



Management's Discussion and Analysis

For the three months and nine months ended September 30, 2009

Date of Report: November 30, 2009

Overview:

This Management's Discussion and Analysis of the financial condition and results of operation ("MD&A") of 49 North Resources Inc. (the "Corporation") has been prepared based upon information available to the Corporation as at November 30, 2009 and should be read in conjunction with the interim, unaudited financial statements and the notes thereto as at and for the nine and three months ended September 30, 2009 (the "current statements") and audited financial statements and related notes of the Corporation as at and for the year ended December 31, 2008. All financial data in this MD&A is reported in Canadian dollars and has been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") unless otherwise indicated (see "Non-GAAP Measures").

The Corporation is currently a corporation under the laws of Saskatchewan whose common shares are listed on the TSX Venture Exchange ("TSXV") under the trading symbol "FNR". It is a reporting issuer in all of the provinces and territories of Canada. The Corporation is the successor by reorganization to 49 North Resource Fund Limited Partnership, which was constituted a limited partnership under the laws of Saskatchewan in July 2005, originally under the name 49 North Resource Flow-Through Limited Partnership (the "Former Partnership"). The Former Partnership's limited partnership units ("Units") were listed on the TSXV under the trading symbol FNR.UN until, effective January 1, 2008, the Former Partnership converted from the limited partnership into a corporation with the name 49 North Resource Fund Inc. in a series of transactions collectively referred to herein as the "Conversion Transaction". Effective August 14, 2009, the corporate name was changed from 49 North Resource Fund Inc. to 49 North Resources Inc. All references herein to "49 North" or the "Company", and personal pronouns such as "us", "we" or "our", mean the Corporation when used with reference to the period from and after January 1, 2008 and mean the Former Partnership when used with reference to the period prior to January 1, 2008. References herein to the "General Partner" mean the corporation which, under the name 49 North Resource Fund Inc., served as the general partner of the Former Partnership until its dissolution as part of the Conversion Transaction. Unless the context indicates otherwise, references to "common shares", mean common shares of the Corporation when used with reference to the period from and after January 1, 2008 and include Units of the Former Partnership when used with reference to the period prior to January 1, 2008. Additionally, unless otherwise indicated, all current and comparative figures in this MD&A have been adjusted to reflect the 2 Unit for 1 common share consolidation that occurred effective January 1, 2008 as part of the Conversion Transaction.

Nature of the Business:

49 North is a resource investment, financial and managerial advisory, and merchant banking company which, currently, as its principal business, invests in a diversified portfolio of shares and other securities of resource companies including, without limitation, resource companies engaged in mineral or oil and gas exploration and development, with a view to achieving capital appreciation in the portfolio. In addition, the Corporation is expanding its business into a broader range of activities, including but not limited to an increased role in the management of larger positions (including, potentially, control positions) in selected resource issuers and/or becoming directly or indirectly (through one or more subsidiaries, joint ventures, farm-ins or other arrangements that may be established for that purpose) involved in the acquisition, development and/or commercialization of resource properties.

Overall Performance:

The economic climate thus far in calendar 2009 has begun to stabilize and capital markets have begun to show signs of stability as commodity and stock prices have increased from the lows experienced in late 2008. In fact, some stock prices and commodity prices have increased significantly during the first nine months of 2009. However, there still does remain continuing uncertainty and constrained access to capital which could delay a recovery from this prolonged global recession. Commodity prices and stock prices ended the third quarter for the most part at higher prices than June 2009, March 2009 and December 2008 but nowhere near the peaks reached in mid-2008. At this time it is difficult to predict whether this commodity rebound is sustainable.

The Company realized net gains on the sale of investments in the third quarter. The improvement in commodity prices and equities resulted in continued unrealized gains in the quarter compared to a loss for full year 2008.

As at September 30, 2009, the fair value of the Company's investments was \$35,889,223 as compared to \$30,904,279 as at June 30, 2009 (16% increase) and \$7,672,171 as at December 31, 2008 (a 367% increase) and shareholders' equity stood at \$31,948,286 as at September 30, 2009 compared to \$26,162,462 as at June 30, 2009 and \$3,719,302 as at December 31, 2008 (a 759% increase).

Despite the current state of the world market, 49 North remains committed to its investment strategy and long-term objectives. The Company believes that the current volatility in stock prices will remain in the near term and may result in 49 North incurring realized losses on sales of its investments in order to generate cash needed to fund its operations. Additionally, if there are further declines in the trading prices of securities which 49 North holds, the Company may incur additional unrealized losses on its investments.

Selected Financial Information:

Balance Sheet Information In \$ 000's except per share data	September 30, 2009	December 31, 2008
Equity investments, at fair value	\$ 35,889	\$ 7,672
Total assets	38,614	8,679
Liabilities	6,666	4,960
Shareholders Equity	31,948	3,719
Per share, basic	\$ 3.82	\$ 2.05
Per share, diluted	\$ 3.52	\$ 1.91

Statement of Operations Information In \$ 000's except per share data	Three months ended September 30,		Nine months ended September 30,	
	2009	2008	2009	2008
Net realized investment gains (losses)	1,640	668	1,141	909
Net unrealized investment gains	5,053	(30,677)	14,322	(13,131)
Interest income	14	12	30	20
	<u>\$6,707</u>	<u>\$(29,998)</u>	<u>\$15,493</u>	<u>\$(12,202)</u>
Expenses	842	(667)	2,458	2,295
Income before income taxes	5,865	(29,331)	13,035	(14,497)
Future income taxes	617	(3,631)	1,871	(2,376)
Net Income	5,248	(25,699)	11,164	(12,122)
Earnings per share, basic	\$0.63	\$(14.06)	\$1.98	\$6.63
Earnings per share, diluted	\$0.61	\$(14.06)	\$1.88	\$6.63

Significant Events:

Apart from the general economic factors and specific financial information mentioned above, the following events and developments occurred during and subsequent to the nine months ended September 30, 2009 that changed or affected the organizational structure, capitalization, operations and/or result of operation of 49 North.

➤ **Stock Option Plan:** On April 2, 2009, the board of directors of the Company approved the grant of 295,000 stock options pursuant to the Company's 2008 Stock Option Plan. 140,000 of the options were granted to directors and executive officers with the balance granted to employees and consultants. The options are exercisable at \$2.00 per share and, if not exercised, expire April 2, 2019, subject to earlier expiration in accordance with the Plan and applicable policies of the TSX Venture Exchange. At the same time, options for 75,000 common shares that were originally granted in July 2008 were cancelled.

On September 9, 2009, the board of directors of the Company approved the grant of 25,000 options to a director of the Company, exercisable at \$2.38 per share. Also in September, 25,000 outstanding options previously granted to Harvey Bay expired effective September 15, 2009 as a consequence of Mr. Bay's retirement as a director on June 17, 2009. As such, effective November 30, 2009, there were 295,000 common shares issuable under options.

➤ **Private Placement:** During the second quarter of 2009, the Company raised gross proceeds in an amount equal to \$11,093,819 at the initial closing of its private placement consisting of the following: (1) 2,855,479 units sold at an issue price of \$2.75 per unit. Each unit is comprised of one common share and one common share purchase warrant, exercisable at \$3.50 until June 22, 2011; (2) a share exchange transaction with Grafton Resource Investments Ltd. ("Grafton") in which the Company issued to Grafton 333,334 common shares at \$3.00 per share, in exchange for 21,985 shares of Grafton, representing a value of \$1,000,002 based on the net asset value per share of Grafton as at May 29, 2009. Grafton is a closed-end resource fund managed by Newland Fund Management LLP of London England; and (3) an exchange was also completed with Pinetree Capital Ltd. ("Pinetree"), a diversified investment, financial advisory and merchant banking firm focused on the small-cap market. The Company issued Pinetree 815,000 units (one common share and one common share purchase warrant) in exchange for 914,796 shares of Pinetree Capital Ltd. representing a value of \$2,241,250.

The agents for the private placement received a fee comprised of a commission and a work fee totaling \$698,506. As additional consideration the Company issued 285,836 broker warrants and agreed to pay a commission of 3.0% of any amount the Company receives from the exercise of any warrant underlying the units.

During the third quarter 2009, the Company raised gross proceeds in an amount equal to \$746,795 at the second and final closing of the private placement. A total of 271,562 units were sold at an issue price of \$2.75 per unit. Each unit is comprised of one common share and one common share purchase warrant, exercisable at \$3.50 until July 14, 2011. The agents for the private placement received a fee comprised of a commission and a work fee totaling \$59,743.70 for this closing. As additional consideration the Company issued 27,156 broker warrants and agreed to pay a commission of 3.0% of any amount the Company receives from the exercise of any warrant underlying the units.

➤ **Mineral Property Acquisition:** In April 2009, the Company applied for exploration permits for a 10,530 hectare property in Manitoba, Canada for \$263,313. An additional \$45,805 has been spent on obtaining permits for this mineral property. The Company intends to acquire further land interests for exploration of minerals and oil and gas.

➤ **Name Change of the Company:** Effective August 14, 2009, the Company changed its name from "49 North Resource Fund Inc." to "49 North Resources Inc." The name change reflects the fact that the Company has ceased to be an "investment fund" for securities law purposes and is expanding its business into a broader range of activities, including but not limited to an increased role in the management of and larger positions (including, potentially, control positions) in selected resource issuers and/or becoming directly or indirectly (through one or more subsidiaries, joint ventures, farm-in or other arrangements that may be established for that purpose) involved in the acquisition, development and/or commercialization of resource properties.

➤ **Normal Course Issuer Bids:** On July 31, 2009 the Company announced its intention, and its receipt of all required regulatory approvals including approval by the TSXV, to make a normal course issuer bid (the “2009 NCIB”) for up to 720,823 of its common shares, representing approximately 10% of 49 North's public float. The 2009 NCIB commenced on August 7, 2009 and will continue until the earlier of August 6, 2010 and the date which 49 North has acquired the maximum 720,823 common shares which may be purchased under the 2009 NCIB. The 2009 NCIB will be made through the facilities of the TSXV and the purchase and payment for the securities will be made in accordance with TSXV requirements at the market price of the common shares at the time of acquisition. All common shares purchased by 49 North under the 2009 NCIB will be cancelled. For the period August 7, 2009 to September 30, 2009, the Company purchased 45,800 common shares under this program at a cost of \$103,322 (on average, \$2.26 per share).

The 2009 NCIB is the third consecutive normal course issuer bid undertaken by the Company, beginning with the Former Partnership in July 2007. During the fiscal year ended December 31, 2008, the Company repurchased 92,600 common shares pursuant to its normal course issuer bids at a total cost of \$733,945 (on average, \$7.93 per share). An additional 73,800 common shares were purchased under the normal course issuer bid between January 1 and June 30, 2009 at a cost of \$147,165 (on average, \$1.99 per share).

➤ **Roll-over Transaction with 2008-I Fund:** Between February and May 2008, 49 North 2008 Resource Flow-Through Limited Partnership (the “2008-I Fund”) raised \$9,156,550 on the sale of 915,655 flow-through limited partnership units (the “2008-I Units”), at \$10 per 2008-I Unit, in an initial public offering that was carried out in all provinces and territories of Canada pursuant to a prospectus dated February 12, 2008. Pursuant to a transfer agreement made February 12, 2008, as amended and restated as of December 18, 2008, effective February 2, 2009, the 2008-I Fund transferred its assets – consisting of flow-through shares and warrants of 20 resource companies valued, after all adjustments, for the purposes of the transaction (the “2008-I Fund Roll-over Transaction”), at \$4,016,711 – to, and in exchange for 1,656,376 common shares of, the Company, which were valued for the purpose of the transaction at \$2.425 per share. Following this transfer, but also effective February 2, 2009, the 2008-I Fund was wound-up and dissolved and these 1,656,376 shares were distributed amongst the (former) partners of the 2008-I Fund with each (former) limited partner of the 2008-I Fund receiving approximately 1.809 FNR shares for each 2008-I Unit they previously held. Also as a consequence of the 2008-I Fund Roll-over Transaction 49 North became a reporting issuer in Québec and the three territories such that it is now a reporting issuer in all provinces and territories of Canada.

➤ **Roll-over Transaction with 2008-II Fund:** In December 2008, 49 North 2008-II Resource Flow-Through Limited Partnership (the “2008-II Fund”) raised \$2,191,100 in a brokered private placement of 219,110 flow-through limited partnership units (the “2008-II Units”), at \$10 per 2008-II Unit. Pursuant to a framework agreement made as of September 5, 2008, as amended and restated as of November 25, 2008, effective February 2, 2009, the 2008-II Fund transferred its assets – consisting of flow-through shares in 2 resource companies valued, after all adjustments, for the purposes of the transaction at \$1,820,069 – to, and in exchange for, 750,544 common shares of, the Company, which were valued for the purpose of the transaction at \$2.425 per share. Following this transfer, but also effective February 2, 2009, the 2008-II Fund was wound-up and dissolved and these 750,544 FNR shares were distributed amongst the (former) partners of the 2008-II Fund with each (former) limited partner of the 2008-II Fund received approximately 3.425 FNR shares for each 2008-II Unit they previously held.

➤ **Acquisition of North Rim Exploration Ltd.:** On October 2, 2009 the Corporation agreed to purchase a total of 750,000 Class “A” common shares of North Rim Exploration Ltd. (“North Rim”) for a purchase price of \$1.00 per share. As at September 30, 2009, \$75,000 was held by North Rim as a deposit on the purchase. On November 5, 2009, 49 North completed the purchase of the initial 375,000 Class “A” common shares of North Rim. The acquisition of the remaining 375,000 Class “A” common shares of North Rim is scheduled to be completed on or before December 31, 2009, following which 49 North will hold 50% of the issued and outstanding shares of North Rim and the remaining 50% of the shares will be held by key employees and exclusive consultants of North Rim.

➤ **Payment of Debenture Interest:** On July 24, 2009 the Company paid, in cash, due interest in the amount of approximately \$9.00 per \$100 principal amount of its outstanding 9% convertible, unsecured, subordinated debentures (“Debentures”). Payment was made to debenture holders of record as of June 30, 2009. The total annual interest payment was \$450,000. The Debentures have a three year term maturing July 24, 2011 and bear interest

from July 24, 2008 at 9% per annum which, unless the Debentures are earlier converted or redeemed in accordance with their terms, is to be paid on July 24 in each of 2009, 2010 and on maturity.

Results of Operations:

Summary of Results:

The Company's operating results for year to date 2009 and for fiscal year ended December 31, 2008 is stated below.

Results of Operation	September 30, 2009	December 31, 2008
Net investment gains (losses)	\$15,493,483	\$ (23,181,304)
Net income (loss) for the year	11,164,262	(21,965,982)
Earnings (loss) per share – basic	1.98	(12.14)
Earnings (loss) per share - diluted	1.88	(12.14)
Total assets	38,614,060	8,679,384
Total liabilities	6,665,774	4,960,082
Shareholders' equity	31,948,286	3,719,302

The Company's selected quarterly results for the eight most recently completed interim financial periods are as follows:

Quarterly Results of Operations (unaudited)				
In \$ 000's except per share data	Quarter ended			
	Sept. 30, 2009	June 30, 2009	March 31, 2009	Dec. 31, 2008
Net investment gains (losses)	\$6,707	\$3,672	\$5,115	\$(10,979)
Net income (loss)	5,248	2,319	3,597	(9,844)
Earnings (loss) per share – basic	\$0.63	\$0.43	\$1.08	\$(5.38)
Earnings (loss) per share – diluted	\$0.61	\$0.39	\$0.98	\$(5.38)
	Sept. 30, 2008	June 30, 2008	March 31, 2008	Dec 31, 2007
Net investment gains (losses)	\$(29,998)	\$ 15,694	\$2,102	\$12,420
Net income (loss)	(25,699)	11,838	1,740	10,204
Earnings (loss) per share – basic	\$(14.06)	\$ 6.40	\$1.06	\$3.97
Earnings (loss) per share – diluted	\$(14.06)	\$ 6.01	\$0.97	\$3.68

Nine Months Ended September 30, 2009 and 2008:

For the nine months ended September 30, 2009, the Company recorded pre-tax income of \$13,035,297 and net income, after-tax, of \$11,164,262 (\$1.98 per share), compared to pre-tax loss of \$14,497,244 and net loss of \$12,121,611 (\$6.63 per share) for the nine months ended September 30, 2008.

The Company's pre-tax income in 2009 of \$13,035,297 was based on net investment gains of \$15,493,483 less recorded expenses of \$2,458,186; compared to a loss in 2008 of \$14,497,244 on net investment losses of \$12,201,793 and expenses of \$2,295,451. The significant year over year increase is primarily a result of a net change of \$27,453,194 between unrealized gains in 2009 versus unrealized losses in 2008.

The \$15,493,483 of net investment gains in 2009 is comprised of \$1,141,549 of realized gains, \$14,321,998 of unrealized gains and \$29,936 of interest income. By comparison, in 2008, the Company had realized net investment gains of \$909,203, unrealized losses of \$13,131,196, and interest income of \$20,200. The Company's significant investment losses in 2008 were generally attributable to the significant decrease in commodity and stock prices during the third quarter of 2008 as the recession began to reach a global scale. The investment gains in 2009 are attributable to the mild recovery which has begun with increases in commodities and resource stock prices occurring. In regard to the world-wide economic climate during most of 2008, it was one of continuing global credit failure and associated de-leveraging, which severely constrained access to capital resulting in an intensifying expectation of a protracted global recession. This extreme negative sentiment resulted in extraordinary downward pressure on commodity prices and related equities which in turn has had a substantially negative impact on 49 North's investment portfolio. Commodity prices and stock prices generally ended the year at levels significantly lower than at the beginning of the year and, in many cases, at or near all-time lows. For the first nine months of 2009 we are seeing a recovery from these all-time lows, which has benefitted our investment portfolio.

The realized investment gains of \$1,141,549 were attributable to disposition of a number of investments held in the portfolio as management aims to streamline the Company's holdings. Of the \$35,889,223 in investments, \$9,616,031 or 27% represents investments in private companies. Management has reviewed the values of these holdings and based upon its accounting policies has not adjusted the values in third quarter 2009.

Expenses for the nine months ended September 30, 2009 were \$2,458,186, compared to expenses of \$2,295,451 for the nine months ended September 30, 2008. The following table provides a list of all expenses incurred by the Company for the nine months ended September 30, 2009 and 2008. Additional information about these expenses including the main reasons for changes in expenses is provided in the notes to the table.

Year to Date Expenses	Nine Months Ended September 30	
	2009	2008
Amortization ¹	37,185	14,132
Business development and investor relations ²	503,914	484,464
Interest ³	488,142	335,352
Management fees ⁴	383,302	364,038
Wages and benefits ²	130,765	56,079
Office and administration ²	66,733	32,503
Professional fees ⁵	205,557	225,287
Stock compensation ⁶	442,891	680,000
Transaction costs ⁷	199,697	103,596
	2,458,186	2,295,451

Notes:

1. Amortization expense is related to amortization of the Companies leasehold improvements and capital assets. These were purchased in mid 2008.
2. Business development and investor relation costs, wages and benefits, and office and administrative expenses totaled \$701,412 compared to \$573,046 for the nine months ended September 30, 2008. In 2008 the Company hired its first permanent employees and staff, including a full time Manager of Investor Relations, and initiated several new investor relations activities as well as acquiring new office premises. As well, in 2009 compensation costs associated with the CFO and directors of the Company were recorded which were not incurred in 2008.
3. Interest expense was \$488,142 for the first nine months of 2009 compared to \$335,352 for the nine months ended September 30, 2008. The increase is due primarily to the fact that in July 2008 the Company issued \$5,000,000 principal amount of convertible debentures at a 9% interest rate compared to a \$2,000,000 convertible debenture at a 9% interest rate that was issued in June 2007 and then converted into preferred shares as part of the January 2008 Conversion Transaction. Interest expense in 2008 also included dividends on these preferred shares that accrued until they were redeemed in July of 2008. In addition, the interest expense in 2009 includes the accretion of the liability component of the debentures in the amount of

\$204,426.

4. Management performance bonus and fees are approximately the same year over year. Management fees and, if applicable, the management performance bonus, consist of amounts payable by the Company to TMM Portfolio Management Inc. (“TMM” or the “Portfolio Manager”) in accordance with a portfolio management agreement made between the Corporation and TMM as of January 1, 2008 (or, prior to 2008, in accordance with a substantially similar investment management agreement made between the General Partner of the Former Partnership and TMM as of September 30, 2005, as amended and restated effective October 26, 2008, which was terminated and replaced with the above referenced portfolio management agreement as part of the January 2008 Conversion Transaction). Pursuant to these agreements (collectively the “Management Agreement”), TMM provides advice to the Company and, subject to the overall power of the board of directors to supervise and manage the Company, manages 49 North’s investment portfolio.

TMM is entitled under the Management Agreement to be paid a quarterly management fee equal to 0.5% of the Published NAV of the Company (see in this regard the discussions below under “Valuation of Assets”, “Net Asset Values” and “Non-GAAP Measures”) calculated as of the last business day of the relevant fiscal quarter, which management fee is payable on or prior to the end of the month next following the relevant fiscal quarter. Additionally, in each fiscal year of the Company, TMM is entitled to receive a performance bonus, calculated as of the last business day of the applicable fiscal year, in an amount equal to 20% of the amount, if any, by which the sum of the Published NAV per common share (or prior to 2008 the Published NAV per Unit) as of that date, plus all dividends or other distributions per common share (or Unit) during that fiscal year, exceeds the greater of a “benchmark value” as stipulated in Management Agreement and the Published NAV per common share (or Unit) as of the last business day of the preceding fiscal year. Any such performance bonus is payable within 30 days following the end of the fiscal year to which it relates. Management fees and, if applicable, any performance bonus not paid by the due dates bear interest at prime plus 2% until paid in full.

The “benchmark value” under the new portfolio management agreement that was entered into as part of the January 1, 2008 Conversion Transaction was increased to \$16.34 per common share.

5. Professional fees for the nine months ended September 30, 2009 were \$205,557, a decrease of \$19,730 over 2008.
6. In April 2009 the Company issued stock options. A total of 295,000 options were granted to employees, directors and consultants, all with an exercise price of \$2.00 and a life of 10 years. In addition, the Company issued an additional 25,000 stock options in September 2009 with an exercise price of \$2.38 and a life of 10 years. As a result, the Company’s financial statements for the nine months ended September 30, 2009 include stock based compensation of \$442,891. The options were valued using the Black-Scholes valuation model. See also “Significant Events - Stock Option Plan”.
7. Transactions costs were higher in 2009 compared to 2008, \$199,697 versus \$103,596 respectively due to the increased level of trading activity. Transaction costs arise from purchases and dispositions of investments through brokers, which are expensed immediately in accordance with the Company’s accounting policy for investments.

The Company also recorded an income tax expense in the nine months ended September 30, 2009 of \$1,871,035 compared to a recovery of \$2,375,633 in 2008.

Three Months Ended September 30, 2009 and 2008:

For the three months ended September 30, 2009, the Company recorded pre-tax income of \$5,864,674 and net income, after tax, of \$5,247,543 (\$0.63 per share), compared to a loss of \$25,699,206 (\$14.06 per share) in the three months ended September 30, 2008.

The Company's pre-tax income in third quarter 2009 of \$5,864,674 was based on net investment gains of \$6,706,697 less recorded expenses of \$842,023; compared to a loss in third quarter 2008 of \$29,330,611 on net investment losses of \$29,997,737 and an expense recovery of \$667,126. The increase in pre-tax income year over year is primarily a result of a net change of \$35,730,681 between unrealized gains in 2009 versus 2008.

The \$6,706,697 of net investment gains in 2009 is comprised of \$1,639,549 of realized gains, \$5,053,205 of unrealized gains and \$13,943 of interest income. By comparison, in third quarter 2008, the Company had realized net investment gains of \$668,124, unrealized losses of \$30,677,476 and interest income of \$11,615. The Company's investment gains in third quarter 2009 were generally attributable to a recovery in prices of commodity related stocks from the sharp declines in the market values of securities in the Company's investment portfolio as at December 31, 2008. It appears a potential recovery has begun in 2009 but it is still too early to determine if it will be sustainable. However, the Company benefited from this recovery by recording an unrealized gain in third quarter of \$5,053,205.

The realized investment gains of \$1,639,549 in the three months ended September 30, 2009 were attributable to both selling investments to fund operations and to continue the strategy of consistently reviewing and monitoring the investments the Company holds in the portfolio.

Expenses for the three months ended September 30, 2009 were \$842,023, compared to an expense recovery of \$667,126 in the three months ended September 30, 2008. The following table provides a list of all expenses incurred by the Company for the quarters ended September 30, 2009 and 2008. Additional information about these expenses including the main reasons for year-over-year changes in expenses is provided in the notes to the table.

Third Quarter Expenses	Three Months Ended September 30	
	2009	2008
Amortization ¹	12,286	6,887
Business development and investor relations ²	153,713	168,287
Interest ³	190,956	122,297
Management fees and performance bonus ⁴	169,838	(1,866,244)
Wages and benefits	54,887	27,900
Office and administration ²	44,464	8,595
Professional fees ⁵	44,212	161,891
Stock compensation ⁶	49,768	680,000
Transaction costs ⁷	121,899	23,261
	842,023	(667,126)

Notes:

1. Amortization expense is related to amortization of the Companies leasehold improvements and capital assets. These were purchased in mid 2008.
2. Business development and investor relation costs, wages and benefits, and office and administration expenses totaled \$253,064 compared to \$204,782 for the three months ended September 30, 2008. In third quarter 2009 the Company recorded compensation costs associated with directors of the Company which were not incurred in 2008.
3. Interest expense was \$190,956 for third quarter 2009 compared to \$122,297 for third quarter 2008. The increase is due primarily to the fact that in July 2008 the Company issued \$5,000,000 principal amount of convertible debentures at a 9% interest rate compared to a \$2,000,000 convertible debenture at a 9% interest rate that was issued in June 2007 and then converted into preferred shares as part of the January 2008 Conversion Transaction. In addition, the interest expense for second quarter 2009 includes the accretion of the liability component of the debentures in the amount of \$68,142.
4. The criteria for achieving the management performance bonus for both third quarter 2009 and 2008 has not been achieved resulting a nil balance being recorded. In that regard, management fees and, if applicable, the management performance bonus, consist of amounts payable by the Company to TMM Portfolio Management

Inc. (“TMM” or the “Portfolio Manager”) in accordance with the Management Agreement. See Note 4 in the table under “Nine Months Ended September 30, 2009 and 2008”.

In third quarter 2008, the Company had a reversal of \$1,934,630 related to the management performance bonus due to the significant downturn in stock prices resulting from the volatility in the equity markets.

5. Professional fees for the three months ended September 30, 2009 were \$44,212, a decrease of \$117,679 over third quarter 2008. The decrease is attributable to the timing of when the Company in involved in transactions requiring the services of professional consulting services.
6. In April 2009 the Company issued stock options. A total of 295,000 options were granted to employees, directors and consultants, all with an exercise price of \$2.00 and a life of 10 years. In addition, in third quarter 2009, the Company issued an additional 25,000 options resulting in stock based compensation of \$49,768. The options were valued using the Black-Scholes valuation model. See also “Significant Events - Stock Option Plan”.
7. Transactions costs in third quarter 2009 were significantly higher than 2008 due to the increased trading activity. Transaction costs arise from purchases and dispositions of investments through brokers, which are expensed immediately in accordance with the Company’s accounting policy for investments.

The Company also recorded an income tax expense in the three months ended September 30, 2009 of \$617,131 compared to a recovery of \$3,631,405 in 2008.

Cash Flow:

Nine months ended September 30, 2009 and 2008:

Net cash used in operating activities was \$2,239,528 for the nine months ended September 30, 2009, compared to net cash used in operating activities of \$2,722,703 in the same period last year, a decrease of \$483,175.

Net cash used in investing activities during the nine months was \$83,352 compared to cash generated of \$112,801 in the nine months ended September 30, 2008. This use is due to a purchase of a mineral property in 2009 while in 2008 cash was generated from the net sale of investments of \$209,594.

Net cash generated from financing activities was \$3,482,488 in the nine months ended September 30, 2009 compared to \$1,151,262 in 2008. The 2008 activity consisted of the issuance of convertible debentures for \$5,000,000 offset by repayment of preferred shares and payment of performance bonuses and repurchase of capital stock while in 2009 the Company issued shares for \$4,941,373. This was offset by share issue costs of \$1,163,886; repurchase of common shares of \$250,488 and payment to related parties of \$44,511.

For the nine months ended September 30, 2009 the Company had a net increase in cash of \$1,159,608 compared to a decrease of \$1,458,640 a year ago.

Three Months Ended September 30, 2009 and 2008:

Net cash used in operating activities was \$1,312,200 for the three months ended September 30, 2009, compared to net cash used in operating activities of \$1,823,458 in the same period last year, a decrease of \$511,258.

Net cash generated from investing activities during the quarter was \$1,221,741 compared to cash generation in 2008 of \$45,858. This was largely a result of net generation of cash from sale of investments of \$1,657,279 in third quarter 2009 and net proceeds on sale of investments of \$290,743 in 2008.

Net cash generated from financing activities was \$415,515 in the three months ended September 30, 2009 compared to \$1,801,811 in the three months ended September 30, 2008. The 2009 activity consisted of the issuance of common shares of \$671,797 offset by share issue costs of \$154,959 and repurchase of common shares of \$101,323.

For the three months ended September 30, 2009 the Company had a net increase in cash of \$325,056 compared to an increase of \$24,211 a year ago.

Capital Resources:

Assets:

49 North’s principle business is to invest in and manage a diversified portfolio of securities of resource companies with the objective of achieving medium to long-term capital appreciation through the aggressive management of and growth in value of the portfolio. At September 30, 2009 we had total assets of \$38,614,060, approximately 93% of which - \$35,889,223 - consisted of equity investments in a total of 80 resource companies.

49 North may invest in securities of any resource company regardless of if or on what stock exchange such securities are listed, regardless of the status or stage of development of the investee company’s exploration, development or other business activities, and regardless of the size or market capitalization of the investee company. However, our portfolio focuses on junior and intermediate resource companies, with funds invested predominately in resource companies that are listed on the TSXV or other junior exchanges; although a significant portion of the portfolio, by value, may also be invested in TSX listed companies. Additionally, a significant portion of our portfolio may at any time or from time to time be invested in unlisted securities, including securities acquired under private placements of what are commonly referred to “founder’s share” or “seed-capital shares”, securities that may otherwise be issued by a resource company prior to completing feasibility studies including, without limitation, a Form 43-101 Technical Report, or securities that may otherwise may be issued prior to a resource company becoming a “reporting issuer”.

There are no fixed restrictions or requirements as to the particular sectors of the resource industry in which we invest and no fixed restrictions or requirements as to the geographical locations in which investee resource companies conduct their exploration and/or development activities. However, we tend to focus predominantly on resource companies with activities in Saskatchewan and our portfolio has historically has been weighted more to mineral exploration companies than to oil and gas companies. We endeavor to diversify the portfolio based on commodity type. As described in more detail in the tables below, as of September 30, 2009, our portfolio included holdings in companies in the potash, oil and gas, coal, precious metals, base metals, uranium, diamond and other resource sectors.

The resource equity investments held by the Company as of September 30, 2009 - valued at \$35,889,223- represents a significant – \$28,217,052 - increase compared to the equity investments of \$7,672,171 held at December 31, 2008. This significant increase in the first nine months of 2009 is attributable to the factors discussed above under “Results of Operations” and “Significant Events”. Please note that a portion of the increase is attributable to the share swap which occurred as part of the private placement.

The total number of investments held by the Company increased from 44 at December 31, 2008 to 80 at September 30, 2009. There were periods during 2008 when we held over 60 investments, but we reduced the number of holdings at year-end 2008 to take advantage of capital tax loss selling. The increase in the number of investments is mainly due to the rollover into the Company of the 2008-I Fund and 2008-II Fund in first quarter and to take advantage of the opportunity to invest in suppressed equities.

At September 30, 2009 the Company’s equity investments consisted of the following:

Portfolio Holdings at September 30, 2009¹				
Name of Company²	Symbol	Number of Shares	Fair Value	Percentage of Portfolio
Mineral Exploration:				
<i>Shares</i>				
Athabasca Potash Inc. (TSX)	API	2,215,000	13,356,450	37.22%
NuCoal Energy Corp. (private)		2,413,437	1,663,804	4.64%
Newsk Emerging Resources Ltd. (private)		1,691,848	1,488,826	4.15%

Westcore Energy Inc.	WTR	2,125,000	1,487,500	4.14%
Bending Lake Iron Group Ltd. (private)		1,200,000	1,078,570	3.01%
Wescan Goldfields Inc.	WGF	4,176,056	835,211	2.33%
Panwestern Energy Inc.	PW	3,467,822	728,243	2.03%
Goldcliff Resource Corp.	GCN	5,095,000	687,825	1.92%
Kimpar Resources Inc. (private)		600,000	669,643	1.87%
Eagle Plains Resources Ltd.	EPL	2,525,500	580,865	1.62%
Copper Canyon Resources Ltd.	CPY	2,507,035	451,266	1.26%
Rockport Mining Corp. (private)		486,274	364,721	1.02%
Shore Gold Inc. (TSX)	SGF	300,000	336,000	0.94%
Gobimin Inc. (1)	GMN	304,000	334,400	0.93%
Red Rock Energy Inc.	RRK	1,843,856	331,894	0.92%
Hathor Exploration Ltd.	HAT	150,000	264,000	0.74%
Bralone Gold Mines Ltd.	BPM	263,000	260,370	0.73%
Ucore Uranium Inc.	UCU	250,000	227,500	0.63%
Kobex Resources Ltd.	KXM	500,000	212,500	0.59%
Dumont Nickel Inc.	DNI	10,087,000	201,740	0.56%
Alix Resources Corp	AIX	1,511,000	135,990	0.38%
Northern Freegold Resources	NFR	300,052	129,022	0.36%
El Nino Ventures Inc.	ELN	1,415,540	127,399	0.35%
Potash One Inc. (TSX)	KCL	50,000	121,500	0.34%
Skeena Resources Ltd.	SKE	2,412,500	120,625	0.34%
Copper Reef Mines Ltd. (CNQ)	CZC	2,405,000	120,250	0.34%
Claude Resources Inc. (TSX)	CRJ	150,000	120,000	0.33%
Nebu Resources Inc.	NBU	566,667	113,333	0.32%
Explor Resources Inc.	EXS	250,000	102,500	0.29%
Stikine Gold Corporation	SKY	300,667	102,227	0.28%
Sheltered Oak Resources Corp.	OAK	1,000,000	100,000	0.28%
Puget Ventures Inc.	PVS	221,667	84,233	0.23%
Laurion Mineral Exploration Inc.	LME	2,077,665	83,107	0.23%
Soltoro Ltd.	SOL	200,000	83,000	0.23%
Tirex Resources Ltd.	TXX	105,000	77,700	0.22%
Senator Minerals Inc.	SNR	750,000	71,250	0.20%
Uranium North Resources Corp.	UNR	833,333	70,833	0.20%
Playfair Mining Ltd.	PLY	1,200,000	66,000	0.18%
Kent Exploration Inc.	KEX	580,000	55,100	0.15%
Northern Continental Resources Inc.	NCR	220,000	49,500	0.14%
Olivut Resources Ltd.	OLV	197,000	49,250	0.14%
Halo Resources Ltd.	HLO	881,915	44,096	0.12%
Hana Mining Ltd.	HMG	100,000	44,000	0.12%
J-Pacific Gold Inc.	JPN	391,000	43,010	0.12%
Otis Gold Corp.	OOO	49,000	36,750	0.10%
Virginia Uranium (private)		73,333	34,091	0.09%
Roxgold Inc.	ROG	740,000	33,300	0.09%
Volcanic Capital Corp.	VOL.P	100,000	30,000	0.08%
ESO Uranium Corp.	ESO	590,000	29,500	0.08%
Tanzania Minerals Corp. (private)		500,000	25,000	0.07%
Blue Sky Uranium Corp.	BSK	148,000	24,420	0.07%
JNR Resources Inc.	JNN	100,000	23,000	0.06%
Sandspring Resources Inc.	SSP.P	215,000	21,500	0.06%

Troy Energy Corp.	TEG.H	140,000	14,000	0.04%
Bacanora Minerals Ltd.	BCN.P	50,000	11,250	0.03%
Xtierra Inc.	XAG	70,000	6,300	0.02%
UEX Corp. ((TSX))	UEX	5,000	5,850	0.02%
Rochester Resources	RCT	34,000	5,780	0.02%
Angus Resources Inc.	GUS.P	30,000	4,800	0.01%
Lakota Resources Inc. (delisted)		4,918,441	-	0.00%
Warrants				
Alix Resources-Warrants		1,075,000	-	
Bralorne Gold Mines Ltd.-Warrants		263,000	-	
Dumont Nickel Inc.-Warrants		5,000,000	-	
Eagle Plains Resources Ltd. -Warrants		1,075,000	-	
El Nino Ventures Inc.-Warrants		1,250,000	-	
Explor Resources Inc.-Warrants			-	
Formation Capital Corp.-Warrants		100,000	-	
Goldcliff Resource Corp.-Warrants		1,750,000	-	
Hana Mining Ltd.-Warrants			-	
Kent Exploration Inc.-Warrants		250,000	-	
Lakota Resources Inc-Warrants		588,235	-	
Laurion Mineral Exploration Inc.-Warrants		1,063,832	-	
Nebu Resources Inc.-Warrants		283,333	-	
Northern Continental Resources Inc.-Warrants		250,000	-	
Panwestern Energy Inc.-Warrants		1,250,000	-	
Puget Ventures Inc.-Warrants		83,333	-	
Roxgold Inc.-Warrants		360,000	-	
Skeena Resources Ltd.-Warrants		1,100,000	-	
Ucore Uranium Inc.-Warrants		125,000	-	
Wescan Goldfields Inc.-Warrants		694,445	-	
Weststar Resources Corp. -Warrants		250,000	-	
Western Potash Corporation-Warrants		100,000	-	
Xtierra Inc.-Warrants		35,000	-	
			-	
Oil & Gas:				
Prairie Hunter Energy Corp (private)		2,975,059	2,975,059	8.29%
Ruby Energy Inc. (private)		916,996	484,174	1.35%
Rallyemont Energy Inc. (private)		3,500,000	350,000	0.98%
Lion Energy Corp.	LEO	1,250,000	287,500	0.80%
Wildcat Exploration Ltd.	WEL	1,584,000	198,000	0.55%
Bulldog Oil & Gas Ltd. (private)		55,000	137,500	0.38%
Nordic Oil & Gas Ltd.	NOG	1,028,870	123,464	0.34%
Petro Uno Resources	PUP	300,000	96,000	0.27%
Greencastle Resources Ltd.	VGN	690,000	82,800	0.23%
KFG Resources Ltd.	KFG	870,000	73,950	0.21%
Beaufield Resources Ltd.	BFD	525,000	63,000	0.18%
Kenosee Resources Ltd. (private)		8,547	44,643	0.12%
Blackdog Resources Ltd.	DOG	35,000	9,800	0.03%
Pacific Rodera Energy Inc.	PRD	190,000	4,940	0.01%
Cheyenne Energy Corp. (delisted)		714,280	-	0.00%
Fair Sky Resources Inc. (delisted)		65,570	-	0.00%

Welton Energy Corporation (delisted)		147,059	-	0.00%
Warrants				
Enhanced Oil Resources-Warrants		125,000	-	
KFG Resources Lt.d -Warrants		270,000	-	
Nordic Oil & Gas Ltd.-Warrants		815,435	-	
Raytec Development Corp.-Warrants		4,545,000	-	
Other:				
Grafton Resource Investments Ltd.(Dublin Stock Exchange)		21,985	901,385	2.51%
Meize Energy Industry Holdings (private)		60,000	300,000	0.84%
Pinetree Capital Corp. (TSX)	PNP	939,796	1,776,215	4.95%
			\$35,889,223	

Notes:

¹ The information in the table is derived from the Company's current financial statements. See especially note 3 of the statements. See also the discussion below under the heading "Valuation of Investments"

² All investee companies are listed on the TSX Venture Exchange unless otherwise noted.

At September 30, 2009, 49 North's portfolio included positions in 80 resource companies, diversified on the basis of what, if any, stock exchange such companies are listed upon and by commodity type as summarized in the tables below:

Exchange Listings of Portfolio Holdings						
Exchange	At September 30, 2009			At December 31, 2008		
	No. of Companies	Value (\$)	% of Portfolio	No. of Companies	Value (\$)	% of Portfolio
TSX Venture	56	9,535,542	26.57%	33	2,637,590	34.38%
Private	13	9,616,031	26.79%	6	2,318,681	30.22%
TSX	6	15,716,015	43.79%	4	2,619,700	34.15%
CNQ	1	120,250	0.34%	1	96,200	1.25%
Defunct/Delisted	3	-	-%	-	-	-
Dublin	1	901,385	2.51%	-	-	-
TOTAL	80	\$35,889,223	100.00%	44	\$7,672,171	100.00%

Portfolio Holding by Commodity						
	At September 30, 2009			At December 31, 2008		
	No. of Companies	Value (\$)	% of Portfolio	No. of Companies	Value (\$)	% of Portfolio
Potash	2	13,477,950	37.55%	2	2,485,465	32.40%
Oil & Gas	17	4,930,830	13.74%	12	1,991,842	25.96%
Coal	6	4,248,855	11.84%	2	1,166,325	15.20%
Precious Metals	20	4,502,640	12.55%	11	742,868	9.68%
Base Metals	13	3,236,218	9.02%	8	598,518	7.80%
Uranium	9	833,088	2.32%	6	297,386	3.88%
Diamonds	2	385,250	1.07%	1	1,910	0.02%

Other	11	4,274,392	11.91%	2	387,857	5.06%
TOTAL	80	\$35,889,223	100.00%	44	\$7,672,171	100.00%

In addition to its equity portfolio investments, as at September 30, 2009 the Company had other recorded assets totaling \$2,724,837 (December 31, 2008 – \$1,007,213); including cash and cash equivalents of \$1,412,555, loans and advances receivable of \$755,000 from two of its investee companies, capital assets consisting of furniture and equipment and leasehold improvements of \$173,164 and mineral properties and deposits of \$384,118. See notes 4, 5 and 6 of the current financial statements.

Valuation of Assets:

At September 30, 2009 the Company’s assets included equity investments having a fair value of \$35,889,223, representing approximately 93% of the Company’s total assets. These equity investments are classified as financial instruments held-for-trading and, in accordance with GAAP, are presented in the financial statements and measured at fair value, with changes in fair value recognized in net income. For this purpose, the fair value of a financial instrument is the amount of consideration that would be agreed upon in an arm’s length transaction between knowledgeable, willing parties who are under no compulsion to act. Fair values are determined by reference to quoted bid or ask prices, as appropriate, in the most advantageous active market for that instrument to which the Company has immediate access. Where bid and ask prices are unavailable, the Company uses the closing price of the most recent transaction for that instrument. The fair value of securities in the Company’s investment portfolio as at the end of a period are determined as follows:

Publicly traded companies. The fair value of any security which is listed or traded upon a stock exchange is estimated by taking the latest bid price. The quoted bid price value of securities that are subject to a hold period will be valued with an appropriate discount. The market values can be impacted by trading volumes, restrictions and market price fluctuations, and the quoted market price may not be indicative of what the Company could realize on the immediate sale as it may take an extended period of time to liquidate positions without causing a significant negative impact on the market price.

Privately held companies. The fair value of any shares which are not listed or traded upon a stock exchange are originally recorded at cost, unless the shares are flow-through shares, in which case they are originally recorded either on an assessment of the most recent price at which the investee company issued common equity without flow-through characteristics or the cost reduced by a typical premium being paid by the Company for similar flow-through securities. After the initial transaction, adjustments are made to reflect any changes in value as a result of an independent third party transaction. Downward adjustments to the carrying values are also made when there is evidence of a decline in value, as indicated by an assessment of the financial condition of the investment based on operational results, forecasts and other developments.

Warrants. Warrants are valued at nil during the period in which they are not exercisable and valued based on either quoted market values if traded or the amount by which the warrant is in the money (less an appropriate risk discount) when they become exercisable. A warrant is in the money when the stock price is greater than the exercise price of the warrant.

Any difference between the estimated fair value and the cost of the investments is treated as unrealized gains or losses in the statement of operations.

Net Asset Values:

Until June of 2008 49 North was classified by securities legislation as an “investment fund” and its financial statements were presented in accordance with GAAP applicable to investment funds, which varies from the manner in which GAAP requires financial statements to be prepared for corporations that are not investment funds. Amongst other things, the financial statements of investment funds include a statement of the fund’s investment portfolio and a calculation of the fund’s net asset value (“NAV”) and NAV per security. Under GAAP applicable to corporations that are not investment funds, 49 North’s financial statements no longer include a statement of portfolio investments (although this information is included in note 4 of the Company’s current statements) nor a calculation of the Company’s NAV or NAV per share. Additionally, investment funds are required by securities legislation to publish

their NAV and NAV per security on a quarterly or more frequent basis. The NAV and NAV per security, as historically published by 49 North when it was an investment fund (“Published NAV”), like that published by investment funds generally, varied from the NAV and NAV per security that is included in, or derived from, its financial statements. In particular, as mentioned above, under GAAP, the fair value of securities which are listed or traded upon a stock exchange, and the resulting calculation of NAV and NAV per security (“GAAP NAV”), are normally estimated by taking the latest bid prices for the securities. The Published NAV and NAV per security of an investment fund, on the other hand, normally estimates the fair value of publicly traded securities as of any particular date based on the closing price of such security on that date, unless the security did not trade, in which case it is valued at the average of the bid and ask price on that date; which was the general standard of measurement prior to the adoption, effective January 1, 2007, of new accounting standards issued by the Canadian Institute of Chartered Accountants (“CICA”): Handbook Section 3855, Financial Instruments – Recognition and Measurement. See also the discussion in this MD&A under the heading “Non-GAAP Measures”.

Since 49 North has ceased to be an investment fund, it is no longer required by securities legislation to publish its NAV or NAV per share. However, because the management fees and, if applicable, performance bonuses, paid by the Company to TMM are based on Published NAV, the Company continues to calculate its NAV and NAV per common share on a quarterly basis. The following table reconciles 49 North’s Published NAV to its GAAP NAV as of September 30, 2009.

	Published NAV	GAAP NAV	Difference
Assets	\$38,665,209	\$38,614,060	\$51,149
Liabilities	\$6,665,774	\$6,665,774	-
Shareholder Equity (or Net Asset Value)	\$31,999,435	\$31,948,286	\$51,149
Common shares outstanding	8,366,772	8,366,772	-
Net Asset value per common share, basic	\$3.82	\$3.82	\$0.00
Net Asset value per common share, diluted	\$3.52	\$3.52	\$0.00

Liabilities:

At September 30, 2009 the Company had recorded liabilities of \$6,665,774 (December 31, 2008, \$4,960,082). These liabilities include the following:

- Accounts payable and accrued liabilities of \$188,654 consisting of accruals for normal operating expenses, professional fees and interest payable on convertible debentures.
- Management fees and expense reimbursements of \$19,056 payable to TMM as of September 30, 2009 pursuant to the Management Agreement (December 31, 2008 – \$160,288), with no contingent performance bonus payable to TMM. The President and CEO of the Company is the sole shareholder, director and an officer of TMM. See note 3 of the table of Expenses herein under the heading “Results of Operations” for a detailed description of the terms of the Management Agreement;
- \$4,416,507 representing the redemption price (less the equity component) as at the end of the current period on the \$5,000,000 aggregate principal amount of convertible debentures that were issued in July 2008. Refer to note 8 of the current financial statements for a detailed description of the terms of these debentures; and
- \$2,041,557 related to future income taxes primarily attributable to applying the expected tax rate for future periods (32%) to the excess of fair value over tax cost on certain investments held at September 30, 2009.

Liquidity and Capital Management:

Management’s objectives when managing the Company’s capital are to:

- (a) ensure that the Company maintains the level of capital necessary to meet the requirements of its brokers and bank;

- (b) allow the Company to respond to changes in economic and/or marketplace conditions by maintaining the Company's ability to purchase new investments;
- (c) give shareholders sustained growth in shareholder value by increasing shareholders' equity; and
- (d) maintain a flexible capital structure which optimizes the cost of capital at acceptable levels of risk.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its underlying assets. Traditionally, 49 North has relied on various sources of funds for its ongoing operational and investing activities, including:

- (a) proceeds from the disposition of its investments (and, in the current year, interest and dividend income from investments);
- (b) utilizing leverage in the form of margin (due from brokers) and the Company's bank credit line;
- (c) capital raising activities such as equity or convertible debt financings;
- (d) borrowing funds from the Company's bank, brokers (margin account) and/or related parties; and
- (e) purchasing the Company's own shares for cancellation pursuant to normal course issuer bids.

49 North is not subject to any capital requirements imposed by a regulator and, as at September 30, 2009, the Company had no material outstanding commitments for capital expenditures. Cash operating expenses in 2008 were approximately \$1,650,000 and management anticipates that the Company's cash operating expenses, excluding interest payments, will be approximately the same in 2009. In addition, the first interest payment on the convertible debentures was paid in July 2009 in the amount of \$450,000.

Management anticipates that the Company's current capital resources will be sufficient to discharge its liabilities over the course of 2009 and that it will be able to generate sufficient cash to fund its operations through the normal course of purchasing and selling existing investments.

During the first nine months of 2009, 49 North continued to reduce its reliance on margin borrowing as part of its ongoing capital management program and management expects to maintain a minimal margin borrowing balance in the near term future.

See also the discussion herein concerning financial instruments and related risks under the heading "Financial Instruments" and see the disclosure herein under the heading "Risk Factors" for a detailed discussion of the main risk factors that may have a material effect on the Company's business and on an investment in the securities of 49 North.

Transactions with Related Parties:

During the nine months ended September 30, 2009, management fees of \$19,056 (December 31, 2008, \$160,288) were accrued to TMM, a company controlled by the President and CEO of the Company. There was no management performance bonus payable in first quarter 2009.

These transactions are in the normal course of operations and are measured at the exchange amount, which approximates fair value and is the amount of consideration established and agreed to by the related parties.

Critical Accounting Estimates:

The Company's financial statements have been prepared in accordance with GAAP. The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of appreciation (depreciation) of investments and expenses during the reporting period. Actual results could differ from

these estimates. The significant accounting policies used by the Company in this regard are discussed in detail in the notes to the 2008 annual audited financial statements. See especially note 2.

Non-GAAP Measures:

This MD&A contains references to “net asset value” and “net asset value per share” (or “net asset value per Unit”). Net asset value, or “NAV”, is a non-GAAP measure defined as total shareholders’ equity divided by the total number of common shares of the Company outstanding, in the case of NAV per share (basic), and total shareholders’ equity divided by the total number of common shares of the Company outstanding, calculated based on the assumption that all outstanding securities that are convertible into common shares of the Company, including, if applicable, convertible preferred shares, convertible debentures, options or warrants of the Company have been exercised, in the case of NAV per share (diluted). The terms net asset value and net asset value per share do not have any standardized meaning according to GAAP and therefore may not be comparable to similar measures presented by other companies. From its inception in 2005 until ceasing to be an “investment fund” for the purposes of applicable securities legislation, in June of 2008, the Company published its NAV in a consistent manner, and continues to calculate (and may occasionally publish) its NAV and/or NAV per share for the purpose of calculating management fees and, if applicable, any performance bonus payable to TMM pursuant to the Management Agreement. See also the discussion in this MD&A under the headings “Valuation of Investments” and “Net Asset Values”.

Financial Statement Presentation and Change of Accounting Policies:

Until June of 2008 49 North was classified by securities legislation as an “investment fund” and its financial statements were presented in accordance with GAAP applicable to investment funds, which varies from the manner in which GAAP requires financial statements to be prepared for corporations that are not investment funds. Amongst other things, the financial statements of investment funds include a statement of the fund’s investment portfolio and a calculation of the fund’s NAV and NAV per security. Under GAAP applicable to corporations that are not investment funds, 49 North’s financial statements no longer include a statement of portfolio investments (although this information is included in note 3 of the Company’s current statements) nor a calculation the Company’s NAV or NAV per share.

The comparative figures that are included in the current financial statements and/or in this MD&A but that relate to periods ending prior to January 1, 2008 are those of the Former Partnership which, throughout such periods was classified as an “investment fund”. The manner of presentation of such comparative financial information and certain terminology used in the current statements and this MD&A has been changed to conform to the manner of presentation for the current period and the fact that 49 North is now a corporation rather than a partnership and is not an investment fund.

The Canadian Institute of Chartered Accountants (“CICA”) issued a new accounting standard, Section 3064, Goodwill and Intangible Assets, which clarifies that costs can be deferred only when they relate to an item that meets the definition of an asset. As a result, start-up costs must be expensed as incurred. Section 1000, Financial Statement Concepts, was also amended to provide consistency with this new standard. These new standards are effective for years beginning on or after October 1, 2008. The Company believes the impact of these standards is minimal on its financial statements.

The CICA issued a new accounting standard, CICA Handbook Section 1582, Business Combinations (“Section 1582”), which improves the relevance, reliability and comparability of the information that a reporting entity provides in its financial statements about a business combination and its effects; CICA Handbook Section 1601 (“1601”), Consolidated Financial Statements, which establishes standards for the preparation of consolidated financial statements; and CICA Handbook Section 1602 (“1602”), Non –Controlling Interests, which establishes accounting for non –controlling interests in consolidated financial statements subsequent to a business combination. These new standards are effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011.

In January 2006, the CICA Accounting Standards Board (“AcSB”) adopted a strategic plan for the direction of accounting standards in Canada. As part of the plan, accounting standards in Canada for public companies are to

converge with International Financial Reporting Standards (“IFRS”) effective for fiscal periods beginning on or after January 1, 2011. The Corporation continues to monitor and assess the impact of the convergence of Canadian GAAP and IFRS. On February 13, 2008, the AcSB confirmed January 1, 2011 as the official changeover date for publicly listed Canadian companies to start using IFRS. Management believes that convergence to IFRS will result in changes to accounting for income taxes.

Financial Instruments:

The investment operations of Company’s business involve the purchase and sale of securities and, accordingly, the majority of the Company’s assets are currently comprised of financial instruments. The use of financial instruments can expose the Company to several risks, including liquidity, market, interest and credit risks. A discussion of the Company’s use of financial instruments and their associated risks is provided below.

Liquidity Risk:

Liquidity risk is the risk that the Company will have insufficient cash resources to meet its financial obligations as they come due. The Company’s liquidity and operating results may be adversely affected if the Company’s access to the capital markets is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company, or if the value of the Company’s investments declines, resulting in losses upon disposition. The Company generates cash flow primarily from its financing activities and proceeds from the disposition of its investments, in addition to interest and dividend income earned on its investments. The Company has sufficient marketable securities which are freely tradable and relatively liquid to fund its obligations as they become due under normal operating conditions.

The Company uses financial leverage (or “margin”) when purchasing investments. Trading on margin allows the Company to borrow part of the purchase price of the investments (using marginable investments as collateral), rather than pay for them in full. Buying on margin allows the Company to increase its portfolio size by increasing the number and amount of investments through leverage. However, if the market moves against the Company’s positions and the Company’s investments decline in value, the Company may be required to provide additional funds to its brokers. Given the nature of the Company’s business, the Company may not have sufficient cash on hand to meet margin calls and may be required to liquidate investments pre-maturely and/or at a loss, in order to generate funds needed to satisfy the Company’s obligations.

The Company has at times borrowed funds from other sources to meet its obligations, but there can be no assurances that such funds will be available in the future, or available on reasonable terms, and the absence of available funding and/or the sale of the Company’s investments in order to meet margin calls could have a materially adverse impact on the Company’s operating results.

The Company manages liquidity risk by reviewing the amount of margin available, and managing its cash flow. The Company holds investments which can be converted into cash when required. During first two quarters of 2009, the Company continued to reduce its reliance on margin relative to prior years and management expects to maintain a minimal margin borrowing balance in the near term future.

Market Risk:

Market risk is the risk that the fair value of, or future cash flows from, the Company’s financial instruments will significantly fluctuate because of changes in market prices. The value of the financial instruments can be affected by changes in interest rates, equity and commodity prices. The Company is exposed to market risk in trading its investments and unfavorable market conditions could result in dispositions of investments at less than favorable prices.

The Company manages market risk by having a portfolio which is not singularly exposed to any one issuer or class of issuers. The Company’s investment activities are currently concentrated primarily across several sectors in the natural resource industry, including potash, oil and gas, coal, precious metals, base metals, uranium, diamonds and other commodities.

Interest Rate Risk:

Interest rate risk is the impact that changes in interest rates could have on the Company's earnings and liabilities. As at September 30, 2009, the Company had liabilities payable (collectively "interest risk liabilities"), which bear interest at rates fluctuating with the prime rate. All of the interest risk liabilities can be repaid by the Company at any time, without notice or penalty, which provides the Company with some ability to manage and mitigate its interest rate risk.

Credit Risk:

Credit risk is the risk associated with the inability of a third party to fulfill its payment obligations. The Company is exposed to the risk that third parties that owe it money or securities (in connection with its loans receivable, for example) will not perform their underlying obligations.

At September 30, 2009 the Company had loans and advances receivable from two companies, totaling \$755,000 which represents approximately 2.0% of the Company's total assets.

Fair Value:

The fair value of the Corporation's financial assets and liabilities approximate their carrying values unless otherwise disclosed in the accounting policies.

Disclosure Controls and Procedures:

There have been no significant changes to the Company's internal controls over financial reporting for the most recent period that would have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting. Internal controls are continually being reviewed and assessed.

Risk Factors:

An investment in 49 North involves various risks. The following is a brief discussion of the main risk factors that may have a material effect on our business and on your investment in our common shares. Additional risks not currently known to us or that we currently deem immaterial may also impair our business operations.

Reliance on Management:

Shareholders must rely on the discretion, knowledge and expertise of management of the Company and the Portfolio Manager in determining the composition of our investment portfolio, negotiating the pricing of resource securities purchased for or sold from the portfolio and in determining if, when and on what terms to acquire or dispose of portfolio securities.

Risks Associated with Resource Issuers:

In general, our business is to invest in resource issuers, with such investments made predominantly in junior or intermediate resource issuers. There is no assurance that any of the resource issuers in which we invest will prove to be profitable or viable over the short or long term. The resource industries are highly competitive and resource issuers in which we invest must compete with many companies, many of which have far greater financial strength, experience and technical resources. Generally, there is intense competition for the acquisition of resource properties considered to have commercial potential as well as for equipment and personnel necessary to exploit such properties. The business activities of the resource issuers that we invest in are typically speculative and may be adversely affected by sector specific risk factors, outside the control of the resource issuers, which may ultimately have an impact on our investments in such issuers' securities and/or on an investor's investment in 49 North. Risks associated with the resource sector include, without limitation, the following:

- (a) The business of exploring for minerals and/or oil and gas involves a high degree of risk, many of which risks are beyond the control of the relevant resource issuer. Many of the resource issuers that we invest in may not hold,

discover or successfully exploit commercial quantities of minerals, petroleum or natural gas and/or may not have a history of earnings or payment of dividends.

(b) The marketability of natural resources which may be acquired or discovered by a resource issuer will be affected by numerous factors which are beyond the control of such resource issuer. These factors include market fluctuations in the price of minerals, petroleum and/or natural gas, as applicable, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of materials and environmental protection. The exact effect of these factors cannot be accurately predicted, but any one or a combination of these factors could result in a resource issuer not receiving an adequate return for its shareholders.

(c) There are certain risks inherent in the mineral exploration, mining and oil and gas industries, including potential claims arising from operational activities, which may or may not be insurable, or against which a resource issuer may elect not to insure. Such liabilities may have a material, adverse effect on such resource issuer's financial position and on the value of the securities of such resource issuer held as part of our investment portfolio.

(d) Mining and oil and gas operations and the resource industries in general are subject to extensive controls and regulations imposed by various levels of government. In addition to federal regulation, each province has legislation and regulations which govern land tenure, royalties, production rates, environmental protection and other matters. The royalty regime is a significant factor in the profitability of resource production. Royalties payable on production from lands other than Crown lands are determined by negotiations between the mineral owner and the lessee. Crown royalties are determined by government regulation and are generally calculated as a percentage of the value of the gross production, and the rate of royalty's payable generally depends in part on prescribed reference prices, productivity, geographical location, discovery date and the type or quality of the commodity produced. Operations may be effected from time to time in varying degrees due to political and environmental developments such as tax increases, expropriation of property and changes in conditions under which resources may be developed, produced, generated and/or exported. Additionally, a resource issuer may have property interests that are located in foreign jurisdictions, and its operations in such jurisdictions may be affected in varying degrees by the extent of political and economic stability, and by changes in regulations or shifts in political or economic conditions that are beyond the control of the resource issuer. Such factors may adversely affect the resource issuer's business and/or its property holdings. Although a resource issuer's activities may be carried out in accordance with all applicable rules and regulations at any point in time, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit or curtail production or development of the resource issuer's operations. Amendments to current laws and regulations governing the operations of a resource issuer or more stringent enforcement of such laws and regulations could have a substantial adverse impact on the financial results of the resource issuer.

(e) The mineral exploration, mining and oil and gas industries are subject to various environmental regulations set by federal and provincial governments. Environmental legislation prescribes restrictions and prohibitions on releases or emissions of various substances produced or utilized in association with certain mining and oil and natural gas operations. Such legislation also prescribes certain requirements for the abandonment and reclamation of mines, wells and other facility sites. A breach of such legislation may result in the imposition on a resource issuer of fines and penalties and/or liability to third parties and may require a resource issuer to incur costs to remedy such breach. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which has led to stricter standards and enforcement and greater fines and penalties for non-compliance. No assurance can be given that environmental laws will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect the resource issuer's financial condition, results of operations or prospects.

Marketability of Underlying Securities and Related Risks:

The value of our shares fluctuates as a result of numerous factors, including fluctuations resulting from changes in the value of the securities in our investment portfolio. The value of securities in our portfolio is affected by numerous factors such as investor demand, resale restrictions, general market trends or regulatory restrictions. Our investment portfolio generally focuses on junior and intermediate resource companies, with investments made predominantly in resource companies that are listed on the TSXV. However, we may invest in securities of any

resource company regardless of if or on what stock exchange such securities are listed, regardless of the status or stage of development of the investee company's exploration, development or other business activities, and regardless of the size or market capitalization of the investee company. A significant portion of our portfolio may at any time be comprised of unlisted securities, including securities acquired under private placements of what are commonly referred to as "founders shares" or "seed-capital shares", securities that may otherwise be issued by a company prior to completing feasibility studies including, without limitation, a Form 43-101F1 Technical Report, or securities that may otherwise be issued prior to a resource company becoming a "reporting issuer". Investing in relatively smaller companies that are listed on a junior exchange (or are not listed) may be considered to be riskier than investing in securities of relatively larger companies whose securities are listed on a senior exchange such as the TSX. These risks include, without limitation, the following:

- (a) The share price of smaller companies is usually more volatile than that of larger, more established companies. Smaller companies may have limited resources, including limited access to funds, and their shares may trade less frequently and in smaller volume than shares of larger companies. They may have fewer shares outstanding, so a sale or purchase of shares will have a greater impact on the share price. The value of these investments may rise and fall substantially.
- (b) In general, investments in smaller companies tend to be less liquid than other types of investments. Investments in illiquid securities may be difficult to value accurately and/or may trade at prices significantly lower than their value. In general, the less liquid an investment, the more its market value tends to fluctuate. As a result, we may have difficulty in converting some of our portfolio investments to cash at a fair market price when funds are required or we may incur additional costs in doing so.
- (c) The securities of non-reporting issuers that we hold may not be sold unless an exemption is available under applicable securities laws.

More generally, many of the securities held in our investment portfolio, regardless of the industry sector in which the issuer conducts business and including those listed and not subject to resale restrictions, may be relatively illiquid and may decline in price if a significant number of shares are offered for sale.

On the other hand, the potential returns on investment in smaller, relatively early stage companies may be greater than the returns experienced from investment in larger, more established companies.

Conflicts of Interest:

Each director and officer of the Corporation also is or has been a director and/or officer of the general partners of one or more of the 49 North Flow-Through Funds¹; the Portfolio Manager, TMM, has also been the portfolio manager of each 49 North Flow-Through Fund; and Mr. Tom MacNeill, the President and Chief Executive Officer and a director of the Corporation, is also the President, sole director and sole shareholder of TMM. Potential conflicts of interest may arise or be perceived between the officers and directors of the Corporation, and especially Mr. MacNeill, acting on the one hand in their capacity as an officer and/or director of the Corporation and, on the other hand, as an officer, director and/or shareholder of the general partner of a 49 North Flow-Through Fund and, in the case of Mr. MacNeill, as an officer, director and shareholder of TMM, and potential conflicts of interest may arise or be perceived between the Corporation and other funds or entities, outside of the 49 North Group¹, of which the directors and officers of the Corporation may also be directors, officers, or otherwise involved. Investors must appreciate that they are relying on the expertise, good faith and integrity of the officers and directors of the Corporation and the Portfolio Manager, and especially on the expertise, good faith and integrity of Mr. Tom MacNeill, for the success of their investment in the shares of the Corporation. Persons who are unwilling to accept this risk should not invest in our securities. More generally, the services of the officers and directors of the Corporation and of TMM are not exclusive to the Corporation. The officers and directors of the Corporation and their affiliates may engage in activities for their own account which compete with the Corporation. Conflicts may

¹ 49 North has been involved in the establishment of "flow-through limited partnerships" on an annual, or more frequent basis, in each year from 2006 to 2008 inclusive, including, without limitation, the 2007 Fund, 2008-I Fund and 2008-II Fund, as discussed above herein under "Significant Events". These flow-through funds are sometimes referred to herein, collectively, as the "49 North Flow-Through Funds" and, individually, as a "49 North Flow-Through Fund" and such Funds, together with the Company, are sometimes referred to herein collectively as the "49 North Group".

arise from time to time in allocating investment opportunities, timing investment decisions and exercising rights in respect of and otherwise dealing with securities and companies in which the Corporation and/or the officers and directors of the Corporation and/or their affiliates invest. Conflicts of interest may also arise in the enforcement of the terms and conditions of the Management Agreement and other agreements to which the Corporation is now or may in the future become a party, whether such agreements are being enforced by or against the Corporation.

Market for Shares and Net Asset Value:

As an investment fund, and in accordance with securities legislation applicable to investment funds, we calculated and published our net asset value and net asset value per share on a regular basis. Although since ceasing to be an investment fund we are no longer required to do so, we continue to calculate (and may publish) our net asset value and net asset value per share from time to time. However, our shares are not redeemable by shareholders. Rather, a person desiring to buy or sell our common shares may do so through the facilities of the TSXV by contacting his or her broker or investment advisor. The prices at which our common shares are traded are generally established through the “bid” and “ask” mechanisms of the Exchange and will typically be something less (but may be more) than the net asset value of the shares.

Future Roll-over Transactions:

We have been involved in the establishment of new 49 North Flow-Through Funds, on an annual or more frequent basis, in each year from 2006 to 2009; and each of the 49 North Flow-Through Funds that has been established to date has subsequently completed a transaction (herein referred to as a “Roll-over Transaction”) with 49 North pursuant to which the flow-through units acquired in the Flow-Through Fund’s own offering were subsequently exchanged for common shares of 49 North (or, prior to the January 2008 Conversion Transaction, for Units of the Former Partnership). Each of these prior Roll-over Transactions has been completed in February of the year following the year that the respective Funds completed their own offerings of flow-through units, with this timing designed, in part, to allow individual investors who so choose to contribute the securities they acquire in 49 North through the Roll-over Transaction to a self-directed RRSP by the end of February deadline for making contributions that may be claimed in the preceding year. We anticipate that new 49 North Flow-Through Funds may be established in the future and, at about the time that any particular new 49 North Flow-Through Fund is established, we may enter into agreements to acquire the portfolios of such funds in a proposed Roll-over Transaction. Such agreements are typically subject to various conditions, including, without limitation, the receipt of all necessary regulatory approvals. Accordingly, there is no assurance that a proposed Roll-over Transaction with any particular 49 North Flow-Through Fund will be completed within the time frames contemplated by the relevant agreements, or at all. Further, depending on the methodology used to value our shares and/or the assets of a new 49 North Flow-Through Fund, respectively, for the purpose of a proposed Roll-over Transaction; the size and timing of the new Fund’s own offering and the length of time between such offering and the completion of a proposed Roll-over Transaction; the requirements of stock exchanges on which 49 North’s shares may then be listed; and other factors which may not be known at this time and/or which may be outside of the control of management, the completion of any particular Roll-over Transaction may be dilutive to the persons who then hold shares of 49 North.

Concentration Risk:

We invest predominantly in securities of junior and intermediate resource companies engaged in mineral or oil and gas exploration in Canada, with a focus on resource companies with exploration programs in Saskatchewan. Concentrating our investments in the resource sector in this manner may result in the value of our shares fluctuating to a greater degree than if we invested in a broader spectrum of issuers or a broader geographical area.

Segmented Information:

The Company has a single reportable geographic segment – Canada, and all of the Company’s assets are located in Canada.

Outstanding Share Data:

The Corporation is authorized to issue an unlimited number of common shares; an unlimited number of first preferred shares, issuable in series; and an unlimited number of second preferred shares, issuable in series. A detailed description of the rights, privileges, restrictions and conditions attached to the authorized shares of the Corporation is included in the Company's annual information form for the year ended December 31, 2008, a copy of which may be found on SEDAR at www.sedar.com. No series of first preferred or second preferred shares exist and, as at the date of this MD&A, no first preferred or second preferred shares are outstanding.

As of November 30, 2009, the number of common shares of the Corporation outstanding, or reserved for issue under convertible securities, is as follows:

Common Shares	Number
Outstanding ¹	8,366,772
Issue upon conversion of warrants ²	3,942,041
Issuable upon conversion of convertible debentures ³	425,531
Issuable under options ⁴	295,000
Issuable upon conversion of broker warrants ⁵	312,992
Total diluted common shares	13,342,336
Notes:	
1. Takes into account the common shares that have been purchased by the Company pursuant to the 2008 NCIB that are to be cancelled. See discussion herein under "Significant Events – Normal Course Issuer Bids".	
2. Please refer to note 9 in the September 30 financial statements.	
3. Assumes all \$5,000,000 principal amount of convertible debentures are converted into common shares at the lowest possible conversion price of \$11.00 per share. See the discussion in the Annual Information Form for the fiscal year ended December 31 st , 2008 "General Development of the Business – Three Year History – Convertible Debentures" which can be found on the SEDAR website at www.sedar.com .	
4. Effective December 31 st , 2008, there were 75,000 common shares issuable under options. Of those options, 15,000 were options granted to Ronald ("Bud") Walker which expired effective February 21, 2009 as a consequence of Mr. Walker's retirement as a director and officer as of November 21, 2008. As such, effective March 31 st , 2009, there were 60,000 common shares issuable under options. All of the 60,000 options as at March 31 st , 2009 were cancelled or otherwise expired on or prior to April 6, 2009, at which time the Company issued a total of 295,000 stock options pursuant to the 2008 Stock Option Plan, exercisable at \$2.00 per share and, subject to earlier termination in accordance with that Plan, expire April 2, 2019. On September 9, 2009, the board of directors of the Company approved the grant of 25,000 options to a director of the Company, exercisable at \$2.38 per share. Also in September, 25,000 outstanding option previously granted to Harvey Bay expired effective September 15, 2009 as a consequence of Mr. Bay's retirement as a director on June 17, 2009. As such, effective November 30, 2009, there were 295,000 common shares issuable under options.	
5. Please refer to note 9 in the September 30 financial statements.	

Caution Regarding Forward-Looking Information:

Certain information contained in this MD&A constitutes forward-looking information, which is information regarding possible events, conditions or results of operations of the Company that is based upon assumptions about future economic conditions and courses of action and which is inherently uncertain. All information other than statements of historical fact may be forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate",

“expect”, “forecast”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking information contained in this MD&A includes, without limitation, our expectations regarding anticipated investment activities and results and financing activities, the impact of changes in accounting policies and other factors on our operating results, and the performance of global capital markets and interest rates.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Company believes the expectations reflected in the forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A. Some of the risks and other factors which could cause results to differ materially from those expressed in the forward-looking information contained in this MD&A include, but are not limited to: risks relating to investment performance, market fluctuations, fluctuations in prices of commodities underlying the Company’s interests and equity investments, the strength of the Canadian, U.S. and other economies, foreign exchange fluctuations, political and economic conditions in the countries in which the interests of the Company’s portfolio investments are located and other risks discussed elsewhere in this MD&A and/or the Company’s current annual information form and other public disclosure documents filed with Canadian securities regulatory authorities and available at www.sedar.com.

Readers are cautioned that the foregoing lists of factors are not exhaustive. Although the Company has attempted to identify important factors that could cause actual events and results to differ materially from those described in the forward-looking information, there may be other factors that cause events or results to differ from those intended, anticipated or estimated. The forward-looking information contained in this MD&A is provided as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law. All of the forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.

Additional Information:

Additional information about 49 North, including its annual information form for the Company’s most recently completed financial year, is available under the Company’s profile on SEDAR at www.sedar.com.