 31, 2009, the Company had working capital of $540,467 (March 31, 2008 - $352,910).

For the Year Ended March 31, 2009

Cash and cash equivalents increased by $252,150 during the year ended March 31, 2009 from $255,300 to $507,450.

During the year ended March 31, 2009, the Company raised a net of $2,699,932 (2008 - $2,896,121) in additional funds from the sale of common shares and warrants and through funds received as a result of directors, officers, employees and consultants exercising their stock options.

Cash used in operating activities during the year ended March 31, 2009 was $798,750 (2008 - $724,558) before any changes in non-cash working capital. After adjusting for cash flows applied to non-cash working capital, cash used in operating activities was $771,768 (2008 - $840,024).

Cash used for investing activities during the year ended March 31, 2009 was $1,676,014 (2008 - $1,831,144). The investing activities were as follows: Cash acquired on reverse takeover transaction of $307,602 (2008 - $Nil), increase in property and equipment of $70,329 (2008 - $10,504), and acquisition and exploration of resource properties of $1,913,287 (2008 - $1,820,640).

At March 31, 2009, the Company's investment in resource properties aggregated $4,301,652 (March 31, 2008 - $2,275,646) and property and equipment, net of amortization, totalled $50,422 (March 31, 2008 - $5,428).

At March 31, 2009, share capital of $5,206,350 consisted of 22,115,719 issued and outstanding common shares. Contributed surplus, which arises from the recognition of the estimated fair value of stock options was $190,149 and share purchase warrants totalled $807,047.

As a result of the net loss for the year of $557,179, the deficit at March 31, 2009 increased to $1,571,939 from $1,014,760 at March 31, 2008. Accordingly, shareholders' equity at March 31, 2009 was $4,631,607 as compared to $2,349,742 at March 31, 2008.

At March 31, 2009, the Company had 493,183 stock options outstanding and 3,833,286 share purchase warrants outstanding, which, if exercised, would increase the Company's available cash by approximately $2,400,182.

At present, the Company's operations do not generate cash inflows and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control. **See "Risks and Uncertainties."**

The Company currently has sufficient financial resources to meet its administrative overhead and property commitments for the next four months and believes that it can raise additional funds to undertake its planned exploration activities.

In order to finance the Company's future exploration programs and to cover administrative and overhead expenses, the Company raises money through equity sales, from the exercise of convertible securities and from optioning its resource properties. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required in the long term, but recognizes that there will be risks involved which may be beyond its control.

Liquidity Outlook

Cash Generating Potential

In order to finance future operations, the Company will be pursuing the following alternatives:

- The Company expects to raise additional financing; and
- The Company will consider entering into joint ventures with other parties in order to continue its planned exploration activities;

Cash Utilization Requirements

The Company has the following requirements:

- Cash is needed to fund both its exploration activities and its administrative activities. This amount varies depending on the amount of financing raised. The Company has scaled down on its administrative expenditures, in particular its investor relations activities and travel and conference fees;

- The Company has both cash commitments and property expenditure commitments due within the next twelve months however as these properties are under option only, the Company is not obligated to meet these commitments;

Risks and Uncertainties

The financial statements for the Company were prepared on the basis of a going concern which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of business. There are several adverse conditions which cast significant doubt on the validity of the going concern assumption. The Company has incurred operating losses since inception, has limited financial resources, has no source of operating cash flow, and provides no assurance that sufficient funding will be available to conduct exploration programs and for administrative expenses.

The ability of the Company to continue as a going concern is dependent upon its ability to obtain sufficient financing to complete its mineral projects and fund its administration costs, enter into joint ventures on its mineral properties, obtain sufficient proceeds from disposition of its mineral properties and/or future profitable production.

If the going concern assumption was not appropriate for the Company then there could be a material adjustment to the carrying values of assets and liabilities, the reported income and expenses and balance sheet classifications.

Strategy and Risk Management

In light of the current economic conditions, the Company concluded its fieldwork programs on its properties during the winter, as intended, and has just recently commenced its 2009 exploration season with initial stage work currently being conducted in the province of Quebec. Laurentian has recently secured a three year strategic exploration alliance (the “Alliance”) with AngloGold Ashanti Ltd. (“AngloGold”). For the 2009 exploration season, AngloGold will fund $700,000 in exploration including at least $500,000 for generative exploration efforts in five selected areas in Quebec, Ontario and Saskatchewan, with the objective of identifying new grassroots gold exploration projects, and up to $200,000 for upgrading targets within portions of Laurentian’s existing Grenville Project. The Alliance includes a subscription by AngloGold to a $400,000 private placement in Laurentian. Under the terms of the agreement, Laurentian has agreed to invest $100,000 of the proceeds from the private placement into its 2009 generative exploration efforts and the remaining $300,000 will be used to fund general administrative and corporate activities. Further operations are dependent on the Company obtaining financing to meet its planned exploration activities on its other properties for 2009 and to meet its monthly administrative activities. The Company has also scaled down on its administrative expenditures, in particular its investor relations activities and travel and conference fees. Management believes that it will be able to raise additional financing in order to meet both its planned exploration activities and its administrative expenditures.

Exploration Stage Company

The Company is engaged in the business of acquiring, exploring and developing mineral properties with the expectation of locating economic deposits of minerals. All of the properties are without proven ore deposits and there is no assurance that the Company’s exploration programs will result in such, nor can there be any assurance that, economic deposits can be commercially mined. As a consequence, the risks and uncertainties and forward looking information is subject to known and unknown risks and uncertainties which are as follows, but not limited thereto:

- exploration and development of mining properties is highly speculative in nature and involves a high degree of risk

- there are many competitors in the business, some of which have greater financial, technical and other resources

- mining involves many hazards and risks in the field such as unexpected rock formations, seismic activity, cave-ins, adverse weather conditions, unstable political conditions, and many other conditions

- timing delays in exploration and development and delays in funding may result in delays and postponement of projects

- there is no assurance that the Company will be able to obtain all necessary permits and approvals to conduct its affairs and no assurance that future tax, environmental or other legislation will cause additional expenses, delays or postponements

- the operations are subject to environmental regulation, a breach of which may result in imposition of enforcement actions, environmental hazards may exist on current properties which are presently unknown to the Company, and regulations and laws change over time

- world prices for metals can be unstable and unpredictable and may materially affect the Company's operations as well as economic conditions which may change the demand for minerals

- the securities markets worldwide have experienced high price and volume volatility

- the Company is dependent upon the services of several key individuals whose loss could significantly affect operations

- officers and directors of the Company may have potential conflicts of interest with other entities

- uncertainties as to future development and implementation of future technologies

- changes in accounting policies and methods may affect how the financial condition of the Company is reported

- uncertainties, such as potential breaches of contracts (i.e. property agreements), could result in significant loss

Dividends

Laurentian has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the Board of Directors of Laurentian and will depend on Laurentian's financial condition, results of operations, capital requirements and such other factors as the Board of Directors of Laurentian deem relevant.

Nature of the Securities

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

Proposed Transactions

At the present time, there are no proposed transactions that are required to be disclosed.

Additional Disclosure for Venture Issuers Without Significant Revenue

Additional disclosure concerning Laurentian's general and administrative expenses and resource property costs is provided in the Company's Statement of Loss and Deficit and Schedule of Resource Property Costs contained in its audited Financial Statements for the year ended March 31, 2009, available on Laurentian's website at www.laurentiangoldfields.com or on its SEDAR Page Site accessed through www.sedar.com.

Outstanding Share Data

Laurentian's authorized capital is unlimited common shares without par value. As at June 18, 2009, the following common shares, options and share purchase warrants were outstanding:

	# of Shares	Exercise Price	Expiry Date
Issued and Outstanding Common Shares at June 18, 2009	22,115,719	N/A	N/A
Employee Stock Options	25,000 468,183	$0.40 $0.44	April 26, 2011 November 30, 2012
Share Purchase Warrants	2,315,786 1,517,500	$0.55 $0.60	May 15, 2010 May 15, 2010
Fully Diluted at June 18, 2009	26,442,188		

Transactions with Related Parties

During the year, the Company paid consulting fees of: $40,000 (2008 - $77,000) to Mr. Andrew Brown (President and Chief Executive Officer); $29,300 (2008 - $21,110) to Mr. Christopher Twells (Chief Financial Officer); $60,000 (2008 - $52,705) to Mr. Brian P. Fowler (Director of the Company); $106,275 (2008 - $72,968) to Mr. Patrick Lengyel (Vice President of Exploration) of which $102,375 (2008 - $60,618) was capitalized to resource properties; $4,050 (2008 - $360) to Ms. Kim Casswell (Officer of the Company); $3,835 (2008 - $2,851) to BCGold Corp. (a company with a Director in common); and $10,027 (2008 - $37,857) to Omni Resource Consulting Ltd. (a company controlled by a former Director of the Company).

Related party transactions are in the normal course of business and occur on terms similar to transactions with non-related parties, and therefore are measured at the exchange amount.

Fourth Quarter Results

During the fourth quarter the Company's net loss increased by $235,239 from $321,940 to $557,179. The Company's largest expenditures during the quarter were wages and consulting fees of $115,584, professional fees of $31,173, conferences and meetings expenditures of $23,572 and office and administration fees which totalled $16,503. As a result of the increase in the Company's net loss, the accumulated deficit increased from $1,336,700 to $1,571,939.

The fourth quarter also saw the Company curtail its exploration activities on its projects as intended as fieldwork programs were concluded for the winter. The Company has commenced initial stage operations in the spring.

Cash used in operating activities during the fourth quarter was $221,371 before any changes in non-cash working capital. After adjusting for cash flows applied to non-cash working capital, cash used in operating activities during the fourth quarter was $149,500.

Cash used for investing activities during the fourth quarter was $51,069 and there was no change to the Company's cash flows from financing activities during the fourth quarter.

Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as at March 31, 2009 or as at the date hereof.

Future Accounting and Reporting Changes

International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008 the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended March 31, 2011. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

Goodwill and Intangible Assets

In February 2008, the AcSB issued Handbook Section 3064, "Goodwill and Intangible Assets", which will replace Section 3062, "Goodwill and Intangible Assets" and amended Section 1000, "Financial Statement Concepts" clarifying the criteria for the recognition of assets, intangible assets and internally developed intangible assets. Items that no longer meet the definition of an asset are no longer recognized with assets. The new standard also provides guidance for the treatment of preproduction and start-up costs and requires that these costs be expensed as incurred. The new standard is effective for fiscal years beginning on or after October 1, 2008 and early adoption is permitted. The adoption of this new section is not expected to have a material impact on the Company's financial position.

Capital Management

The Company's objective in managing capital is to have sufficient funds to fund its corporate activities and then acquire, explore and develop its mineral properties as well as safeguarding its ability to continue as a going concern.

The Company is currently unable to self finance its operations and has relied on equity financings to provide funds for its operations. The Company intends to spend its current capital on planned exploration programs and administrative costs and will raise additional funds as required. The Company manages its capital requirements by using a planning and budgeting process.

Recent Developments and Outlook

The Company expects to obtain financing in the future primarily through further equity financing, as well as through joint venturing and/or optioning out its properties to qualified mineral exploration companies. There can be no assurance that the Company will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operations and eventually to forfeit or sell its interest in its resource properties.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and cash equivalents, GST and other receivables and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term to maturity or capacity of prompt liquidation.

Going Concern

While the year end financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of business for the foreseeable future, there are events and conditions that cast significant doubt on the validity of that assumption. The Company has incurred losses since inception and has an accumulated deficit of $1,571,939 at March 31, 2009. The Company will need to raise sufficient funds in order to finance ongoing exploration and administrative expenses. The Company has no assurance that such financing will be available or be available on favourable terms. Factors that could affect the availability of financing include the Company's performance (as measured by numerous factors including the progress and results of its various projects), the state of international debt and equity markets, investor perceptions and expectations and the global financial and metals markets. If successful, the Company would obtain additional financing through, but not limited to, the issuance of additional equity.

The financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

Forward-Looking Statements

Certain statements made and information contained in this MD&A and elsewhere constitutes "forward-looking information" within the meaning of the Ontario Securities Act. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to the interpretation of drill results and the estimation of mineral resources, the geology, grade and continuity of mineral deposits, the possibility that future exploration and development results will not be consistent with the Company's expectations, accidents, equipment breakdowns, title matters and surface access, labour disputes, the potential for delays in exploration activities, the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, failure to obtain adequate financing on a timely basis and other risks and uncertainties, including those described under "Risks and Uncertainties" within this MD&A. In addition, forward-looking information is based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long-term price of gold, that the Company will receive required permits and access to surface rights, that the Company can access financing, appropriate equipment and sufficient labour and that the political environment within British Columbia and the Yukon will continue to support the development of environmentally safe mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements.

Approval

The Board of Directors of Laurentian Goldfields Ltd. has approved the disclosure contained in this annual MD&A. A copy of this annual MD&A will be provided to anyone who requests it.

Additional Information

Additional information relating to Laurentian Goldfields Ltd. can be obtained on SEDAR at www.sedar.com or by contacting:

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LAURENTIAN GOLDFIELDS LTD.
/s/ "Andrew Brown"
Andrew Brown
President and Chief Executive Officer

LAURENTIAN GOLDFIELDS LTD.
/s/ "Christopher Twells"
Christopher Twells
Chief Financial Officer