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

Containing information up to and including February 25, 2010.

Note to Reader

Readers of the following interim Management Discussion and Analysis should refer to the Company's audited financial statements for the year ended March 31, 2009 and the related Annual Management Discussion and Analysis ("Annual MD&A") dated June 18, 2009. The following discussion (the "Interim MD&A") is an update to the Company's Annual MD&A.

This Interim MD&A should be read in conjunction with the Company's unaudited interim financial statements for the nine months ended December 31, 2009, together with the notes thereto. The interim financial statements for the nine months ended December 31, 2009 have been prepared by management in accordance with Canadian generally accepted accounting principles and all monetary values are 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

Highlights of the Company's activities during the nine months ended December 31, 2009:

Financing and Corporate

- On June 16, 2009, the Company closed a non-brokered private placement of 4,444,444 non flow-through units at a price of $0.09 per unit for gross proceeds of $400,000.

- On July 2, 2009, the Company closed a non-brokered private placement of 5,555,552 flow-through units at a price of $0.18 per unit for gross proceeds of $999,999.

- On August 7, 2009, the Company closed a non-brokered private placement of 1,102,000 flow-through units at a price of $0.18 per unit and 8,547,060 non flow-through units at a price of $0.15 per unit for aggregate gross proceeds of $1,480,419.

- On August 11, 2009, the Company granted 1,935,000 incentive stock options to certain directors, officers, employees and consultants.

  Subsequent to the period ended December 31, 2009

- On February 1, 2010, the Company announced the appointment of Dr. Mark O'Dea to the Board of Directors and granted 200,000 incentive stock options to Dr. O'Dea at an exercise price of $0.17 per share for a period of five years.

Exploration Activities

- On April 29, 2009, the Company entered into a three year strategic exploration alliance (the "Anglo Alliance") with AngloGold Ashanti Ltd. ("AngloGold").

- On May 6, 2009, the Company increased its land position in the Van Horne Township, near Dryden, Ontario.

- In June 2009, the Company paid $65,000 and issued 165,000 common shares (fair value - $41,550) to various property vendors regarding the Van Horne Property.

- On July 21, 2009, the Company entered into an exploration alliance agreement (the "Uchi Alliance") with Kinross Gold Corporation.

- On July 27, 2009, the Company signed an option agreement to acquire a 100% interest in two contiguous patent claims in the Kenora Mining Division which the Company refers to as the New Klondike Property.

- On August 25, 2009, the Company signed an option agreement to acquire a 100% interest in two contiguous mining claims in the Kenora Mining Division which the Company refers to as the Sakoose Property.

- On August 26th, 2009, Laurentian completed a one day program of soil sampling, collecting a total of 47 samples which were submitted for MMI analysis and which detected anomalous levels of gold mineralization on the property.

- On October 2, 2009, the Company announced the completion of the 2009 field program on the Van Horne Project, Ontario.

- On December 2, 2009, the Company released select assay results from grab samples collected on the New Klondike Property in August, 2009.

- In December 2009, Laurentian completed Year 1 of the three year Superior Alliance with AngloGold.

Exploration Properties and Joint Venture Agreements

AngloGold Ashanti Alliance

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

  Year 1

  Anglo will fund a total of $700,000 in exploration including a minimum of $500,000 for generating new exploration projects in five selected areas within the provinces of Quebec, Ontario, Saskatchewan and Manitoba 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 Anglo Alliance and Laurentian will retain a 40% interest. Upon vesting of the Earn-In Period, Laurentian and AngloGold will have a deemed expenditure interest of $5,500,000 and $8,250,000, respectively.

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 has purchased, 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 non flow-through common share and one non flow-through common share purchase warrant exercisable at $0.18 up to June 16, 2011. Laurentian invested $100,000 of the proceeds from this private placement into year one exploration.

- As of August 31, 2009, Laurentian had completed a preliminary compilation of public and proprietary geological data for the 5 areas. This compilation provided the necessary area selection criteria to begin the field-based component of the Anglo Alliance.

- Geological crews completed a reconnaissance hydrogeochemistry survey and two prospecting and geochemical sampling programs over certain target areas in Ontario and Saskatchewan. By the end of September, 2009, only a partial set of analytical data had been received from the respective laboratories. Interpretation and reporting of results will commence upon receipt of a complete suite of assays and analyses.

- Laurentian's management completed geological evaluations of two properties in Manitoba. A limited number of samples were collected at each site. Analytical results are pending.

- In December, 2009, the Company announced that it had fulfilled the terms for Year 1 of the Superior Alliance with AngloGold Ashanti Ltd. The Year 2 follow-up exploration program has commenced, with AngloGold funding a minimum of $1.7 million. The Superior Alliance is a 3 year, $5.4 million exploration alliance focused on grassroots gold target generation in Quebec, Ontario, Manitoba and Saskatchewan.

Grenville Project, Quebec

- In May 2009, the Company completed an additional two weeks of field work on Block H of the Grenville project in Quebec. The work on this area was in partial fulfilment of the terms of the strategic exploration alliance with AngloGold Ashanti Ltd. (see above).

- The field crew completed soil sampling and prospecting as well as focused mapping of alteration and geological structures, in order to determine the source of gold-in-soil anomalies in the area, detected by earlier survey work.

- On August 9th, 2009, Laurentian's geological team returned to Quebec to complete additional soil and rock sampling on the three remaining Grenville North properties that are not subject to the terms of the strategic alliance with AngloGold Ashanti Ltd. (see above).

Subsequent to the period ended December 31, 2009:

- Laurentian is currently compiling the results of the 2009 geological programs and preparing assessment reports, which will be filed with *Resources naturelles et Faune Quebec*, in order to keep the Grenville claims in good standing. A confidential data package is also being assembled for the purposes of engaging potential joint venture partners for the Grenville North properties.

New Klondike Property, Ontario

- On July 27, 2009, the Company signed an option agreement to acquire a 100% interest in two contiguous patent claims in the Kenora Mining Division. The Company has also increased the overall size of the project area by staking an additional six claim units, contiguous with and along strike from the patents under option. The new acquisition is collectively referred to as the New Klondike Property.

- To earn a 100% interest in the patents under option, the aggregate consideration to be paid by the Company over a 4 year period will be $30,000, with payments of $1,000 per year for the first 3 years. The property vendor will retain a 2% NSR on the two patents under option and the Company will have the right to reduce the NSR to 1% at a price of $1,000,000.

- In August, 2009, the Company completed a detailed prospecting and structural mapping program, collecting a total of 73 rock samples that were submitted to SGS Laboratories for gold and multi-element analysis. In addition to the rock sampling, eighteen lines of Mobile Metal Ion™ ("MMI") soil sampling were completed across the 4 claims, totalling 227 samples that were submitted to SGS Laboratories for analysis.

- In November, 2009, all analyses for rock and soil samples collected in 2009 were completed by SGS Laboratories. Compilation and interpretation of the results is currently underway.

- In addition to the rock sampling, a reconnaissance soil sampling program was completed to the southwest of the trench locations. A total of 67 grab samples and 227 soil samples were submitted to SGS Laboratories for analysis. Of the 67 grab samples submitted, 11 returned assays better than 1 g/t gold, including the following highlights:

Table 1.

Select assay results, gold grams per tonne (g/t), from grab samples collected at New Klondike

Sample #	Sample Type	Gold (g/t)
G011855	Quartz-ankerite-tourmaline vein in trench	20.8
G011870	Quartz-ankerite-tourmaline vein in blast rock pile	12.1
G011876	Quartz-ankerite-tourmaline vein in trench	12.0
G011864	Quartz-ankerite vein	11.9
G011854	Quartz-ankerite-tourmaline vein in blast rock pile	9.71

- Anomalous gold and silver values in the soil samples indicate a possible strike extension of 600 m to the southwest of the known mineralized zone.

Sakoose Property, Ontario

- On August 25, 2009, the Company signed an option agreement to acquire a 100% interest in two contiguous mining claims in the Kenora Mining Division which the Company refers to as the Sakoose Property.

- To earn a 100% interest in the mining claims under option, the aggregate consideration to be paid by Laurentian is an $8,000 cash payment on or before August 27, 2011 and minimum exploration expenditures of $2,400 on or before September 30, 2009 (incurred - $6,713 at September 30, 2009).

- The property vendor will retain a 2% Net Smelter Royalty ("NSR") on the two mining claims under option and the Company will have the right to reduce the NSR to 1% at a price of $1,000,000.

- On August 26th, 2009, Laurentian completed a one day program of soil sampling, collecting a total of 47 samples which were submitted for MMI analysis and which detected anomalous levels of gold mineralization on the property.

Uchi Alliance

- On July 21, 2009, the Company entered into an exploration alliance agreement (the "Uchi Alliance") with Kinross Gold Corporation to conduct a $500,000 generative exploration program in the Uchi geological sub-province of Ontario and Manitoba over a period of one year. Under the terms of the Uchi Alliance, Kinross Gold Corporation and the Company will invest $400,000 and $100,000 respectively, to fund one year of early-stage exploration to identify new gold exploration projects.

- Kinross may elect to form a joint venture with the Company 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 an additional $1,500,000 in exploration expenditures over a 2 year period from the date the joint venture is formed.

- As of September 30, 2009, Laurentian has completed a compilation of public and proprietary geological data. This compilation provided the necessary area selection criteria to begin the field-based component of the Uchi Alliance.

- In October of 2009, the Company completed a 10 day program of hydrogeochemical sampling in the Uchi Geological Subprovince, in partial fulfillment of the Uchi Alliance with Kinross Gold Corporation.

Van Horne Property, Dryden, Ontario

- On May 6, 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. This option will be subject to the aggregate $1,600,000 in exploration expenditures required to maintain the adjacent options in good standing. The vendors will retain a 2% net smelter return (NSR) on the new land position, with Laurentian retaining the right to repurchase one-half of the NSR for $1,000,000.

- Laurentian also staked an additional 73 unit (1,168 hectare) claim block over highly prospective ground, southwest of and contiguous with the Company's existing claims. Including the newly optioned and staked ground, the size of the Van Horne Property now stands at 2,907 hectares.

- In June 2009, the Company issued 165,000 common shares (fair value - $41,550) in accordance with the 8 option agreements entered into to acquire up to a 100% interest in 8 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 June 29, 2009, Laurentian's geological crew began a program of outcrop stripping across selected areas of the property where encouraging gold mineralization had been detected by the company's previous sampling program. The trenched areas were mapped in detail and selectively channel sampled in order to better define gold mineralization controls along the gold trend. Soil and lithogeochemical sampling was also completed over the newly acquired claims mentioned above.

- On July 23, 2009 the Company completed 723 line kilometres of helicopter borne aeromagnetic survey over the Property, at a nominal line spacing of 50 metres. The survey and subsequent data processing was contracted to Scott Hogg & Associates, of Toronto, Ontario.

- In August 2009, the geological mapping and sampling of trenches was concluded. As of September 30, 2009, a complete set of assays and analyses were pending.

- In October, 2009, the Company received the processed geophysical data and corresponding imagery from Scott Hogg & Associates for the airborne magnetometer survey completed earlier this year at Van Horne. The geophysical images will be integrated with the recently received geochemical data to define diamond drill targets on the property.

- On October 2, 2009, the Company announced the completion of the 2009 field program on the Van Horne Project, Ontario.

Subsequent to the period ended December 31, 2009:

- On January 26, 2010, Laurentian announced the results of the 2009 field program on the Van Horne Project.

- Mechanical trenching and channel sampling and soil geochemistry was completed at several locations on the property. In all, 778 rock samples were submitted for analysis. 110 (14%) of the samples analyzed returned assays greater than 1 g/t gold, and 28 (4%) analyzed returned assays greater than 5 g/t gold.

- Highlights of the 2009 exploration program include:

    - Definition of three distinct, drill-ready zones: Bonanza-Drake, Flambeau and Gator.

    - High-grade gold channel sample assay results from the Bonanza- Drake zone included 36.1 grams per tonne (g/t) gold over 0.6 metres (m), 19.8 g/t gold over 0.5 m, and 6.9 g/t gold over 0.6 m and grab samples up to 29.7 g/t gold.

    - The discovery of an entirely new gold geochemical anomaly, the Gator Zone.

    - Extending the known strike length of the Flambeau zone to 750 m by exposing an additional 350 m of stockwork veining in trenches.

- Laurentian is currently prioritizing drill targets with the intent of initiating a 2010 diamond drill program.

Exploration Outlook 2010

- Laurentian is currently reviewing and interpreting the large data set collected during last year's fieldwork programs on the various active projects. The Company expects to be able to set follow up actions, particularly decisions regarding drill programs or new joint ventures, for the respective programs early in Q4. Key developments will likely include:

    1. Seeking to option out New Klondike, Sakoose West, Maze Lake, and Grenville North projects.

    2. New acquisition and advancement of projects as a result of the Alliance with AngloGold Ashanti.

3. New acquisition and advancement of projects as a result of the Alliance with Kinross Gold.

4. Laurentian will continue to review new property submissions as well as projects generated through proprietary means.

Andrew Brown, President and CEO of Laurentian, a member of the Association of Professional Engineers and Geoscientists of British Columbia ("APEGBC"), and a Qualified Person as defined by National Instrument 43-101 *Standards of Disclosure for Mineral Projects*, is responsible for the preparation of, and has verified, the technical information in this interim MD&A.

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.

Exploration Operations

Cumulative spending to December 31, 2009 was as follows:

	Acquisition Costs	Exploration Costs	**As at December 31, 2009**
Maze Lake, Nunavut	$ 357,150	$ 2,546,843	**$ 2,903,993**
Grenville, Quebec	221,652	990,791	**1,212,443**
Van Horne, Dryden, Ontario	189,821	748,118	**937,939**
New Klondike, Ontario	1,000	21,960	**22,960**
Sakoose, Ontario	-	12,096	**12,096**
AngloGold Alliance	182,758	959,934	**1,142,692**
AngloGold Cash Calls / Funds Used	(182,758)	(959,934)	**(1,142,692)**
Uchi Alliance	-	193,164	**193,164**
Uchi Alliance Cash Calls / Funds Used	-	(193,164)	**(193,164)**
	$ 769,623	$ 4,319,808	**$ 5,089,431**

For the Nine Months Ended December 31, 2009

During the nine months ended December 31, 2009, a total of $787,779 of resource property costs were capitalized and $223,807 of resource property costs were expensed as these costs related to Generative Activities.

Net loss for the nine months ended December 31, 2009 was $867,129 or $(0.03) per share, after a non-cash future income tax recovery of $240,468 as compared to the net loss for the nine months ended December 31, 2008 of $319,475 or $(0.02) per share, after a non-cash future income tax recovery of $276,745.

Operating expenses for the nine months ended December 31, 2009 totalled $885,341 (2008 - $560,884) an increase of $324,457. The increase in operating expenses was mainly a result of the following significant operating expenditures:

- Professional fees totalling $26,075 for the nine months ended December 31, 2009 as compared to $176,816 for the nine months ended December 31, 2008. The decrease was due to the fact that in the prior period, the Company incurred significant legal and accounting fees in relation to the acquisition of 0785531 B.C. Ltd. and for the completion of its Qualifying Transaction. Current period expenses relate to monthly fees paid to the Company's lawyers for the on-going legal fees incurred in the day-to-day operations of the Company and fees incurred regarding the recent private placements which occurred in July and August of 2009.

- Wages and consulting fees of $351,748 for the nine months ended December 31, 2009 (2008 – $233,404) 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 had temporarily hired an investor relations/administrative consultant during the period to assist the Company with its day-to-day head office requirements. The Company has now replaced this consultant with a Manager of Corporate Communications. Also, during the nine months ended December 31, 2009, some of the VP of Exploration's time has been allocated to salaries and benefits rather than exploration projects as his work was directly related to corporate head office work in comparison to the prior period where all of his time was allocated to the respective exploration projects.

- Stock-based compensation expense totalled $305,564 (2008 - $Nil). The increase in stock-based compensation expense is a direct result of the Company issuing 1,935,000 stock options during the period which vested immediately and have been valued at $305,564 using the Black-Scholes Option Pricing Model.

- Office and administration expenditures of $54,572 for the nine months ended December 31, 2009 (2008 - $32,349). 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, property and general commercial liability insurance and insurance for its Directors and Officers. Insurance was not in place for these categories in the prior period.

Other operating costs, excluding amortization during the nine months ended December 31, 2009 totalled $130,688 (2008 - $99,474), representing 15% (2008 – 18%) of total operating expenses including conferences and meetings, investor relations, listing and filing fees, rent and transfer agency fees.

Amortization for the nine months ended December 31, 2009 was $16,694 (2008 - $18,841). The decrease in amortization was a result of the acquisition and amortization of project field equipment and computer hardware and software being recognized during the period.

For the Three Months Ended December 31, 2009

During the three month period ended December 31, 2009, a total of $108,876 of resource property costs were capitalized and $205,467 of resource property costs were expensed as these costs related to Generative Activities.

Net loss for the three months ended December 31, 2009 was $299,398 or $(0.01) per share, after a non-cash future income tax recovery of $99,801 as compared to the net loss for the three months ended December 31, 2008 of $90,129 or $(0.00) per share, after a non-cash future income tax recovery of $30,800. The loss before other income (expenses) and future income taxes for the three months ended December 31, 2009 was $193,965 as compared to a loss of $106,926 for the three months ended December 31, 2008.

Summary of Quarterly Results

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

	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008
Net loss	$(299,398)	$(432,275)	$(135,456)	$(235,239)	$(90,129)	$(140,820)	$(90,991)	$(89,486)
Basic loss per share	$(0.01)	$(0.01)	$(0.01)	$(0.01)	$(0.00)	$(0.01)	$(0.01)	$(0.01)
Total assets	$7,422,436	$7,887,382	$5,288,495	$5,001,931	$5,110,553	$5,444,696	$5,699,221	$2,686,418
Shareholders' equity	$6,832,172	$7,131,570	$4,937,701	$4,631,607	$5,032,909	$5,120,573	$5,204,053	$2,349,742
Share capital	$6,639,423	$6,639,423	$5,414,313	$5,206,350	$5,369,948	$5,369,948	$5,299,694	$3,161,439
Deficit	$(2,439,068)	$(2,139,670)	$(1,707,395)	$(1,571,939)	$(1,336,700)	$(1,246,571)	$(1,105,751)	$(1,014,760)

Liquidity and Capital Resources

The Company is in the exploration stage and therefore has no regular cash inflows. At December 31, 2009, the Company had working capital of $2,022,168 (March 31, 2009 - $540,467).

Financing and Corporate Activities

- On June 16, 2009, the Company closed a non-brokered private placement of 4,444,444 non flow-through units at a price of $0.09 per unit for gross proceeds of $400,000. Each non flow-through unit consists of one non flow-through common share and one non flow-through common share purchase warrant, each warrant being exercisable to purchase one additional non flow-through common share of Laurentian Goldfields Ltd. at a price of $0.18 per common share to June 16, 2011. The warrants attached have been valued at $233,587 based upon the average of the residual method and the Black-Scholes Method. The Company agreed to invest $100,000 of the proceeds from this private placement into year 1 exploration as per its Alliance Agreement with AngloGold Ashanti Ltd. *(see Exploration Properties and Joint Venture Agreements section).*

- On July 2, 2009, the Company closed a non-brokered private placement of 5,555,552 flow-through units at a price of $0.18 per unit for gross proceeds of $999,999. Each flow-through unit consists of one flow-through common share and one-half of one non flow-through common share purchase warrant, each whole warrant exercisable to purchase one additional non flow-through common share for a period of two years from the date of issuance at a price of $0.25 per share during year one and $0.35 per share during year two. The warrants attached to this issuance have been valued at $262,301 ($289,901 net of warrant issuance costs of $27,600).

- In connection with this private placement the Company issued 555,000 compensation options at a price of $0.18 per option. The Company has recorded the fair value of these compensation options as share issuance costs. The 555,000 compensation options are exercisable for a period of two years from the date of issuance into units consisting of one non flow-through common share and one-half of one non flow-through common share purchase warrant, each whole warrant exercisable to purchase one additional non flow-through common share at a price of $0.25 per share during year one and $0.35 per share during year two. The compensation options attached to this issuance have been valued at $128,996. Finder's fees of $80,000 were paid in cash.

- On August 7, 2009, the Company closed a non-brokered private placement of 1,102,000 flow-through units at a price of $0.18 per unit and 8,547,060 non flow-through units at a price of $0.15 per unit for aggregate gross proceeds of $1,480,419. Each flow-through unit consists of one flow-through common share and one-half of one non flow-through common share purchase warrant, each whole warrant exercisable to purchase one additional non flow-through common share for a period of two years from the date of issuance at a price of $0.25 per share during year one and $0.35 per share during year two. Each non flow-through unit consists of one non flow-through common share and one non flow-through common share purchase warrant, each warrant exercisable to purchase one additional non flow-through common share for a period of two years from the date of issuance at a price of $0.25 per share during year one and $0.35 per share during year two. The warrants attached to this issuance have been valued at $598,348 ($626,080 net of warrant issuance costs of $27,732).

- In connection with this private placement the Company issued 547,000 compensation options at a price of $0.18 per option. The Company has recorded the fair value of these compensation options as share issuance costs. The 547,000 compensation options are exercisable for a period of two years from the date of issuance into units consisting of one non flow-through common share and one-half of one non flow-through common share purchase warrant, each whole warrant exercisable to purchase one additional non flow-through common share at a price of $0.25 per share during year one and $0.35 per share during year two. The compensation options attached to this issuance have been valued at $105,825. Finder's fees of $51,000 were paid in cash.

- On August 11, 2009, the Company granted 1,935,000 incentive stock options to certain directors, officers, employees and consultants. The options are exercisable at $0.17 per share and will expire on August 11, 2014. The corresponding stock-based compensation amounts to $305,564.

<u>*Subsequent to the period ended December 31, 2009*</u>

- On February 1, 2010, the Company granted 200,000 stock options to a newly appointed Director at an exercise price of $0.17 per share for a period of five years.

For the Nine Months Ended December 31, 2009

Cash and cash equivalents increased by $619,614 during the nine months ended December 31, 2009 from $507,450 to $1,127,064.

During the nine months ended December 31, 2009, the Company raised net proceeds of $2,720,580 (2008 - $2,749,612) from the sale of common shares and warrants.

Cash used in operating activities during the nine months ended December 31, 2009 was $785,339 (2008 - $577,379) 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 $541,052 (2008 - $622,268).

Cash used for investing activities during the nine months ended December 31, 2009 was $1,559,914 (2008 - $1,624,945). Investing activities were as follows: cash acquired on reverse takeover transaction of $Nil (2008 - $307,602); cash call receivable of $133,358 (2008 - $Nil); restricted cash of $306,836 (2008 - $Nil); short-term investments of $634,500 (2008 - $Nil); increase in property and equipment of $14,147 (2008 - $69,259); and acquisition and exploration of resource properties of $471,073 (2008 - $1,863,288).

At December 31, 2009, the Company's investment in resource properties aggregated $5,089,431 (March 31, 2009 - $4,301,652) and property and equipment, net of amortization, totalled $47,875 (March 31, 2009 - $50,422).

At December 31, 2009, share capital of $6,639,423 consisted of 41,929,775 issued and outstanding common shares (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 vested, the expiry of warrants and the fair value of compensation options issued was $730,534 (March 31, 2009 - $190,149) and share purchase warrants totalled $1,901,283 (March 31, 2009 - $807,047).

As a result of the net loss for the period of $867,129, the deficit at December 31, 2009 increased to $2,439,068 from $1,571,939 at March 31, 2009. Accordingly, shareholders' equity at December 31, 2009 was $6,832,172 as compared to $4,631,607 at March 31, 2009.

At December 31, 2009, the Company had 2,364,547 stock options outstanding, 1,102,555 compensation options with 551,277 warrants attached and 20,153,564 share purchase warrants outstanding, which, if exercised, would increase the Company's available cash by approximately $8,049,082.

For the Three Months Ended December 31, 2009

Cash and cash equivalents decreased by $1,005,969 during the three months ended December 31, 2009 from $2,133,033 to $1,127,064.

Cash used in operating activities during the three months ended December 31, 2009 was $393,634 (2008 – $113,953) 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 $381,553 for the three months ended December 31, 2009 as compared to cash used in operating activities of $278,677 for the three months ended December 31, 2008.

Cash used for investing activities during the three months ended December 31, 2009 was $624,416 (2008 - $238,899). The investing activities were as follows: cash call receivable of $133,358 (2008 - $Nil); restricted cash of $310,601 (2008 - $Nil); short-term investments of $600,000 (2008- $Nil); acquisition and exploration of resource properties of $201,659 (2008 – $238,023), and an increase in property and equipment of $Nil (2008 - $876).

During the three months ended December 31, 2009 and the three months ended December 31, 2008, the Company's cash flows from financing activities, being proceeds from share and warrant issuances totalled $Nil.

As a result of the net loss for the period of $299,398, the deficit at December 31, 2009 increased to $2,439,068 from $2,139,670 at September 30, 2009.

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 at least the next twelve 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 currently has sufficient funds to meet its administrative expenditures and property commitments for at least the next twelve months and expects to raise additional financing on an as needed basis in the future; 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 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 the 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.

Readers of this interim MD&A should refer to the Risks and Uncertainties section and the Going Concern section of the Company's most recent annual MD&A for the year ended March 31, 2009 for further explanation.

Strategy and Risk Management

Laurentian has secured a three year strategic exploration alliance (the "Anglo Alliance") with AngloGold Ashanti Ltd. ("AngloGold"). For the 2009 exploration season, AngloGold funded $700,000 in exploration including at least $500,000 for generative exploration efforts in five selected areas in Quebec, Ontario, Saskatchewan and Manitoba, 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 Anglo Alliance included 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. The Company has also secured a one year strategic exploration alliance (the "Uchi Alliance") with Kinross Gold Corporation ("Kinross"). Kinross and Laurentian will invest $400,000 and $100,000 respectively with the objective of identifying new gold projects. Further operations are dependent on the Company obtaining financing to meet its planned exploration activities on its other properties for 2009/2010 and to meet its monthly administrative activities. Management believes that it will be able to raise additional financing when needed in order to meet both its planned exploration activities and its administrative expenditures. *(For further strategy and risk management details, please refer to the "Exploration Outlook 2010" section within this interim MD&A).*

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 which is available on Laurentian's website at www.laurentiangoldfields.com or on its SEDAR Page Site accessed through www.sedar.com.

Transactions with Related Parties

During the nine months ended December 31, 2009, the Company paid consulting fees of: $Nil (2008 - $40,000) to Mr. Andrew Brown (President and Chief Executive Officer); $28,150 (2008 - $19,300) to Mr. Christopher Twells (Chief Financial Officer); $45,000 (2008 - $45,000) to Mr. Brian P. Fowler (Director of the Company); $Nil (2008 - $106,275) to Mr. Patrick Lengyel (Vice President of Exploration) of which $Nil (2008 - $102,375) was capitalized to resource properties; $8,400 (2008 - $850) to Ms. Kim Casswell (Officer of the Company); and $Nil (2008 - $10,027) 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.

Outstanding Share Data

Laurentian's authorized capital is unlimited common shares without par value. As at February 25, 2010, the following common shares, options and share purchase warrants were outstanding:

	# of Shares	Exercise Price	Expiry Date
Issued and Outstanding Common Shares at February 25, 2010	41,929,775	N/A	N/A
Employee Stock Options	25,000	$0.40	
	404,547	$0.44	April 26, 2011
	1,935,000	$0.17	November 30, 2012
	200,000	$0.17	February 1, 2015
Share Purchase Warrants	2,315,786	$0.55	May 15, 2010
	1,517,500	$0.60	May 15, 2010
	4,444,444	$0.18	June 16, 2011
	2,777,774	$0.35	July 2, 2011
	9,098,060	$0.35	August 7, 2011
Compensation Options	555,555	$0.18	July 2, 2011*
	547,000	$0.18	August 7, 2011*
Warrants - Compensation Options	277,777	$0.35	July 2, 2011*
	273,500	$0.35	August 7, 2011*
Fully Diluted at February 25, 2010	66,301,718		

* *The Company issued a total of 1,102,555 compensation options to various finders in connection with its recent private placements in July and August of 2009. Each compensation option is exercisable at a price of $0.18 for a period of 2 years into units comprised of one non flow-through common share and one-half of one non flow-through common share purchase warrant with each whole warrant being exercisable to purchase one additional non flow-through common share of the Company at a price of $0.25 per share during year one and $0.35 per share during year two following the date of issuance of the compensation options.*

Off-Balance Sheet Arrangements

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

New Accounting Policies

Credit Risk and Fair Value of Financial Assets and Financial Liabilities

Effective January 2009, the CICA approved EIC-173 "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities." This guidance clarified that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities including derivative instruments. The Company has evaluated this new section and determined that the adoption of these new requirements has not had an impact on the Company's interim financial statements.

Mining Exploration Costs

Effective March 27, 2009, the CICA approved EIC-174 "Mining Exploration Costs." This guidance clarified that an entity that has initially capitalized exploration costs has an obligation in the current and subsequent accounting periods to test such costs for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

This standard is effective for the Company beginning on April 1, 2009. The adoption of this EIC did not have an impact on the Company's interim financial statements.

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.

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, restricted cash, cash call receivable, short-term investments, 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.

Subsequent Events

Subsequent events have been disclosed elsewhere in the body of this interim MD&A.

Forward-Looking Statements

Certain statements made and information contained in this interim 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 interim 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 Canada and the various provinces 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 interim MD&A. A copy of this interim MD&A will be provided to anyone who requests it.

Additional Information

Additional information relating to Laurentian Goldfields Ltd. can be obtained on the SEDAR website 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